



SPDC Contract Requisition >\$100k and <USD1m

Part C: Approval of Variation Order

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Section A – Changes

Contract Number:	CW509733	Variation Order No.	01																																																														
SAP Contract No:	4610054420																																																																
Contract Title:	PA: SUPPLY OF NYLON MOORING GROMMET – FORCADOS																																																																
Contractor:	FELPET NIGERIA LIMITED																																																																
Start Date	01.04.2021	End Date	31.03.2022																																																														
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Reference & approval date for previous approvals (Including NAPIMS approval)	Part AB approved by Line/CP on 5 th May 2021.																																																																
Reason for this Variation Order (VO)	<input checked="" type="checkbox"/> Change of Approved Contract Value (ACV)		<input type="checkbox"/> Change of Work Scope		<input type="checkbox"/> Contract Time Extension																																																												
Justification	<p><u>Purpose of Proposal</u></p> <p>The purpose of submission.</p> <ol style="list-style-type: none"> To extend contract end date to 31.03.2023. To increase the contract discount from 6% to 14.7% To convert the contract currency split from USD 70% & NGN 30% to USD 100%. <p><u>Further Information/Justification</u></p> <p>Price agreement is for the SUPPLY OF NYLON MOORING GROMMET – FORCADOS.</p> <p>Contract CW509733 expires on 31.03.2022. There is current need for this material by the under water. Email was sent to the vendor for 9.5% discount on the existing contract, the vendor reverted with 8.7% (attachment 1). This adds up to 14.7% discount on this material, translation to a savings of 17% (USD 24,105.87).</p> <table border="1"> <thead> <tr> <th colspan="3">OLD RATE</th> <th colspan="3">NEW RATE</th> </tr> <tr> <th colspan="3">NYLON MOORING GROMMET - FCA RATES</th> <th colspan="3">NYLON MOORING GROMMET - FCA RATES</th> </tr> <tr> <th>Items</th> <th>Agreed Rates</th> <th>Rate</th> <th>Items</th> <th>Agreed Rates</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>List price</td> <td></td> <td>100.00</td> <td>List price</td> <td></td> <td>100.00</td> </tr> <tr> <td>Discount</td> <td>6.0%</td> <td></td> <td>Discount</td> <td>14.7%</td> <td></td> </tr> <tr> <td>FOB</td> <td></td> <td>94.00</td> <td>FOB</td> <td></td> <td>85.30</td> </tr> <tr> <td>Markup (% of FOB)</td> <td>12.0%</td> <td>11.28</td> <td>Markup (% of FOB)</td> <td>12.0%</td> <td>10.24</td> </tr> <tr> <td>Subtotal-B</td> <td></td> <td>11.28</td> <td>Subtotal-B</td> <td></td> <td>10.24</td> </tr> <tr> <td>Total Selling Price (A+B)</td> <td></td> <td>105.28</td> <td>Total Selling Price (A+B)</td> <td></td> <td>95.54</td> </tr> <tr> <td colspan="3">Mark-up will be Split into 70% USD and 30% Naira</td> <td colspan="3">Mark-up 100% USD</td> </tr> </tbody> </table> <p>Vendor is currently on CCL in the right tier (tier 4) which is sufficient for FCA incoterm.</p>					OLD RATE			NEW RATE			NYLON MOORING GROMMET - FCA RATES			NYLON MOORING GROMMET - FCA RATES			Items	Agreed Rates	Rate	Items	Agreed Rates	Rate	List price		100.00	List price		100.00	Discount	6.0%		Discount	14.7%		FOB		94.00	FOB		85.30	Markup (% of FOB)	12.0%	11.28	Markup (% of FOB)	12.0%	10.24	Subtotal-B		11.28	Subtotal-B		10.24	Total Selling Price (A+B)		105.28	Total Selling Price (A+B)		95.54	Mark-up will be Split into 70% USD and 30% Naira			Mark-up 100% USD		
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Financial Status	Original ACV	Accumulative ACV for previous VO	Commitments to date	ACV for this VO	Accumulative ACV + this VO/ Original ACV (%)																																																												
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Pricing structure for this VO	<p>Is the pricing structure for this VO based on the established unit rates? For negotiation, show aspiration, fall back and walk-away positions. Proposed negotiation team.</p> <p>Increase in ACV is not required.</p>																																																																

Section B – Post Award Contract Management



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Contractor Performance	Performance Assessment, rating based on Good/Adequate/Inadequate.				
	Good:	Fully satisfied expectations, met requirements without support; no identifiable improvements			
	Adequate:	Generally satisfied expectations and met requirements but needed some support to ensure required performance was achieved.			
	Inadequate:	Contractor standard of performance below that needed for repeat business; severe deficiencies in service performance			
	Management	Commercial	Technical	HSSE	Overall
	Good	Good	Good	Good	Good
Performance issue (if any)	There are no performance issues.				
Contract Management	Highlight any contract management issues, e.g. training, documentation, payment. List outstanding activities, action parties and target date.				
	Vendor performance has been satisfactory. There are therefore no contract management issues.				
Nigerian Content:					

1. *If vendors are more than one, 'a&b' information below should be completed for each vendor.

a. Indicate Schedule target(s) and vendors Nigerian Content pledge (s) e.g.

Work Category	Schedule Targets	Vendor's Committed Targets %	Vendor Current Performance vis-à-vis Target	**Proposed Variation NC Pledge	Measuring Metrics	Agreed actions/Waiver Status
N/A	N/A	N/A	N/A	N/A	Man hour	N/A

b. Nigeria Content Summary Work scope.

** Describe all the proposed Nigerian Content activities in the variation for inclusion in proposed contracts.

**Where the NC pledge falls short of set minimum targets by law a waiver shall be required for these categories

2. Provide for 1% Nigerian Content Development Fund (NCDF) as required by NOGICD Act.

3. Any additional scope/change in contract terms must remain compliant with NOGCD Act.

Non-compliance with Act attracts 5% penalty of project cost or outright cancellation of project.

Note: Where the category is not specified in the Act (Schedule) indicate as N/A

NOGICD Act = Nigerian Oil & Gas Industry Content Development Act

Section C – Stakeholder Approvals*

Declaration:

Signatories to this submission acknowledge that they have read and understood the Conflict of Interest Policy in the Code of Conduct and that they do not have any direct or indirect arrangement or relationship with any other person or company that breaches the requirements of that Conflict of Interest Policy, or that they have fully disclosed any potential Conflict of Interest to the Contract Owner, CP Manager and the Supply Chain Council/Tenders Board.

Signature	SC Commercial Lead	Contract Holder	Contract Owner	SC Ops Manager
	Whole Submission	Whole Submission	Reviewed, approved and confirmed: 1. Alignment with approved Category Strategy 2. Accepts ultimate responsibility for whole submission	Reviewed, approved and confirmed: 1. Alignment with approved Category Strategy 2. Accepts ultimate responsibility for whole submission
Name	Udoba, Nnamdi	Ibrahim, Ismaila	Okoye, Daniel	Okanola-Biala, Ayokunle
Ref. Ind	PTC/O/UG	UPC/G/USMU	UPC/G/USM	PTC/O/UG



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Attachments:

[SHAREPOINT LINK](#)