THE SHELL PETROLEUM COMPANY OF NIGERIA LIMITED

OPERATOR OF THE NNPC/SPDC/TEPNG/AGIP JOINT VENTURE

TENDER OPPORTUNITY; PROVISION OF CORPORATE LABORATORY ANALYTICAL, ESSENTIAL, EQUIPMENT MAINTENANCE & INTEGRITY SERVICES FOR SPDC LABORATORIES

TENDER REF NG01021756/NIPEX NO: SPDC.00000193

(1.0) INTRODUCTION AND PROJECT OUTLINE

The Shell Petroleum Development Company (SPDC) as Operators of the Joint Venture between itself and the Nigerian National Petroleum Corporation (NNPC), on behalf of the Joint Venture hereby announces to interested and prequalified companies, an upcoming tendering opportunity for the Provision of Corporate Laboratory Analytical, Essential, Equipment Maintenance and Integrity Services for SPDC Laboratories.

The proposed contract will commence in Q1, 2018 and remain active for duration of two years, with an option to extend by a further one year.

(2.0) SCOPE OF WORK

The work scope covered by proposed contract includes but is not limited to the following:.

- (1) Perform analytical protocols for generating data in support of NLNG/DOMGAS/WRFM/Hydrocarbon Accounting
- (2) Sampling and testing for Green House Gas Compliance
- (3) Carry out Effluent Water Analysis for statutory requirement (DPR) respectively
- (4) Monitor process parameters (Produced Fluids) to ensure conformance with defined Operating Envelope (specifications)
- (5) Carry out produced/ formation Water Analysis for data corrosion management
- (6) Carry out analysis of organic chloride in crude oil Export Crude, Incoming lines etc
- (7) Perform sampling of process streams for analyses required to support oil export quality and fiscalisation (Terminal Laboratory Operations)
- (8) Provision of laundry services for cleaning and mending laboratory coverall, lab coats
- (9) Sampling of Green House Gas Fuel and flare gas from all SPDC East and West locations

- (10) Sampling of Sales line gas from SPDC gas facilities in both East and West for gas quality monitoring
- (11) Laboratory analysts of critical parameters in fuel and flare gas samples as may be required
- (12) Provision of preventive and corrective maintenance of routine & specialized laboratory equipment as contained in list of equipment
- (13) Provision of calibration services for routine & specialized laboratory equipment with the use of certified and /or traceable certificates and reference materials.
- (14) Provision of re-imbursable spores and replacement equipment. The vendor will provide the ex-works cost from the OEM and quote for appropriate mark up as be related to point of purchase. SPDC will raise a request and pay for the total value.
- (15) Carry out integrity checks on the hydrocarbon sump, pressurized sampling and storage cylinder as may be required

(3.0) MANDATORY REQUIREMENTS

- (1) To be eligible for this tender exercise, interested contractors are required to be prequalified as essential service vendors in the 3.07.08 Laboratory Testing Services in NipeX Joint Qualification System (NJQS) data base. Only successfully pre-qualified suppliers in this category will receive Invitation to Technical Tender (ITT).
- (2) To be eligible for this tender exercise, interested contractors should also be registered on the NCDMB NOGIC JQS in the relevant product category¹
- (3) To determine if you are pre-qualified and can view product/service category you are listed for, open www.nipex-ng.com and access NJQS with your login details, click on continue Joint Qualification Scheme tool, click check my supplier status' and then click 'supplier product group'
- (4) If you are not listed in a product/service category and 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.
- (5) To initiate the NJQS prequalification process, access <u>www.nipex-ng.com</u> to download the application form, make necessary payments and contact NipeX office for further action.
- (6) To be eligible, all tenders must comply with the Nigerian Content Requirements in the NipeX system.

