

Nigerian Agip Oil Company Limited (NAOC)

Operator of the NNPC/NAOC/ OHL Joint Venture

Provision of Pipeline Integrity Services through Coating Integrity Survey / Repair of NAOC Land / SWMP Pipelines

Nipex Tender Ref. No.: 3100131

Introduction

Nigerian Agip Oil Company Limited (NAOC) intends to put in place an open contract for pipeline integrity services through coating integrity survey / repair for NAOC LAR / SAR pipelines using the Direct Current Voltage Gradient (DCVG) method.

Contractor shall take coverage of all costs and expenses for all services provided hereunder for the duration of the contract.

The proposed open contract shall cover a period of two (2) years plus one (1) year optional extension.

NAOC through this Tender, announces to interested reputable Nigerian Companies and NJQS prequalified Companies in line with Clause 3 (2) of the NOGICD Act 2010' of the defined scope of services as hereunder outlined:

Scope of Work

This shall include but not limited to the following:

- Provision of inspection services for the coating integrity evaluation / coating defects repair using the direct current voltage gradient (DCVG) method for all LAR / SAR pipelines. Contractor shall supply all materials, equipment, tools and personnel in timely manner to guarantee uninterrupted services.
- Contractor shall perform periodic coating integrity survey of all NAOC LAR / SAR pipelines by the direct current voltage gradient (DCVG) method manned by experienced surveyors to locate all holidays, holes and discontinuities in the pipeline protective coating. The activities to be performed also includes but not limited to the clearing of pipeline Right of Way (ROW) to provide access for the survey, positional survey, repair of coating defects and all other works deemed necessary to accomplish the inspection and repairs.
- Contractor shall use state of art survey instruments to measure and record the distance of all coating defect points from (reference starting point). GPS and echo-sounder (at water crossings) will be the preferable survey instruments. In addition, chainage of test posts / pipeline risers, route markers and roads crossings, important landmarks etc., shall be recorded.
- Contractor shall carry out manual excavation, pipe exposure and coating removal at coating defect points earmarked for repair. The length of excavation will depend on the magnitude or severity of coating defect.

- Contractor shall carry coating repair at the exposed coating defect point using the same materials originally installed or compatible ones.

In addition, Contractor shall carry out the following inspection / maintenance activities:

- “ON/OFF” potential survey at the epicenter of the coating defect point
- Measure depth of pipe (from the top of the pipe) at interval of 100m and at the epicenter of every coating defect
- Close Interval Potential Survey upstream and downstream of the coating defect point at an interval of 1m
- Re-establishment of coating defect points for the purpose of excavation and coating repair using a GPS
- Random excavation of selected coating defects to measure the precision of the equipment and competency of the DCVG operator
- Visual and other appropriate inspection techniques shall be used to isolate defects
- Maintain minimum stock of relevant equipment, tools and consumables such as assorted coating materials etc.
- Clearing of the pipeline right of way as may be required to create easy access for the survey and the coating repair works.
- Contractor shall provide all materials, personnel, equipment / tools / instruments required for the performance of the services in accordance with Company’s requirements and also provide all required logistics to deliver best and uninterrupted services.
- Contractor shall maintain adequate records of the coating conditions of all pipelines in their scope and plan interventions accordingly to ensure that KPIs conditions are met.

(3) Mandatory Requirements:

(a) To be eligible for this tender exercise, interested Contractors are required to be pre-qualified under Product Code 40204 and 40404 – Pipeline Intervention and Trunk Line Maintenance in NipeX Joint Qualification System (NJQS) database. All successfully pre-qualified suppliers in this categories will receive Invitation to Technical Tender (ITT).

(b) To confirm if you are pre-qualified and view the product/service category you are listed for: Open www.nipexng.com and access NJQS with your log in details, click on continue Joint Qualification Scheme tool, click check my supplier status and then click supplier product group.

(c) If you are not listed in a product/service category but you are registered with DPR to do business, contact NipeX office at 30, Oyinkan Abayomi Street, Ikoyi Lagos with your DPR certificate as evidence for verification and necessary update.

(d) To initiate the NJQS pre-qualification process, access www.nipexng.com to download application form, make necessary payments and contact NipeX office for further action

(e) To be eligible, all tenders must comply with the Nigerian Content requirements in the NipeX system.

(4) Nigerian Content

Bidders are invited to express complete understanding and willingness to comply with provisions of the Nigerian Oil and Gas Industry Content development (NOGICD) Act 2010. Consequently, bidders' submissions shall be evaluated strictly with the minimum evaluation criteria defined in The Act'.

The documentation for evaluation shall include, but not limited to the following:

- (1) Demonstration that entity is a Nigerian registered company as defined in the NOGICD Act 2010 by providing details of Company ownership and share holding structure with clear certified true copies of bidders' Corporate Affairs Commission (CAC) forms C02 and C07.
- (2) Nigerian Content Plan that demonstrates the full utilization of Nigerian labour and services with detailed description of role, work scope and man-hours in order to achieve the minimum target as set out in the requirements of the NOGICD Act 2010. Where in-country capacity is inadequate, propose innovations to bridge the gap
- (3) Current and in-place organizational structure with detailed experience and skills of key management personnel with names. Provide evidence (personnel lists and positions with organizational chart to substantiated percentage of management that are Nigerian nationals and the percentage of the total workforce that are Nigerians.
- (4) Where the bidding entity lacks capacity, genuine alliances with multinational companies for the purpose of technology transfer shall be encouraged. The alliance/joint venture shall be executed with binding Memorandum of Agreement (MOA) signed by chief executives of both entities stating clear work-share ratio among the parties and time frame for growth or transfer to be achieved.
- (5) Evidence that engineering services shall be performed in Nigeria with a clear demonstration of local office address (not P.O. Box) with verifiable evidence of staffing levels; this will be supported by full description of Nigerian office to domicile engineering.
- (6) Detail past/present commitment to staff training and development of Nigerian personnel.
- (7) Furnish detailed training plan for the service.
- (8) Specific to this project, provide evidence (personnel list) of percentage management that are Nigerian nationals and of the total workforce that are Nigerians.
- (9) Provide evidence to show that a minimum of 50% of the equipment to be deployed for the work is owned by the Nigerian subsidiary if international or multinational company is working through the Nigerian subsidiary including equipment list.

(10) Bidder's sourcing strategy/plan for this scope of service; and evidence of source of products, materials e.t.c. with details of the applicants relationship with local suppliers and service providers e.g. in the management of logistics, personnel e.t.c.

(11) Evidence of the address and location where procurement and project management activities will be coordinated in Nigeria.

(12) Detailed specific programmes in place to transfer technology and skills to Nigerian businesses.

NOTE: Failure to meet the Nigerian Content requirements is a "FATAL FLAW."

NOTE: Only Nigerian Companies are qualified for this service.

Bidders shall be requested to provide evidence to show their compliance with the above listed requirements at the ITT stage.

(5) Closing Date

Only tenderers who are registered with the relevant NJQS product/service category,40204 and 40404-Pipeline Intervention and Trunk Line Maintenance, Category AB,C&D as at **28th April, 2016** being the advert closing date, shall be invited to submit Technical Bids.

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

(6) Additional Information

This advertisement of Tender Opportunity" shall not be construed as a commitment on part of NAOC, nor shall it entitle Applicants to make any claims whatsoever and/or seek any indemnity from NAOC and/or any of its Partners by virtue of such Applicants having responded to this Advert

Signed

MANAGEMENT