

Nigerian National Petroleum Corporation (NNPC)

Invitation to Tender (“ITT”) for a Direct Sale of Crude Oil and Direct Purchase of Product (DSDP)

(1) INTRODUCTION:

Nigerian National Petroleum Corporation (NNPC) is empowered pursuant to NNPC Act (LFN Cap. 320) to engage in all commercial activities relating to Petroleum Operations. In compliance with NNPC’s policies and guidelines and the Public Procurement Act 2007, NNPC intends to engage qualified and credible companies in a direct sale of crude oil and direct purchase of Petroleum products to ensure sustainable product supply.

(2) BRIEF DESCRIPTION OF SCOPE OF SALE:

NNPC shall provide monthly crude oil lifting in return for the delivery and supply of Nigerian standard specification of petroleum products delivered to NNPC on a delivered at place (DAP) basis, at designated safe port(s) in Nigeria equivalent in value to the Crude Oil received from NNPC subject to general terms and conditions as would be advised in the term sheet

(3) WHO MAY APPLY?

NNPC hereby invites interested and credible companies to participate in the tender process. The prospective bidder(s) must meet any of the following categorizations:

Categories:

- (a) A bona fide end user who owns a Refinery with the capacity to process Nigerian crude grades and/or retail outlets, preferably with established Nigerian presence or partnership
- (b) An established and globally recognized large volume Petroleum Product Trading Company preferably with established Nigerian presence.
- (c) An Indigenous company engaged in Nigerian oil and gas downstream activities with Trading of Petroleum product expertise.
- (d) In case of a consortium partnership, both foreign and local companies must meet the criteria listed above and, present legal documentation validating the partnership.
- (e) Foreign companies would be required to demonstrate evidence of a local Nigerian partner(s) that meet criteria listed in (c) above only as part of its submission.

(4) DURATION AND COMMENCEMENT:

The duration of the DSDP arrangement shall be for One year (12 calendar months) and would commence from 1st April, 2017.

(5) ISSUANCE OF TERM SHEET:

A term sheet (TS) shall be issued immediately to successful pre-qualified companies as the basis for commercial agreement between the parties.

(6) PRE-QUALIFICATION REQUIREMENTS:

Interested bidders are required to submit the following documents specified below:

(6.1) Certificate of Incorporation and/or similar evidence of company registration issued by Corporate Affairs Commission (CAC) for Nigerian companies or issued by Home Country's Government agency for foreign companies

(6.2) Certified true copies of Memorandum and Article of Association of the company and/or similar statutory documents indicating ownership structure of company, name(s) of major shareholders and percentage shareholding.

(6.3) Detailed Company Profile – With full details of company's resume demonstrating company's capabilities.

(6.4) Company Tax Clearance Certificate for the last three (3) years (2013, 2014 and 2015 for Nigerian companies) or similar tax certification documents for foreign companies. In the case of Tax exemption, evidence of Exemption from the respective authority

(6.5) Evidence of compliance with Pension Reform Act 2004 by inclusion of valid Pension Clearance Certificate/Evidence of remittance (for Nigerian companies) or similar document for foreign companies.

(6.6) Evidence of compliance with the Nigeria Social insurance Trust Fund (NSITF) Act by inclusion of current NSITF Clearance Certificate in (for Nigerian companies)

(6.7) Evidence of compliance with the Industrial Training Fund (ITF) Amendment Act 2011 by inclusion of copy of Compliance Certificate from Industrial Training Fund (ITF) (for Nigerian companies) or similar documents for foreign companies.

(6.8) Evidence of registration on the Bureau of Public Procurement (BPP's) National Data Base of Federal Contractors, Consultants and Service Providers (NDCCSPs) by inclusion of interim Registration Report (IRR) (for Nigerian companies).

(6.9) Audited Account for the past three (3) years (2013, 2014 and 2015) which must bear the stamp and seal of the Audit Firm.

(6.10) Minimum Turnover of \$500 Million (or the Naira Equivalent) and Net worth \$250 Million (or the Naira Equivalent) for the Financial Year Ending of 2015.

(6.11) Evidence of current relevant certification with the Department of Petroleum Resources (where applicable).

