



THE SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED

MAJOR CONTRACTS BOARD SUBMISSION

Confidential

Part B – Contract Award

Date: 14/07/2021

Category	Pipeline and Flowlines Mtce	Contract ID:	CW327584
Contract Title:	Construction, Replacement & Repairs of Flowlines in SPDC – Land		
HSE Mode & Risk	MEDIUM & MODE-1		
Agenda Item	(TB secretary to complete)		
Proposed Authorized Contract Value (ACV)	FUSD 29,509,921.91 (US\$ 18,231,769.33 and NGN 4,620,207,986.16)	Segmentation (Click here to access tool)	Tactical
Proposed expenditure while pending NAPIMS approval	FUSD 2,107,851.57 (US\$ 1,302,269.24 and NGN 330,014,856.15)		
Start & End dates	01/08/2021 – 31/07/2026	Duration	5yrs
		Extension options	2yr

PURPOSE

To seek approval from MCB for the following:

- Award subject contracts to the following bidders at the most competitive tendered rates representing 44% of the current rate as follows:

		% split	Total ACV (FUSD) (5years)	Total ACV (FUSD) (2years)	Total ACV (FUSD) (5+2years)	LDL ACV (FUSD) (6 months)
1	SOEHIL NIGERIA LIMITED	20	4,215,703.13	1,686,281.25	5,901,984.38	421,570.31
2	HENZOL GLOBAL SERVICES LIMITED	10	2,107,851.57	843,140.63	2,950,992.19	210,785.16
3	STEVE INTEGRATED TECH SERV LTD	10	2,107,851.57	843,140.63	2,950,992.19	210,785.16
4	ANCHOR-MARIC NIGERIA LTD	8	1,686,281.25	674,512.50	2,360,793.75	168,628.13
5	TOMBA RESOURCES NIGERIA LTD	8	1,686,281.25	674,512.50	2,360,793.75	168,628.13
6	MIDEN SYSTEMS LIMITED	8	1,686,281.25	674,512.50	2,360,793.75	168,628.13
7	QUICK TOOLS NIGERIA LIMITED	8	1,686,281.25	674,512.50	2,360,793.75	168,628.13
8	AMBAN NIGERIA LTD	8	1,686,281.25	674,512.50	2,360,793.75	168,628.13
9	HOUSTON ENG. AND MARINE SERV LTD	5	1,053,925.78	421,570.31	1,475,496.10	105,392.58
10	GUIZ AND COMPANY LTD	5	1,053,925.78	421,570.31	1,475,496.10	105,392.58
11	CLE-PARINNA INT'L LTD	5	1,053,925.78	421,570.31	1,475,496.10	105,392.58
12	GAMSTEC INTEGRATED SERVICES LTD	5	1,053,925.78	421,570.31	1,475,496.10	105,392.58
			21,078,515.65	8,431,406.26	29,509,921.91	2,107,851.57

- Increase number of split awards from 8 contracts to 12 contracts and contract duration from 3 years plus 1-year optional extension to 5 years plus 2 years optional extension in alignment with NAPIMS steers.
- Execute Interim Agreements with the Twelve bidders at approx. 7% of their respective ceilings (i.e. combined eLDL of FUSD2,107,851.57 for a period of 6 months pending NAPIMS formal approval and subject to eLDL approval.

Stakeholders Endorsement:

	Senior Procurement Manager (SPM)	Contract Owner
	Reviewed and approved for MCB and confirms: 1. Alignment with approved Category Strategy (& Global Category Strategy where applicable) 2. Compliance with the NOGICD Act & Community Content commitments.	Reviewed whole submission and confirms support from: Finance [Marcel Ebem] - for the financial aspects of the submission, including adequate budget cover/JV Partner approval to ensure full cost recovery/approved GIP in place (if applicable) HSSE [Val Okpala] - HSSE consideration and requirements are met
Signature		
Name	Chioma Okpoechi	Adebayo Karunwi
Date		

	Approval
	DocuSign MCB Chairman
Signature	Scott, Ian
Name	DED30811EC31434...
Date	

Declaration:

Signatories to this submission acknowledge that they have read and understood the Conflict of Interest Policy in SEPCiN 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.

