



THE SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED
MAJOR CONTRACTS BOARD SUBMISSION

Confidential

Part B – Contract Award

Date: 18/04/2022

Category	Engineering	Contract ID:	CW604126 +9 others CW604123 + 9 others
Contract Title:	Call-Off Contract for Engineering Design and Project Support Pure Services		
HSE Mode & Risk	Mode 1, Medium Risk		
Agenda Item	(TB secretary to complete)		
Proposed Authorized Contract Value (ACV)	F\$219,842,715.88 (\$131,905,629.53 + N 36,493,890,835.98@ \$1 to N 415) shared equally to the 20 lowest bidders (ACV is inclusive of 3% HCD of F\$6,403,185.90 (\$3,841,911.54 + N1,062,928,859.30)		Segmentation /Operational
Proposed expenditure while pending NAPIMS approval	F\$ 1,374,016.97 for each of the proposed 20 lowest bidders (inclusive of F\$ 40,019.91 3% HCD) for a six-month period		
Start & End dates	Q1 2022 to Q2 Dec 2025	Duration :3yrs / Extension options:1 yr.	
APPROVAL OF NEGOTIATION OUTCOME			
On the 1 st March 2022, MCB approved line sign off of negotiation outcome and award recommendation of subject tender without recourse to the board if mandate is achieved.			
<ol style="list-style-type: none"> Contract Management Team (CMT) seeks line approval of the negotiation outcome and acceptance of NAPIMS/SPDC offer of F\$ 10,992,135.79 inclusive of 2% HCD fund by each of the 20 vendors as shown in tables 4 and 5 at the bottom of this submission. Note negotiated out come is 65% of Company Estimate which is within approved mandate. Line approval of award recommendation. 			
	Senior Procurement Manager (SPM)	Contract Owner	
	Reviewed and approved for MCB and confirms: <ol style="list-style-type: none"> Alignment with approved Category Strategy (& Global Category Strategy where applicable) Compliance with the NOGICD Act & Community Content commitments. 	Reviewed whole submission and confirms support from: <ol style="list-style-type: none"> Finance [Okoroigwe, Chimaeze] - 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 [Ijason, Olere] - HSSE consideration and requirements are met 	
Signature			
Name	Gregory Akhibi	Olabanji Raimi	
Date			
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**

S/N	Tender Process	Date Achieved
1	MCB approval of Strategy and Advert	15 th Jan 2020
2	NAPIMS approval of Strategy and Advert	2 nd Mar 2020
3	NCDMB approval of Nigeria Content Plan	19 th Feb 2020
4	NCDMB Advert approval	24 th Feb 2020
5	Advert Publication	20 th Apr 2020
6	Advert closing Date	18 th May 2020
7	Bid list download and NAPIMS /SPDC sign off.	19 th May 2020/16 th July 2020
8	Technical /Commercial Evaluation Criteria alignment with JV and sign off.	30 th Apr 2021
9	SPDC TA approval of Technical and Commercial Evaluation Criteria	17 th May 2021
10	Issue Technical and Commercial ITT	13 th Jan 2021
11	Technical and Commercial ITT closing Date	14 th Apr, 2021
12	Technical bid Opening	20 th May 2021
13	NAPIMS/SPDC Technical Evaluation and Reconciliation	15 th Jul 2021
14	NCDMB Technical Evaluation Report	14 th Aug 2021
15	NAPIMS/SPDC Commercial Evaluation and Reconciliation	9 th Nov 2021
16	NCDMB Technical Evaluation Report	9 th Dec 2021

BACKGROUNDUpdate

MCB of 1st March 2022 approved the following.

- The outcome of tender process to select technically and lowest commercially acceptable bids for provision of Engineering Design and Project Support (EDPS) Pure Services.
- NAPIMS proposed change in number of contracts award from 10 contracts to 20 contracts for a duration of 3yrs + 1yrs extension option.
- Negotiate vendors bid above 65% of Company Estimate (CE) down to 65% of the CE which is the best commercially acceptable rate based on the recently concluded tender process for provision of EDPS Pure Services.
- Award up to 20 discrete contracts (in line with NAPIMS proposed change in number of contracts) for a duration of 3yrs + 1yrs extension option to qualifying bidders listed below that accept the offer of 65% CE.

S/N	Project Support Services	S/N	Engineering Design Services
1	Daiik Engineering Limited	1	Winorac Eng And Tech Services Ltd
2	Concave Energy Services Limited	2	Wilkriss Nig.Ltd
3	Mccxen Limited	3	Sunny-Ebi Multi Systems Limited
4	Seflam SGL Limited	4	Kohasa Engineering Company Limited
5	Arco Integrity Solutions Limited	5	Broadview Engineering Limited
6	PPI Technology and Kog Nig. Ltd	6	International Energy Services Ltd (IESL)
7	Techstone Energy Limited	7	Tebol Energy
8	C.O.U.B.A Services Nigeria Limited	8	Dover Engineering Limited
9	Cardinal Integrated Projects Ent Ltd	9	ILF Eng Nigeria Ltd
10	Chesroc Nig Ltd	10	Amazon Energy Limited

- Share cumulative ACV of **F\$219,842,715.88** equally among the vendors that accept the offer.
- Sign off the negotiation outcome and award recommendation at Line level without recourse to the board if mandate is achieved.
- Register successful bidders who are currently not in SPDC's Vendor Management System.
- Execute Six months interim agreements with the successful bidders /awardees via eLDL for business continuity pending NAPIMS approval.

