

Overview

NIGERIAN NATIONAL PETROLEUM CORPORATION INVITATION TO TENDER FOR THE SALE AND PURCHASE OF NIGERIA CRUDE OIL GRADES

NNPC TOWERS, HERBERT MACAULAY WAY, CENTRAL BUSINESS DISTRICT,

P.M.B 190, GARKI, ABUJA- NIGERIA

INVITATION TO TENDER FOR THE SALE AND PURCHASE OF NIGERIA CRUDE OIL GRADES

(1) INTRODUCTION

The Nigerian National Petroleum Corporation is empowered pursuant to the NNPC Act (UN Cap 320) to engage in all commercial activities relating to Petroleum Operations and therefore invites interested and reputable companies to participate in this tender process for the subsequent engagement of qualified and reputable Companies for the sale, purchase and lifting of Nigerian Crude Oil grades

(2) BRIEF DESCRIPTION OF SCOPE OF SALE

NNPC will sell Nigerian Crude Oil grades on a Free-On-Board (FOB) basis subject to the execution of a Sales and Purchase Agreement with the qualified assigned buyers.

(3) WHO MAY APPLY

NNPC hereby invites interested and credible companies who fall under any of the under listed categories to participate in this tender process The prospective bidder(s) must:

(a) Indicate on your application the specific category being applied for

(b) Note that a prospective bidder can only apply under **one** category

| CATEGORIES GROUPING | CATEGORIES | REMARKS |
|---------------------|---|--|
| A | A bona fide end user who owns a refinery and/or retail outlet. Possession of refinery that can process Nigerian crude oil grades | |
| B | Government to Government arrangement (Bilateral relationships) with high energy consuming countries | Must provide proof that the entity is wholly owned by the relevant Government or Evidence of a bilateral agreement between Nigeria and the relevant country designating the specific entity as a Government representative |
| C | An International established and globally recognized large volume Crude Oil trader | |
| D | An Indigenous Nigerian company engaged | |

Note:

Each applicant would be assessed on its own merit. Please note that Memorandum of Understanding (MOU) from any company shall NOT be entertained and would render your bid null and void

(4) DURATION AND COMMENCEMENT

The duration of the Term Contract shall be for period of One year (12 calendar months).

(5) STATUTORY REQUIREMENTS

In accordance with the Public Procurement Act of 2007, extant laws and NNPC policies and guidelines all interested bidders seeking to be considered must satisfy the following requirements specified below:

Each requirement as listed below are deemed as mandatory (for Nigerian Companies) and non –submission of documentation stated in 5.1.5.2 & 5.3 (for foreign companies) will be considered as “fatal flaw”.

(5.1) Certificate of Registration 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 (Duly Notarized)

(5.2) Certified true copies of memorandum and Article of Association of the company (Statement of share capital and return of allotment) and C07 (particulars of Directors) and /or similar statutory documents indicating ownership structure of company, name(s) of Directors, major shareholders and percentage shareholding.

(5.3) Company’s Tax Clearance Certificate for the last three (3) years (2017, 2018 & 2019) expiring on 31 December, 2020, for Nigerian companies and similar tax certification documents for foreign companies in the case of Tax exemption, evidence of Exemption from the respective Country.

(5.4) Evidence of compliance with Pension Reform Act 2004 by inclusion of valid Pension Compliance Certificate expiring on 31 December, 2020 (for Nigerian companies) or similar document for foreign compares

(5.5) Evidence of compliance with the Nigeria Social Insurance Trust Fund (NSITF) Act by inclusion of current NSITF Compliance Certificate expiring on 31st December, 2020 (for Nigerian companies).

(5.6) Evidence of compliance with the Industrial Training Fund (ITF) Amendment Act 2011 by inclusion of copy of Industrial Training Fund (ITF) Compliance Certificate expiring on 31st December, 2020 (for Nigerian companies) or similar documents for foreign companies

(5.7) Evidence of Registration on the National Database of Federal Contractors, Constants and Service Providers by submission of Interim Registration Report (IRR) expiring on 31st December, 2020 or valid Certificate issued by BPP

(5 8) GENERAL REQUIREMENTS

(5.81) Detailed Company's Profile with full details of company's resume demonstrating company's capabilities

(5.82) Evidence of relevant certification with Department of Petroleum Resources (for Nigerian Companies)

(5 9) FINANCIAL REQUIREMENTS

(5.9.1) Audited Accounts for the past three (3) years (2017, 2018 & 2019) which must bear the stamp and seal of a credible Audit Firm

(5.9.2) Demonstration of minimum annual turnover of USS 500 million (or the Naira equivalent) and net worth of not less than USS 250 million (or the Naira equivalent) for the Financial Year Ending of 2019 for applications under Categories A, B, C & D as detailed in paragraph 3 above.

(5.9.3) Indigenous companies applying under the category specified under paragraph 3 (d) above shall meet the minimum Turnover of \$200 Million (or the Naira Equivalent) and Net worth \$100 Million (or the Naira Equivalent) for the Financial Year Ending of 2018.