SECTION A: CONFORMANCE TO CONTRACT PLAN (PART A)

APPROVAL REFERENCES

Tender Activity	Approval Date
MCB Approval of strategy	15/08/2019
NAPIMS approval of strategy and advertisement	08/10/2019
MCB Approval of strategy Part A1 Addendum 1	19/12/2019
MCB Delegated Approval of strategy Part A1 Addendum 2	19/02/2020
Advert Close date	14/02/2020
SPDC/NAPIMS endorsement of Technical Evaluation Result – Part A2	26/09/2020
NCDMB Technical Report	19/10/2020
Line/CP Approval of Technical Evaluation Result	26/10/2020
Commercial Bids evaluation concluded and aligned with NAPIMS	09/12/2020
NCDMB Commercial Report	22/12/2020

BACKGROUND

- 15/08/2019: The contract strategy approved by SPDC - **Attachment 1**
- 18/10/2019: The contract strategy approved by NAPIMS - **Attachment 2**.
- 19/12/2019: Addendum to Part A1 approved by SPDC to align with changes in NAPIMS strategy approval. - **Attachment 3**.
- 02/04/2020: Double Envelop ITT was published to One Hundred and seventy-six (176) bidders. Bid close date of 14/05/2020 was extended to 28/5/2020 as a result of requests from bidders due to COVID-19 challenges.
- 09/04/2020: Pre-Tender meeting held – **Attachment 4**
- 29/09/2020: The joint (SPDC/NAPIMS) Technical evaluation was finalised.
- 19/10/2020: NCDMB Technical report was obtained.
- A total of 56 (Fifty-six) bidders passed the joint NAPIMS & SPDC technical evaluation (desktop verification) (**Attachment 5**); while 79 (Seventy-Nine) complied with NCDMB requirements. **Attachment 6**
- Forty-Five (45) bidders qualified to progress to commercial stage having passed both the joint NAPIMS & SPDC technical evaluation (desktop verification) and complied with NCDMB requirement.
- 12/11/2020: Commercial Tender of the Forty-Five (45) Technically qualified bidders was opened and downloaded in Nipex.
- 09/12/2020: Commercial evaluation was completed, reconciled and signed off with NAPIMS.

CHANGES FROM STRATEGY

- ✓ The contract was originally scheduled to commence in Q2 2020, however as a result of delays encountered during the tendering process, the contract is now to commence in Q3 2021.
- ✓ The following changes are also proposed to align with NAPIMS strategy changes:
 - Revision of contract duration from '3 years + 1 year extension' to '5 years + 2 years extension' and
 - Revision of number of contract awards from 8 contracts to 12 contracts
 - Revision of award split ratio from 20:16:12:12:10:10:10:10 for 8 contracts to 20:10:10:8:8:8:8:5:5:5 for 12 contracts
 - Award of Swamp Asset contracts to the Twelve lowest bidders and to the next lowest bidder in the Land Asset contracts where a vendor was successful in both Swamp and Land contract.

See attached Minutes of Meeting with NAPIMS – **Attachment 10**

SUMMARY OF VALUE CONTRIBUTION

	Benefit	Losses
Safety	N/A	N/A
Production – Oil ('000 b/d)	N/A	N/A
Production – Gas (mscf/d)	N/A	N/A
Reserves (mboe/d)	N/A	N/A
Flares reductions (mscf/d)	N/A	N/A
Cost Saving	F\$38.2 (FUSD5,456,503.70 per year)	

Savings recorded:

The OP20 budget for subject services is based on current contract rates. The vendors quote is computed to represent 44% of the company estimate which is also based on current contract rates. Consequently, there is a projected 56% savings estimated over the contract life of 5+2 years option to extend.

Estimate based on current rate@ exchange rate of NGN409.66 =1\$	Total Award Value@ exchange rate of NGN409.66 =1\$	Savings
FUSD 67,705,447.81	FUSD 29,509,921.91	FUSD 38,195,525.90 (FUSD5,456,503.70 per year)

SECTION B: RESULTS AGAINST AGREED CRITERIA**TECHNICAL EVALUATION**

- The Double Envelop Tender was published to only one Hundred and Seventy-four (174) bidders because 2 of the approved bidders (EPOXY SERVICES LIMITED and ETOPO CONTROL SERVICES NIGERIA LIMITED - nos 45 and 50 on the approved bid list), were not invited due to RED IDD status.
- Upon bid opening, it was observed that there were one Hundred and Seventy-six (176) bidders invited.
- The bid download revealed that two bidders, GRAMEN PETROSERVE (NIG) LTD and VAGAN OIL & GAS LIMITED were invited and they both submitted bids.
- GRAMEN PETROSERVE (NIG) LTD is on the bid list download with expired status, while VAGAN OIL & GAS LIMITED is not on the approved bid list.
- SPDC and NAPIMS agreed to omit the bids submitted by GRAMEN PETROSERVE (NIG) LTD and VAGAN OIL & GAS LIMITED in the evaluation.
- One Hundred and four (104) bidders responded out of the One Hundred and Seventy-four (174) valid invited bidders
- A total of 56 (Fifty-six) bidders passed the joint NAPIMS & SPDC technical evaluation (desktop verification) (**Attachment 5**); while 79 (Seventy-Nine) complied with NCDMB requirements. **Attachment 6**
- However, only Forty-Five (45) bidders qualified to progress to commercial stage having passed both the joint NAPIMS & SPDC technical evaluation (desktop verification) and complied with NCDMB requirement.

