

**The Shell Petroleum Development Company of Nigeria Limited**

**Operator of the NNPC/Shell/TEPNG/Agip Joint Venture**

**Tender Opportunity: Corporate Call off Contract for Supply of Line Pipes & Bends to SPDC**

**Tender Ref: NG01016935**

**Nipex Tender No: 0200325**

### **(1.0) Introduction**

SPDC hereby announces to interested and prequalified companies of an upcoming tendering opportunity with Nigerian Manufacturers and Agents for the Supply of Bare Line Pipes and Bends on a call off basis. The proposed contract will be for a five-year period with a two-year extension option.

Evidence of agency relationship with a Shell Group approved mill must be submitted for a prospective agent to be subsequently invited to tender.

Bidders will be expected to demonstrate their capability and capacity to accept and deal with the financial and technical complexities associated with a contract of this scale and this evidence will be required in the next stage of this Tender.

SPDC hereby invites reputable and competent Nigerian Mills and Agents of Foreign Mills with the requisite capability and expertise to apply to be considered for inclusion in the bidders list for subject tender.

### **(2.0) Scope of Work**

The scope of work for the proposed Call Off Contract is the Supply of Bare Line Pipes and Bends to SPDC's nominated location (s) in Port Harcourt, Warri or Lagos

### **(3.0) Mandatory Requirements**

(1) To be eligible for this tender exercise, interested contractors are required to be pre-qualified in the Product Group – 2.01.01 Seamless Pipes and Tubes, 2.01.02 – Welded Pipes and Tubes, 2.01.03 -Non-metal Pipes and Tubes 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 determine if you are pre-qualified and view product/service category you are listed for, open [www.nipexng.com](http://www.nipexng.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.

(3) If you are not listed in a product/service category 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.

(4) To initiate the JQS prequalification process, access [www.nipexng.com](http://www.nipexng.com) to download the application form, make necessary payments and contact-NipeX office for further action.

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

#### **(4.0) Nigerian Content Requirements**

Vendors are to demonstrate strict compliance with the provisions of Nigerian Oil & Gas Industry Content Development Act and also provide the following

##### **Requirements:**

- 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.
- International or multinational company working through a Nigerian subsidiary must 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.
- Furnish details of company ownership and shareholding structure. Also submit clear photocopies of your CAC Forms C02 and C07.
- 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.

- 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.
- 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.
- Specific to this project, provide detailed plan for staff training and development project management and procurement (including all software to be used, number of personnel, name of organization providing such training and evidence of past training record) for Nigerian personnel.
- Provide evidence of domiciliation of project management and procurement centres in Nigeria with physical addresses (not P.O. Box).
- Location of in-country facilities (Equipment, storage, workshops).
- Vendor must be willing and able to provide evidence of maximization of mode in Nigeria goods and services.
- Provide details on any other Nigerian Content initiative your company is involved in.
- Vendors are expected to have obtained their Nigerian Content Equipment Certification (NCEC) from the NCDMB or demonstrate that it is in the process of obtaining the certificate from NCDMB.
- Provide human capacity building development plan including budget which must be minimum 10% of project man-hours or cost. Training will be targeted at developing capacity other than bidder's personnel. Trainees will be nominated from a database maintained by NCDMB and the services of OGTAN registered trainers utilized to cover classroom modules.

- Provide evidence of an enforceable MOA with a registered OGTAN Training Service Provider, (project specific training, man-hour budget, skill development, and technology transfer plan) for the provision of training services for Nigerian personnel to certification level in specific technical disciplines involved in the project.
- All operators or project promoters in the Oil and Gas industry launching service contracts or other applicable projects with completion period of 12 months and above shall provide a R&D cluster approved by the Board as part of the operator's Nigerian Content plan for the project.
- The Arrangement shall be in the form of an MOA and indicate how the operator will deploy the cluster for any R&D requirements during the contract period and the first 5 years of the service life of the field, facility or plant.
- All operators are expected to insert in their ITTs requirements that any service company bidding for such a project shall submit as part of Nigerian Content requirement, a signed Memorandum of Agreement (MOA) between it and one of the R&D clusters relevant to the project.
- All service companies are required to sign a MOA with any of the research clusters. The MOA shall indicate how the service company intends to use the relevant research clusters during project execution to the satisfaction of the Board.
- All applicants for the purpose of this tender shall bid on the basis of supply of the line pipes by direct production from pipe mills operational in-country. However, in accordance with the FG backward integration policy geared towards stimulating local investment and attracting FDI, all line pipe procurement from out-of-country shall be supplied through pipe mills whose vendors are directly participating in the development of in-country pipe mills consistent with the categorization by NCDMB in this product category.

#### **(5.0) Closing Date**

Only Tenderers who are registered with NJQS product/category as **not later than 28<sup>th</sup> August 2015** being the advert close date shall be invited to submit Technical bids.

#### **(6.0) Additional Information**

- All costs incurred in preparing and processing NJQS prequalification shall be to the contractor's accounts.
- This advertisement shall neither be construed as any form of commitment on the part of SPDC to award any 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 SPDC and or any of its partners by virtue of such companies having been prequalified in NJQS.
- SPDC will communicate only with authorized officers of the pre-qualifying companies and not through individuals or Agents.
- This advertisement is not an invitation to tender for the above services. There is no commitment or obligation, implied or otherwise, for SPDC to issue a tender or enter into a contract. Participation in the pre-qualification exercise does not construe or imply any commitment to any party or entitle any party to any indemnity or any form of payment from SPDC.

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