(5.9.4) Ability to establish an Irrevocable Letter of Credit for the payment of any allocated Crude Oil subject to the contract terms

(6.0) TECHNICAL REQUIREMENTS

(6.0.1) Details of the applicants facilities, markets and volume of crude oil (listed in barrels) and products traded (listed in metre tonnes) and/or processed over the last three (3) years (2017, 2018 & 2019)

TABLE 1. FACILITIES

| S/NO | FACILITY TYPE | CAPACITY | LOCATION | OWNERSHIP STRUCTURE |
|-------------|----------------------|-----------------|-----------------|----------------------------|
|-------------|----------------------|-----------------|-----------------|----------------------------|

TABLE 2: Crude Oil Volumes Lifted/Sold

| S/No | Crude Oil Grade | Consignee | Consignor | B/L Date | Quantity (barrels) | Other Info |
|-------------|------------------------|------------------|------------------|-----------------|---------------------------|-------------------|
|-------------|------------------------|------------------|------------------|-----------------|---------------------------|-------------------|

TABLE 3: Petrol Products Traded

| S/No | Product Type | Consignee | Consignor | B/L Date | Quantity (MT) | Other Info |
|-------------|---------------------|------------------|------------------|-----------------|----------------------|-------------------|
|-------------|---------------------|------------------|------------------|-----------------|----------------------|-------------------|

(6.0.2) Evidence of at least three (3) verifiable similar services carried out within the last five years (2015, 2016, 2017, 2018 & 2019). Please attach reference letters, value of project, including client company full contact details (not P.O. Box), functional phone numbers and e-mail address for at least three (3) of such completed similar services.

(6.0.3) Company's CASHES plans and QA/QC policy and detail of safety records for accidents, incidents, injuries, and damages for the past three (3) years (2017, 2018 & 2019) Policy must be signed.

(6.1) BUSINESS INTEGRITY REQUIREMENTS

(6.1.1) A prospective bidder shall make provision of a 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 organisation is not in receivership, nor the subject of any form of insolvency of bankruptcy proceedings or the subject of any form of wrong up petition or proceedings.
- (c) To confirm mat the company is not a replacement for a hitherto tax defaulting company
- (d) disclosing whether or not any officer of the relevant committees of Nigerian National Petroleum Corporation or the Bureau of Public Procurement is a former or present Director, shareholder or has any pecuniary interest in the bidder.
- (e) To confirm that all information presented in its bid submission are true and correct in all particulars (f) 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 of falsification of facts relating to any matter
- (g) A written statement providing full names, contact addresses of current directors and beneficial owners to including their email address, and telephone number

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

(7 0) COMPLIANCE WITH THE NIGERIAN CONTENT ACT

Compliance with Nigerian Content Act shall be a major consideration in the selection of applicants to lift Nigerian Crude Oil.

Interested applicants must submit a detailed Nigerian Content execution strategy to the satisfaction of the NCDMB, clearly setting out Nigerian Content commitments in the areas of

(a) Patronage of Nigerian shipping compares

(b) Insurance and Legal Services

(c) Banking and Financial Services

(d) Nigerian Content plan that demonstrate 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.

(e) Current and in-place organization 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 national and the percentage of the total workforce that are Nigerians.

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

(8.0) SUBMISSION OF BID DOCUMENTS

(8.1) DUE TO THE COVID-19 PANDEMIC. ALL BIDS MUST BE SUBMITTED ELECTRONICALLY TO THE NNPC/NipeX TENDER

(8.2) To be eligible for this tender exercise, interested bidders are required to submit the following mandatory details as outlined below to SCMTenders@nipex.com **on or before 12:00 noon, Wednesday, 16 September, 2020:**

(a) Company's name

(b) Company's full address

(c) Company's authorized contact person (s) name to include

(d) Phone number

(e) Company's e-mail address

(8.3) Section 8.2 (a-e) above is a mandatory requirement to register your company for participation in this tender process in the NNPC/Nipex tender process portal.

(8.4) All interested bidders who do not provide the mandatory details as requested in Section 8.2 (a-e) above as at 12:00 noon of **16 September 2020**, will no longer have access to the NNPC/NIPEX Portal

(8.5) Individual bidders would be duly notified on their registration in the NNPC/NIPEX tender portal

(8.6) Thereafter, the bidder would have access to make their submissions on the NNPC/NipeX Tender Portal

(8.7) All submitted bids should be labelled "**INVITATION TO TENDER FOR THE SALE AND PURCHASE OF NIGERIAN CRUDE OIL GRADES**"

(8.9) The submission closing date:

All documents should be submitted online through the electronic NNPC/NIPEX Tender Portal on or before **12:00 Noon on Thursday 15 October 2020** to: www.nipex-ng.com

(8.10) All bids shall be opened virtually and the entire process shall be visible to all parties. Following the deadline for bids submission at **12:00 Noon on Thursday, 15 October, 2020**, using the NNPC Microsoft Teams.

(8.11) In case of any unscheduled holiday on the Bid submission date, the deadline for submission of bids will take place on the next working day. Accordingly, Bid Closing Date/time be extended to the next working day and time.

(8.12) All bidders who have submitted bids and external observers shall be invited to attend a virtual live stream bid opening session

(9.0) IMPORTANT INFORMATION

(9.1) All submission should be numbered in the order listed in 5 above

(9.2) Only companies who submit the required information will be contacted. NNPC shall deal directly with only authorized officers of the interested companies and not through individuals or agents.

(9.3) All the deadline of bids submission, bidders will no longer be able to submit bids online, as late submissions would be rejected

(9.4) All costs incurred by your company as a result of this Invitation to tender exercise and any subsequent request for information shall be to your account

(9.5) This Invitation to tender process and any related process neither creates any commitment by NNPC nor establishes any legal relationship

(9.6) All information must be provided in English Language

SIGNED

NNPC MANAGEMENT