COMMERCIAL EVALUATION

- All Forty-Five (45) bidders submitted bids that ranged from 33% - 20292% of the company estimate at bid opening - **Attachment 8**.
- SOEHIL NIGERIA LIMITED emerged the lowest bidder with a quote FUSD 16,837,739.71 for contract duration of 3 years +1 year extension option representing 33% of the company estimate at bid opening.
- To determine the credibility of the lowest bidders quote, and also considering that the OP20 budget is based on the current rates and that the services are being provided with the current contract rates, the CMT opted to benchmark the commercial outcome with the current rates. The notional quantities remained unchanged because the quantities in the company estimate at bid opening aligned with current reality.
- The outcome of the benchmark with current rates showed an improvement of the lowest bidder's rate from 33% of estimate to 44% of the current rates. The benchmark outcome based on the current rates has been reconciled and endorsed by NAPIMS - **Attachment 8A**
- A side by side comparison of the commercial evaluation at bid opening and the current rate benchmark analysis is as shown below and details are in **Attachment 8B**:

THE SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED

Major Contracts Board Submission

		Evaluation outcome and ranking based on company estimate at bid opening			Benchmark outcome and ranking based on current rates and optimised quantities		
		TOTAL ACV for 3+1 year (FUSD)	TOTAL ACV for 5+2 year (FUSD)	% of Company Estimate	TOTAL ACV for 3+1 year (FUSD)	TOTAL ACV for 5+2 years (FUSD)	% of Current rate
	COMPANY ESTIMATE	51,770,022.19	90,597,538.83	100%	39,601,145.73	69,302,005.02	
1	SOEHIL NIGERIA LIMITED	16,837,739.71	29,466,044.50	33%	17,374,988.75	30,406,230.32	44%
2	A and N ENG. AND CONSTR. NIG LTD	18,812,784.25	32,922,372.44	36%	19,350,033.29	33,862,558.26	49%
3	ROMEK AND COMPANY LIMITED	21,402,807.78	37,454,913.61	41%	21,940,056.82	38,395,099.43	55%
4	HOECHY DEVELOPMENT LIMITED	21,453,196.06	37,543,093.10	41%	21,990,445.10	38,483,278.92	56%
5	HENZOL GLOBAL SERVICES LIMITED	22,074,177.78	38,629,811.12	43%	22,611,426.82	39,569,996.94	57%
6	Steve Integrated Technical Services Ltd	25,828,408.75	45,199,715.31	50%	26,365,657.79	46,139,901.13	67%
7	ANCHOR-MARIC NIGERIA LTD	28,676,805.52	50,184,409.67	55%	29,214,054.57	51,124,595.49	74%
8	TOMBA RESOURCES NIGERIA LTD	29,096,938.72	50,919,642.77	56%	29,634,187.76	51,859,828.59	75%
9	MIDEN SYSTEMS LIMITED	31,746,385.35	55,556,174.36	61%	32,283,634.39	56,496,360.18	82%
10	ARIOH LIMITED	32,114,758.78	56,200,827.87	62%	32,652,007.82	57,141,013.69	82%
11	QUICK TOOLS NIGERIA LIMITED	34,597,631.96	60,545,855.94	67%	35,134,881.01	61,486,041.76	89%
12	AMBAN NIGERIA LTD	34,676,382.95	60,683,670.16	67%	35,213,631.99	61,623,855.98	89%
13	HOUSTON ENG. AND MARINE SERV LTD	35,749,253.46	62,561,193.56	69%	36,286,502.50	63,501,379.38	92%
14	GUIZ AND COMPANY LTD	39,297,410.42	68,770,468.24	76%	39,834,659.46	69,710,654.06	101%