(6.12) Details of the applicant's volume of Premium Motor spirit (PMS) and other petroleum products traded in tabular form over the last four years (2013, 2014, 2015 and 2016) in the following regions

(a) Africa

(b) Asia and the Far East

(c) North America

(d) South America

(e) Europe

(6.13) Storage facility or evidence of valid throughput agreement with depot/tank farm owner detailing size, location etc. of the facility

(6.14) Evidence of verifiable similar services (Crude oil and Petroleum product exchange) carried out within the last four years (2013, 2014 2015 and 2016).

(6.15) Company's HES plans and QA/QC policy

(6.16) A prospective bidder shall make provision of sworn affidavit to support action as follows:

(a) To allow NNPC verify all claims made in your submission

(b) To allow NNPC verify that your organization is not in receivership, nor the subject of any form of insolvency of bankruptcy proceedings or the subject of any form of winding up petition or proceedings.

- (c) To confirm that the company is not a replacement for a hitherto tax defaulting company.
- (d) To confirm whether or not any of the members of relevant committees of NNPC or Bureau of Public Procurement (BPP) is former or present Director, shareholder, or has any pecuniary interest in your Company.
- (e) A written statement confirming that your company does not have any Director who has been convicted in any country for a criminal offence relating to fraud or any financial impropriety or criminal misrepresentation or falsification of facts relating to any matter.

(6.17) Certainty of business integrity and pre-signed undertaking to strictly comply with Nigerian Anti-Corruption laws in processing the bid and executing the contract if successful.

(6.18) Compliance with the Nigerian Content Act

(a) Compliance with Nigerian Content Act shall be a major consideration in the tender process. Companies must provide a detailed Nigerian Content execution strategy to the satisfaction of Nigerian Content Development and Monitoring Board ("NCDMB"), clearly setting out Nigerian Content commitments in areas of:

(b) Patronage of Nigerian shipping companies

(c) Insurance and Legal Services

(d) Banking and Financial Services

(e) Nigerian Content plan that demonstrates full utilization of Nigerian labour and services with detailed description of role, work scope and man-hours in order to achieve minimum target as set out in the requirement of the NOGICD Act 2010.

(f) Current and in-place organizational structure with detailed experience and skills of key management personnel with names. Provide evidence (personnel list and position organizational chart) percentage of management that are Nigerian nationals and the percentage of the total workforce that are Nigerians.

(g) Detailed past/present commitment to staff training and development of Nigerian personnel (where applicable).

(7.0) TENDER SUBMISSION:

(7.1) All completed bids should be sealed and submitted in Two (2) separate envelopes clearly marked -One (1) original, One (1) copy and one (1) electronic copy (CD FWM) duly signed by the bidder's authorised representative clearly marked **INVTTATON TO TENDER FOR "A DIRECT SALE OF CRUDE OIL AND DIRECT PURCHASE OF PRODUCT (DSDP)**

(7.2) The Local content requirement as stated above (No. 7.18) must be submitted in a separate envelope and dearily marked "INVITATION TO TENDER FOR "A DIRECT SALE OF CRUDE OIL AND DIRECT PURCHASE OF PRODUCT (DSDP)

(7.3) The Submission/Closing date: All documents should be submitted **on or before Thursday 2ndFebruary, 2017 at 12noon** prompt addressed to:

**The Secretary
GEC HQ Tenders Board
Nigerian National Petroleum Corporation
The Bid Management Room
Room 45B, 1st Floor, Block D, NNPC Towers
Herbert Macaulay Way,
Central Business District
Abuja, Nigeria**

(7.4) All bids received shall be publicly opened and endorsed immediately following the deadline for the submission in the present of invited observers and prospective bidders.

(7.5) All bidders are invited to attend the bid opening session holding at:

**The Amphitheatre
First Floor, Block A
NNPC Towers,
Nigerian National Petroleum Corporation
Garki, Abuja.**

(8) IMPORTANT INFORMATION

It must be noted that:

(8.1) Late submission shall be rejected

(8.2) All Submissions should be arranged and numbered in the order listed in 5 above

(8.3) Only companies who submit the required information and meet the pre-qualification criteria will be contacted after evaluation. NNPC shall deal directly with only authorized officers of the Interested companies and not through individuals or agents

(8.4) All costs incurred by your company as a result of this invitation to Tender and other associated cost in respect of this exercise shall be borne solely by your company

(8.5) This process of pre-qualification neither creates any commitment nor establishes any legal relationship with NNPC.

(8.6) All information must be provided in English Language

Signed:
Management