(4.0) NIGERIAN CONTENT REQUIREMENTS

Tenderers are to note that they will be requested during the technical tender to give full details of their relevant strategy to ensure that they fully comply with the Nigerian Oil & Gas Industry Content Development (NOGICD) Act, 2010 as non-compliance will constitute a FATAL FLAW in all tender evaluations. In line with the above, Tenderers will be required to ensure that information on the following, among others, is included in their technical submission:

- (1) Demonstrate that the entity is a Nigerian registered company, or Nigerian registered company as the contracting entity in genuine alliance or joint venture with foreign company with details on scope and responsibilities of parties' for this work. Such companies must show evidence of joint venture binding agreement duly signed by the CEO of both companies including evidence or plans of physical operational presence and set-up in Nigeria
- (ii) Nigerian Indigenous company executing the work scope in alliance with foreign companies and multinationals should ensure that:
- (a) the foreign company or multinational is duly registered in Nigeria;
- (b) they submit CAC forms C02 and C07 of the both companies
- (c) they submit binding memorandum of agreement (MOA) stating the following:
- (i) The Nigerian indigenous company will be the lead of the partnership
- (ii) The detailed scope of work to be performed by each party
- (iii) Detailed personnel and equipment that each party will deploy to execute the work scope
- (iv) The MOA will be governed by the laws of the Federal Republic of Nigeria
- (v) The MOA to be signed by the Managing Directors of both companies.
- (2) International or multinational companies working through a Nigerian subsidiary must
- (a) Demonstrate that the Nigerian subsidiary has 51% and above Nigerian equity shareholding in the ownership structure of the legal registered entity of tenderer in Nigeria and duly registered on the NCDMB NOGIC JQS as service providers under the applicable and relevant product category

- (b) Demonstrate that a minimum 50% of equipment to be deployed for execution of work shall be owned by the Nigerian subsidiary by providing a list of equipment for this tender and indicating those that will be owned by the Nigerian subsidiary
- (3) Furnish details of company ownership and shareholding structure. Also submit clear photocopies of your CAC Forms C02 and C07
- (4) Provide evidence of what percentage of your key management positions is held by Nigerians and what percentage of the total work force are Nigerians. Also, show overall percentage of work to be performed in Nigeria and those by Nigerian resources relative to total work volume.
- (5) Provide a Nigerian Content Plan providing a detailed description of the role, work scope, man-hours and responsibilities of all Nigerian companies and personnel that would be involved in executing the work. Also provide details of Nigerian Content focal point or manager.
- (6) State proposed total scope of work to be conducted by Nigerian personnel (whether contracted directly or under subcontract agreements) with names and addresses including evidences of well-equipped offices and workshop; attach past experience of such patronage.
- (8) Demonstrate plan that the company has legal, insurance and banking operations with Nigerian firms.
- (7) Human Capital Development: Tenderers plan and strategy for human capacity development training on this tender shall comply with 10% of project hours as HCD training hours or 2% of total contract cost whichever is greater. The number of trainees shall be determined in accordance with NCDMB HCD training guidelines 2014 and the service of OGTAN registration and the training modules.
- (8) All bidders must have valid DPR permit for Laboratory Services, Consultancy Services (Training/Manpower Development, Nigerian Manpower Supply: Nigerian Professional only) for the Laboratory Analytical/Essential/Technical Services and Laboratory Equipment Calibration & Testing for the Equipment Maintenance & Integrity Services during the bidding phase.

(5.0) CLOSING DATE

Only Tenderers who are registered in the 3.07.08 – Laboratory Testing Services as at 1st August 2017 being the advert close date shall be invited to submit Technical bids.

(6.0) ADDITIONAL INFORMATION

All cost incurred in preparing, registering and pregualifying for this and other

product/service categories shall be borne solely by suppliers.

Suppliers that are prequalified for this product/service category in NJQS must ensure

that the name and contact details (physical address, email address and telephone number) of

their company and authorized/responsible personnel is up-to-date in their company profile

in the NJQS database.

(iii) The tendering process shall be the NNPC contracting process requiring pre-qualified

companies to submit technical tenders first. Following a technical review, only technically and

financially qualified contractors will be requested to submit commercial tenders.

(iv) SPDC will communicate only with authorized/responsible personnel of prequalified

companies and NOT through unauthorized individuals or agents.

(v) This advertisement of "Invitation to tender" shell neither be construed to be a

commitment on the part of NNPC/SPDC to award any form of contract to any company

and/or associated companies, sub-contractors or agents, nor shall it entitle prequalified

companies to make any claims whatsoever, and/or seek any indemnity from NNPC/SPDC and

or any of its partners by virtue of such companies having been prequalified in NJQS.

(vi) NNPC/SPDC reserves the right to take final decision on any of the documents received

in the pre-qualification/ Technical package.

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Please visit the NipeX portal at www.nipex-ng.com for this advert and other information. Also

note that this contract will be progressed via the NipeX system.