15	ROADLAMP LIMITED	39,504,170.91	69,132,299.09	76%	40,041,419.95	70,072,484.91	101%
16	CLE-PARINNA INT'L LTD	43,744,948.94	76,553,660.65	84%	44,282,197.98	77,493,846.47	112%
17	DAIK ENGINEERING LIMITED	44,090,492.20	77,158,361.36	85%	44,627,741.24	78,098,547.18	113%
18	Sunup Logistics Limited	44,312,052.47	77,546,091.81	86%	44,849,301.51	78,486,277.64	113%
19	MATIZ ENERGY LIMITED	44,692,540.46	78,211,945.81	86%	45,229,789.50	79,152,131.63	114%
20	GAMSTEC INTEGRATED SERVICES LTD	45,035,782.62	78,812,619.58	87%	45,573,031.66	79,752,805.41	115%
21	ASBURY INTERNATIONAL LTD	46,133,503.09	80,733,630.40	89%	46,670,752.13	81,673,816.22	118%
22	KILO GLOBAL INTEGRATED SERV LTD	47,370,631.85	82,898,605.73	92%	47,907,880.89	83,838,791.55	121%
23	WIRELINK SERVICES NIGERIA LIMITED	49,133,436.27	85,983,513.47	95%	49,670,685.31	86,923,699.30	125%
24	SEFLAM SGL LIMITED	49,408,494.05	86,464,864.58	95%	49,945,743.09	87,405,050.41	126%
25	TOPLINE NIG LTD	49,416,879.41	86,479,538.97	95%	49,954,128.45	87,419,724.80	126%
26	DECY NIGERIA LTD	50,999,742.98	89,249,550.22	99%	51,536,992.02	90,189,736.04	130%
27	NEWTECH SERVICES (NIGERIA) LTD	51,110,114.98	89,442,701.22	99%	51,647,364.02	90,382,887.04	130%
28	KEMUD INTERNATIONAL LIMITED	54,141,074.73	94,746,880.79	105%	54,678,323.78	95,687,066.61	138%
29	PRESLYN RESOURCES LTD	54,737,826.54	95,791,196.45	106%	55,275,075.59	96,731,382.28	140%
30	PECKON ENGINEERING LTD	58,492,088.05	102,361,154.09	113%	59,029,337.09	103,301,339.91	149%
31	AMOTOI GLOBAL SERVICES LIMITED	71,007,907.80	124,263,838.65	137%	71,545,156.84	125,204,024.47	181%
32	Enel Multi- Concepts Solution Limited	75,606,546.63	132,311,456.59	146%	76,143,795.67	133,251,642.42	192%
33	HENSTEEL ENG. AND CONSTR. SERV LTD	115,343,963.38	201,851,935.91	223%	115,881,212.42	202,792,121.73	293%
34	POSEIDON ENERGY SERVICES NIG LTD	146,274,516.15	255,980,403.27	283%	146,811,765.19	256,920,589.09	371%
35	OILSERV LIMITED	148,951,133.94	260,664,484.40	288%	149,488,382.98	261,604,670.22	377%
36	BABLUNK RESOURCES NIGERIA LTD	197,128,873.34	344,975,528.35	381%	197,666,122.38	345,915,714.17	499%
37	FAIRTEX INTEGRATED SERVICES LIMITED	207,577,153.49	363,260,018.61	401%	208,114,402.53	364,200,204.43	526%
38	Erasko Energy Limited	224,662,881.40	393,160,042.44	434%	225,200,130.44	394,100,228.27	569%
39	MJD OILFIELD SERVICES LIMITED	227,334,849.57	397,835,986.74	439%	227,872,098.61	398,776,172.56	575%
40	CHIFY NIG LTD	237,024,949.34	414,793,661.34	458%	237,562,198.38	415,733,847.17	600%
41	BAYWOOD CONTINENTAL LTD	263,942,232.47	461,898,906.82	510%	264,479,481.51	462,839,092.64	668%
42	PATLEY INTERNATIONAL CONCEPT LTD	453,576,911.78	793,759,595.62	876%	454,114,160.82	794,699,781.44	1147%
43	FENOG NIGERIA LIMITED	570,556,834.40	998,474,460.20	1102%	571,094,083.44	999,414,646.02	1442%
44	HYDRODIVE NIGERIA LTD	3,386,115,818.83	5,925,702,682.96	6541%	3,386,653,067.87	5,926,642,868.78	8552%
45	CNS MARINE NIGERIA LIMITED	10,505,053,418.90	18,383,843,483.07	20292%	10,505,590,667.94	18,384,783,668.89	26529%

