The Shell Petroleum Development Company of Nigeria Limited Operator of the NNPC/Shell/TEPNG/Agip Joint Venture

Tender Opportunity: for Provision of Inspection, Preservation and Maintenance

of Tubulars Services

Tender Ref. No: NG01019191 NIPEX NO. 0200351

Introduction

The Shell Petroleum Development Company of Nigeria (SPDC) in its role as operator of the NNPC/SHELL/ TEPN/AGIP Joint Venture, on behalf of the Joint Venture, hereby invites reputable registered Nigerian companies (DPR registered and licensed) with proven experience in Inspection, Preservation and Maintenance of Tubulars Services, to apply for selection into the bid list of the tender for SPDC drilling and completion operations. The proposed contract will commence in 201 6 and remain active for 24 months with a one year extension option.

Summary of Work Scope

The scope of work covered under the proposed project shall include but not be limited to the following;

- Visual Thread Inspection (VTI) and Body Inspection
- Internal Pipe Drift
- External Pipe Blasting
- Electro-Magnetic Particles Inspection (E.M.I)
- Ultrasonic Spot Check.
- Internal and External Pipe Coating
- Marking and Numbering
- Hardness Test.
- Other Equipment (stream cleaner, wheelaborator, profile API gauges drift mandrel, external and internal high pressure water blasting items, internal & external coating items, ultrasonic wall thickness gauge and hand tools) required to carry out the inspection activities. There is no guaranteed minimum work as contract emanating from this tender will be managed by Call-Offs.

Mandatory Requirements

- To be eligible for participation in this tender, interested suppliers should be prequalified in any or all of the following Product Categories in NipeX Joint Qualifications System (NJQS) database;
- (a) Non-Destructive Testing (NDT) (Product Code 3.07.01)
- (b) Surface Treatment Inspection Services (Product Code 3.07.03)
- To confirm if you are pre-qualified and view the product/service category you are listed for: Open<u>nipexng.com</u> 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;
- 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 necessary update;
- To initiate the JQS pre-qualification process, access <u>nipexng.com</u> to download application form, make necessary payments and contact NipeX office for further action; To be eligible, all tenders must comply with the Nigerian Content requirements in the NipeX system.

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 companies 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 on engineering, 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 including description of any specific programs in place for transfer of technology and skills to indigenous businesses and Nigerians over the next five (5) years.
- Provide binding memorandum of agreement with 3th party organisation providing personnel for the specific scope of work in this tender
- Provide verifiable evidence of expatriate quota approval or NOGIC expatriate biometric system card approved by NCDMB for any key personnel position to be occupied by an expatriate
- Provide evidence of registration with Nigerian banks, Legal system and Insurance for the services
- Location of in-country facilities (Storage, workshops, repair & maintenance facilities and testing facilities)
- Contractor must be willing and able to provide evidence of maximization of made in Nigeria goods and services.
- Provide details on any other Nigerian Content initiative your company is involved in.
- Provide evidence of Nigerian Content Equipment Certificate (NCEC) from Nigerian Content Development & Monitoring Board (NCDMB) or evidence of the application for the certificates.
- 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 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.
- Any service company bidding for this project is required to 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.
- Researchers that meet the technical requirements of the Board shall be notified on the Research Cluster they belong to: and they will be required to upload research proposals relevant to their cluster unto the NOGIC JQS portal (http://www.nogicjgs.com) on request.
- Prospective applicants shall be vendors registered for product category on the NOGIC JQS platform

Closing Date

Only Tenderer's who are registered in the NJQS Product Code 3.07.01 (Non-Destructive Testing (NDT) and Product Code 3.07.03 (Surface Treatment Inspection Services) categories A-D, as at 16/02/2015 being the advert closing date shall be invited to submit Technical bids.

Additional Information

- NNPC/SPDC reserves the right to reject any and or all prequalified suppliers at its sole discretion and at no costs whatsoever.
- All cost incurred in registering and prequalifying 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-todate in their company profile in the NJQS database.

SPDC shall communicate only with authorized/responsible personnel of prequalified companies and not through unauthorized individuals or age

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This advertisement of "invitation to tender" shall not 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 any company submitting documents to claim any indemnity from NNPC/SPDC and/or any of its partners. NNPC/SPDC reserves the right to take final decision on any of the documents received in the pre-qualification/ Technical package.