BID CREDIBILITY CHECK AND ASSURANCE:

Post Tender negotiation and Bid clarification

An analysis of the tendered rates of the lowest bidder revealed that the rates are highly skewed ranging from 0.4% - 22,968% of the individual service rates of the company estimate. A review against current contract rates also revealed a range of 0.4% - 44,898% of the current rates. 48% of the tendered rates are above 100% of the current rates and majority of these are frequently call-out items.

SPDC engaged NAPIMS on the outcome of the bid analysis and highlighted the implications of retaining the skewed rates as is and sought their support to conduct a Post Tender negotiation with the Lowest bidder to redistribute their tendered rates by reducing the high rates and increasing the low rates while ensuring that no rate will be more than 100% of current contract rates, bearing in mind that most of the service lines work in packages, and this without changing the overall outcome and ranking. See Attachment 8B.

NAPIMS supported this approach and insisted that the negotiation/redistribution should not change the total tendered contract value of the lowest bidder. The signed Minutes of Meeting is attached – **Attachment 10**.

Bid clarification was conducted with the lowest bidder and subsequently with the other eleven (11) recommended bidders to confirm their understanding of the scope and their ability to provide the required services at the negotiated rates without requesting for a rate variation within the contract duration. The lowest bidder and the other 11 (eleven) recommended bidders have all responded with their confirmation – **Attachment 14**.

Sensitivity Analysis:

- A review of the line item details shows that 20% of the negotiated rates are $\leq 50\%$ of the current rates, while, 80% are between 50 -100% of the current rates. This has helped essentially to mitigate, to a reasonable extent, the risk of artificially low and high bids and the potential of vendors rejecting Purchase Orders at the execution phase.
- Although the overall benchmark against current rates is 44%, a sensitivity analysis reveals that the cost of constructing 1 km of a 4" Flowline is 62% of the current rate – **Ref sheet 7 of Attachment 8B**.
- Ten (10) of the Twelve (12) recommended contractors are incumbent contractors and already have a good understanding and working experience of our terrain.
- The increase in the number of bidders from eight (8) to twelve (12) creates additional opportunity and flexibility in the event of poor performance or Purchase Order rejection.

Enhanced Post-Award Contract Management:

- Though a tactical contract, quarterly performance review will be conducted to manage performance.
- Robust performance indicators (KPIs) shall be included as part of the contract and monitored.
- Rigorous Premobilisation and Kick-off meetings.
- Increased frequency of Management Facility Engagement (MFE) to identify and close identified gaps.
- Optimized work allocation per contractor leveraging on vendor capability.
- Seek approval to prioritize vendors payment within 45 days to sustain vendor cash flow where required.
- We shall exercise our right under the contract to terminate as a result of non-performance if required.

BASIS OF AWARD & RECOMMENDATION

Award is made based on lowest estimated contract value derived by applying rates to notional quantities. No bidder is awarded more than one contract in the Land and Swamp contracts and award is made at Lowest bidder's tendered/normalised rates.

As a result of the recent divestment of the OML 17 Land asset which provides more opportunities in the Swamp Asset, NAPIMS did not support the strategy that in the event a bidder emerges lowest in both Land and Swamp asset, only one contract with the higher value shall be awarded. Based on the above, all vendors that emerged lowest in both Land and Swamp asset are proposed for award of contract in the Swamp Asset. Eight (8) vendors (highlighted red in list below) who emerged lowest in both Swamp and Land Asset Tenders were awarded contracts in the Swamp Asset and consequently the next lowest bidder is proposed for award in the Land Asset. The Twelve lowest bidders proposed for award of contract are as follows:

Bidder	Rank	Remark
1 SOEHIL NIGERIA LIMITED	1st	
AandN ENGINEERING AND CONSTRUCTION NIG LTD		Awarded a contract in Swamp Asset
ROMEK AND COMPANY LIMITED		Awarded a contract in Swamp Asset
HOECHY DEVELOPMENT LIMITED		Awarded a contract in Swamp Asset
2 HENZOL GLOBAL SERVICES LIMITED	5th	
3 STEVE INTEGRATED TECHNICAL SERV LTD	6th	
4 ANCHOR-MARIC NIGERIA LTD	7th	
5 TOMBA RESOURCES NIGERIA LTD	8th	
6 MIDEN SYSTEMS LIMITED	9th	
ARIOSH LIMITED		Awarded a contract in Swamp Asset
7 QUICK TOOLS NIGERIA LIMITED	11th	
8 AMBAN NIGERIA LTD	12th	
9 HOUSTON ENG. AND MARINE SERV LTD	13th	
10 GUIZ AND COMPANY LTD	14th	
ROADLAMP LIMITED		Awarded a contract in Swamp Asset
11 CLE-PARINNA INT'L LTD	16th	
DAIK ENGINEERING LIMITED		Awarded a contract in Swamp Asset
SUNUP LOGISTICS LIMITED		Awarded a contract in Swamp Asset
MATIZ ENERGY LIMITED		Awarded a contract in Swamp Asset
12 GAMSTEC INTEGRATED SERVICES LTD	20th	

THE SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED

Major Contracts Board Submission

AWARD ACV PER VENDOR

		% split	Total ACV (FUSD) (5years)	Total ACV (FUSD) (2years)	Total ACV (FUSD) (5+2years)	LDL ACV (FUSD) (6 months)
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AWARD ACV (5 YEARS) SHOWING CURRENCY SPLIT

		% split	Total ACV (USD) (5 years)	Total ACV (NGN) (5 years)	Total ACV (FUSD) (5 years)
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9	HOUSTON ENG. AND MARINE SERV LTD	5	651,134.62	165,007,428.08	1,053,925.78
10	GUIZ AND COMPANY LTD	5	651,134.62	165,007,428.08	1,053,925.78
11	CLE-PARINNA INT'L LTD	5	651,134.62	165,007,428.08	1,053,925.78
12	GAMSTEC INTEGRATED SERVICES LTD	5	651,134.62	165,007,428.08	1,053,925.78
			13,022,692.38	3,300,148,561.54	21,078,515.65

AWARD ACV (2 YEARS optional extension) SHOWING CURRENCY SPLIT

		% split	Total ACV (USD) (2 years)	Total ACV (NGN) (2 years)	Total ACV (FUSD) (2 years)
1	SOEHIL NIGERIA LIMITED	20	1,041,815.39	264,011,884.92	1,686,281.25
2	HENZOL GLOBAL SERVICES LIMITED	10	520,907.70	132,005,942.46	843,140.63
3	STEVE INTEGRATED TECH SERV LTD	10	520,907.70	132,005,942.46	843,140.63
4	ANCHOR-MARIC NIGERIA LTD	8	416,726.16	105,604,753.97	674,512.50
5	TOMBA RESOURCES NIGERIA LTD	8	416,726.16	105,604,753.97	674,512.50
6	MIDEN SYSTEMS LIMITED	8	416,726.16	105,604,753.97	674,512.50
7	QUICK TOOLS NIGERIA LIMITED	8	416,726.16	105,604,753.97	674,512.50
8	AMBAN NIGERIA LTD	8	416,726.16	105,604,753.97	674,512.50
9	HOUSTON ENG. AND MARINE SERV LTD	5	260,453.85	66,002,971.23	421,570.31
10	GUIZ AND COMPANY LTD	5	260,453.85	66,002,971.23	421,570.31
11	CLE-PARINNA INT'L LTD	5	260,453.85	66,002,971.23	421,570.31
12	GAMSTEC INTEGRATED SERVICES LTD	5	260,453.85	66,002,971.23	421,570.31
			5,209,076.95	1,320,059,424.62	8,431,406.26

AWARD ACV (6 months Interim) SHOWING CURRENCY SPLIT

		% split	Total ACV (USD) (6 months)	Total ACV (NGN) (6 months)	Total ACV (FUSD) (6 months)
1	SOEHIL NIGERIA LIMITED	20	260,453.85	66,002,971.23	421,570.31
2	HENZOL GLOBAL SERVICES LIMITED	10	130,226.92	33,001,485.62	210,785.16
3	STEVE INTEGRATED TECH SERV LTD	10	130,226.92	33,001,485.62	210,785.16
4	ANCHOR-MARIC NIGERIA LTD	8	104,181.54	26,401,188.49	168,628.13
5	TOMBA RESOURCES NIGERIA LTD	8	104,181.54	26,401,188.49	168,628.13
6	MIDEN SYSTEMS LIMITED	8	104,181.54	26,401,188.49	168,628.13
7	QUICK TOOLS NIGERIA LIMITED	8	104,181.54	26,401,188.49	168,628.13
8	AMBAN NIGERIA LTD	8	104,181.54	26,401,188.49	168,628.13
9	HOUSTON ENG. AND MARINE SERV LTD	5	65,113.46	16,500,742.81	105,392.58
10	GUIZ AND COMPANY LTD	5	65,113.46	16,500,742.81	105,392.58
11	CLE-PARINNA INT'L LTD	5	65,113.46	16,500,742.81	105,392.58
12	GAMSTEC INTEGRATED SERVICES LTD	5	65,113.46	16,500,742.81	105,392.58
			1,302,269.24	330,014,856.15	2,107,851.57

TRANSITION PLAN / COST OF IMPROVEMENTS (IF APPLICABLE)

Ten (10) of the Twelve (12) recommended contractors are incumbent and will therefore be readily available to mobilise to site for work execution upon award of the contract. The contractor performance management framework is in place and will be the structure

deployed to manage the new vendors. The Contract Management Team (CMT) will develop a change management Plan as part of the Contract Management Plan (CMP) that will capture seamless transition from the current contracts to the new. Internal Kick-off meeting with all critical stakeholders and contract users will be held to align internally on the expectations and requirements of these new contracts. Similar Kick-off meeting (external) will be held with the contractors. SMART Key performance indicators (KPI) to be included in the CMP and tracked periodically in line with the CMP requirements. The incumbent contractors will be demobilised in accordance with the contract terms and contracts closed out in line with the CMCP requirements.

All efforts will be put in to ensure that contractors deliver at the negotiated rates to guarantee the anticipated savings without compromising on safety and quality.

Based on the report from the MICA Team, particular focus was placed on the normalisation of the various labour rates resulting in an 8% reduction in Gap to Potential from current rates (from a total of NGN157,615.20 to NGN145,400.91).

APPROVED CONTRACT VALUE

Twelve (12) contracts are proposed to be awarded at the lowest bidders redistributed/negotiated rates. The contract award value is **FUSD 29,509,921.91 (US\$ 18,231,769.33 and NGN 4,620,207,986.16 @ exchange rate of NGN409.66=\$1.00** (revised from FUSD 30,406,230.43 @ exchange rate of NGN379.5=\$1.00) and currency split of 60:40 USD:NGN) for 5 years + 2 years extension option, split in the ratio of 20:10:10:8:8:8:8:5:5:5:5. A provision for reimbursable was also included in this benchmark as this was erroneously omitted in the company estimate at bid opening. This is to enable the business respond to emergent scopes. This provision will be utilised in line with MCB approved framework.

COMPLIANCE TO MODEL TERMS & CONDITIONS

MCL based and localised standard terms and conditions were used for the specimen contract document attached to the commercial ITT.

GOVERNMENT INTERMEDIARY (GI) ELEMENT

GI elements present in work scope?	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO
If yes, GI terms & conditions included in contract?	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO

IDD & HSE CAPABILITY ASSESSMENT STATUS

The IDD and HSE Capability Assessment status of the recommended bidders is as follows:

IDD STATUS:

All 12 bidders are IDD cleared. **See Attachment 11**

1	SOEHIL NIGERIA LIMITED	31/10/2021
2	HENZOL GLOBAL SERVICES LIMITED	1/1/2040
3	STEVE INTEGRATED TECH SERV LTD	31/08/2021
4	ANCHOR-MARIC NIGERIA LTD	Cleared
5	TOMBA RESOURCES NIGERIA LTD	1/1/2040
6	MIDEN SYSTEMS LIMITED	Cleared
7	QUICK TOOLS NIGERIA LIMITED	1/1/2040
8	AMBAN NIGERIA LTD	31/08/2021
9	HOUSTON ENG. AND MARINE SERV LTD	29/02/2024
10	GUIZ AND COMPANY LTD	Cleared
11	CLE-PARINNA INT'L LTD	1/1/2040
12	GAMSTEC INTEGRATED SERVICES LTD	1/1/2040

HSE CAPABILITY ASSESSMENT:

The HSE capability assessment of one (1) of the Twelve (12) vendors is expired- See table below. The revalidation of the HSE Capability Assessment is currently ongoing. Contract signing/implementation shall only be progressed following satisfactory conclusion of the HSE Capability Assessment processes for Anchor-Maric Nig limited

1	SOEHIL Nigeria Limited	30-Jun-2024	VALID
2	HENZOL GLOBAL SERVICES	14-Oct-2022	VALID
3	STEVE INTEGRATED TECHNICAL SERVICES LI	10-Dec-2022	VALID
4	ANCHOR-MARIC NIGERIA LIMITED	10-May-2021	EXPIRED
5	TOMBA RESOURCES LTD	16-Apr-2023	VALID
6	MIDEN SYSTEMS LIMITED	1-Mar-2024	VALID
7	QUICK TOOLS NIGERIA LIMITED	15-Jun-2024	VALID
8	AMBAN NIGERIA LIMITED	21-Jul-2024	VALID
9	HOUSTON ENGINEERING AND MARINE SERV	11-Jul-2022	VALID
10	GUIZ COMPANY LIMITED	29-Apr-2024	VALID
11	CLE-PARINNA INTERNATIONAL LIMITED	2-Apr-2024	VALID
12	GAMSTEC INTEGRATED SERVICES LIMITED	29-Jun-2024	VALID

NIGERIAN CONTENT COMPLIANCE CERTIFICATE (NCCC)

The NCCC for the Twelve (12) vendors have been reviewed by NCDMB and are been processed for sign-off - **Attachment 12**

SECTION C: POST AWARD CONTRACT MANAGEMENT**KEY PERFORMANCE INDEX (KPI) (FROM PART A)**

Business Objective	KPI	Measure	Target	Frequency Measured
HSSE	Adherence to 12 Life Saving Rules	GZ Documentation	0.00	Monthly cumulative
HSSE	Spill from construction	0 bopd	0.00	Monthly cumulative
Quality Assurance	Good delivery of Site installation works	Detailed specs of work in contract and Project Inspector deployment at site	No rejects	Daily Daily (site supervision)
Delivery Schedule	Timely Materials Arrival at KI	Time sheet and schedule tracking	On schedule	Weekly
Community disturbance	Peaceful project execution	Secure FTO before contractor mobilisation to site	0.0	Daily
Quality Assurance	Hook-up of Flowlines after rig exit		5 days	Monthly cumulative
Training	Training and Assessment/Certification of 6 nos persons	Certification	6 nos persons	Bi-Annual

CONTRACT MANAGEMENT PLAN (CMP)

Not applicable for Tactical contract, however, the CMT will implement a light-CMP Post Contract Award

HSE PLAN

Contract HSE plan will be finalised post award.

NIGERIAN CONTENT EXECUTION PLAN

**If winning vendors are more than one, 'a- c' information below should be completed for each vendor.*

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

Work Category	Schedule Target	**Vendor's NC Pledge	Measuring Metrics	Agreed actions including authorisation to import
Construction management & supervision services	80%	100%	Man-hour	NA
Pipe laying and cable laying services	50%	100%	Man-hour	

Wellhead services	85%	100%	Man-hour	
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b. Nigeria Content Summary Work scope.
**** Describe all the proposed Nigerian Content activities in the ITTs for inclusion in proposed contracts.**
Vendor's training plan in alignment with pre-approved Project's Nigerian Content Plan and in line with the human development capacity guide 2014

Training Type	No of Trainees	Total Man-hours/man-years	Name / Level of Certification
As detailed in NCCC			

Training is for National Skill pool per NCDMB database.
All training must be certifiable and in line with NCDMB training guidelines.

c. Global Sustainable Sourcing opportunity (provide details of the global sourcing opportunity utilised and capacity gap addressed).
d. Nigerian Content Compliance Certificate required prior to award approval recommendations to NAPIMS
****Where the NC pledge falls short of set minimum targets by law an authorisation to import may be required for these categories.**

COMMUNITY CONTENT NIGER DELTA CONTENT EXECUTION PLAN

For this sub-category, Vendor will align with Community Content Guideline and ensure 100% Unskilled, 50% semi-skilled and 10% skilled labour required are sourced from relevant host community. In addition to the strategy above all past non-specialist activities have been executed with the involvement and participation of communities. Relevant parts of the contract have also been subcontracted to the community contractors that passed through all the necessary prequalification exercise. Consequently, a significant portion (50%) of the ROW Bush clearing and (50%) of the ROW excavation will be subcontracted to the pre-qualified community contractors in line with the FTO agreements and Local Content Plan. This principle will be fully adopted in this new contract for all non-specialist repair works and will be monitored in the post contract award exercises.

RISK ASSESSMENT

1. Contract Risk Assessment:

Risk Description	Likelihood (H / M / L)	Impact (H / M / L)	Mitigating Actions	Action Owner
Poor Funding	H	H	Ensure adequate budget availability and approval to execute full scope before contractor engagement, and issue PO before start of work.	Contract Owner, Contract Holder
Mobilisation and Demobilisation	M	H	Ensure use of pre-mobbed equipment Follow approved journey management plan Follow approved security plan	Contract Holder
Occurrence of an HSE incident during construction	M	H	Ensure PTW procedure is adhered to. Ensure use of pre-mobbed equipment	Contract Holder, HSE Adviser
Emergence of a bidder with low HSE culture	M	H	Conduct a robust HSE capability assessment and close out of key improvement actions before mobilisation	Contract Holder, HSE Adviser
QA/QC	M	H	Ensure deployment of competent personnel Follow approved work procedure	Contract Holder

Construction	M	H	Do a dry run of the field activities with technical authorities in review before mobilisation	Contract Owner, Contract Holder
Project delay due to Community Disturbance	M	H	Secure FTO before contractor mobilisation to site	Project Engineer
Project delay due to material unavailability	H	H	Timely materials sourcing and issuance to contractor before mobilisation to site.	Project Engineer

2. HSE Risk Assessment:

Contract is Mode 1 High Risk. See Contract HSE Risk Assessment - **Attachment 13**

ATTACHMENT:

ATTACHMENT 1 - [APPROVED PART A1, ADD1 AND ADD 2](#)

ATTACHMENT 2 - [NAPIMS APPROVAL OF STRATEGY](#)

ATTACHMENT 3 - [APPROVED BID LIST](#)

ATTACHMENT 4 - [PRE-TENDER MOM](#)

ATTACHMENT 5 - [SPDC/NAPIMS TECHNICAL EVALUATION RESULT](#)

ATTACHMENT 6 - [NCDMB TECHNICAL EVALUATION REPORT](#)

ATTACHMENT 7- [PART A2 – TECHNICAL EVALUATION APPROVAL](#)

ATTACHMENT 8 - [SPDC/NAPIMS COMMERCIAL EVALUATION RESULT](#)

ATTACHMENT 8 A - [SPDC/NAPIMS COMMERCIAL EVALUATION RESULT - REVISED](#)

ATTACHMENT 8B – [DETAILED EVALUATION AND BENCHMARK ANALYSIS](#)

ATTACHMENT 9 - [NCDMB COMMERCIAL EVALUATION REPORT](#)

ATTACHMENT 10 – [MOM with NAPIMS on award strategy](#)

ATTACHMENT 11 – [IDD STATUS](#)

ATTACHMENT 12 – [NCCC STATUS](#)

ATTACHMENT 13 – [CONTRACT HSE RISK ASSESSMENT](#)

ATTACHMENT 14 – [BID CLARIFICATION](#)