History**Outline of Tender Activities**

- The competitive tender strategy using Double Envelop via NipeX was approved by MCB and NAPIMS on 15th January 2020 and 2nd March 2020 respectively -**Ref. Attachments 1a and 1b.**
- NCDMB approved the strategy on the 19th of February 2020. Adverts were published in the National Dailies on the 20th April 2020, with a closing date of 18th May 2020. **Ref attachment 2.** Bid list was downloaded and signed off on 19th May 2020.
- The Technical and Commercial IIT were published in NipeX on the 13th of January 2021 to 350 NJQS active bidders who were in product category Product Code 3.01.01(Engineering Support Services/Project Administration Services) with 14th April 2021 as the closing date of advert.
- The Technical bid evaluation was signed off by SPDC and NAPIMS on 15th July 2021, **Ref. Attachment 3.** NCDMB technical report was approved on the 14th of August 2021, **Ref. Attachment 4.**
- Commercial bid evaluation was signed off by SPDC and NAPIMS on the 9th of Nov 2021, **Ref. Attachment 5.** NCDMB commercial report was approved on 9th Dec 2021. **Ref. Attachment 6**

CHANGES FROM STRATEGY**1. Change in Contract Start Date.**

The Contract was initially scheduled to commence in Q2, 2021 for a period of 3 years + 1-year extension option as approved by MCB, **Ref. Attachments 1a.** However, due to external (NAPIMS and NCDMB) delays which affected the tender process timeline, the contract is now estimated to commence by the end of Q1 2022 to Q2 Dec 2025, with option to extend contracts by 1 year.

2. Change in NipeX Product Code

NAPIMS in response to Strategy/Advert approval request via NAPIMS letter Ref NAP/2.01/JV. FA/20.210 dated March 2nd, 2020, (**Ref; Attachment 1a**) changed MCB approved product code from 3.01.02 (Fabrication, Structural design, Civil Engineering / Structural Services to Product Code 3.01.01(Engineering Support Services/Project Administration Services).

3. Change in Contract Scope, contract structure from Manpower to Pure Services and Proposed ACV

NAPIMS was engaged on 11th September 2019 to seek support to increase contract scope to include Expertise Level Engineering scope into the Engineering Design and Project Support Services contracts tender scope, **Ref; Attachment 7** (MOM with NAPIMS), while MCB on the 17th of August 2020 approved the same increase in scope and conversion to NCDMB compliant Pure Service contracts via addendum to Part A.

In addition, MCB also approved increase in the Estimated Contract Value (ECV) from F\$ 276,408,333.34 to F\$339,219,974.31 to cater for the increase in scope. **Ref: Attachment 8.** However, NAPIMS advised CMT to issue two commercial IIT templates (one in the form of Manpower Service Structure and the second in the form of Pure Services Structure) to enable conversion from Manpower service to Pure services contracts, since the initial NAPIMS and MCB strategy approvals were based on Manpower Services contract structure.

4. Change in number of contract awards

MCB approved award of 10 contracts, 5 contracts for provision of Engineering Design and 5 contracts for Project Support Services (**Ref. Attachments 1a**). However, NAPIMS in a meeting dated 7th September 2021 and 27th October 2021, (**Ref; Attachment 9 and 10**) proposed an increase in total number of contracts to be awarded from 10 contracts to 20 contracts (10 contracts for Provision of Engineering Design services and 10 contracts for Provision of Project Support Services) in view of the termination of 19 Expat Manpower contracts. NAPIMS noted that SPDC had a combined total of 32 contracts (19 Expat Manpower contracts and 13 Engineering Design/Project Support services contracts) before initiation of the replacement tender process, hence the need to maintain reasonable number of contracts and that the revised number of contracts will ensure reduced financial burden on each vendor as NNPC is not prompt on release of fund for execution of contracts.

SUMMARY OF VALUE CONTRIBUTION

Not Applicable

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

- Technical and Commercial ITT were issued to 350 bidders and only 133 bidders responded to the ITT.
- From the technical bid evaluation by NAPIMS and SPDC (**Ref; attachment 3**), 49 bidders scored 60% and above.
- Of the 49 bidders who scored 60% and above in NAPIMS/SPDC Technical Evaluation, 41 met NCDMB requirement (**NCDMB report, Ref; Attachment 4**) and were recommended to progress to Commercial Bid Opening and Evaluation.

COMMERCIAL EVALUATION

The summary of the commercial evaluation strategy that was approved by MCB and transmitted to NAPIMS is as follows:

Award criteria:

1. The submitted bids shall be ranked in order of ascending (increasing) price.
2. Vendors shall bid for their profit and statutory payments which constitute total markup against barebone cost.
3. Vendors that quote below barebone statutory payment will be disqualified.
4. Bids above baseline cost (best commercially acceptable rate) and company estimate shall be negotiated to a value not exceeding 100% company estimate (after meeting the condition in item 3).
5. 10 contracts (5 contracts for Engineering Design Services and 5 contracts for Project Support Services) shall be awarded with equal ACV split
6. The commercial evaluation will be based on Mark-up and statutory payments.

NAPIMS in conveying the strategy approval stipulated award of multiple contracts to technically qualified lowest commercially acceptable responsive bid and splitting of the cumulative ACV equally among awardees. NAPIMS strategy approval also stated that the barebone cost shall form the base line cost for commercial evaluation which shall be agreed and signed off by NAPIMS and SPDC before bid opening and evaluation.

Prior to opening of the commercial bids, NAPIMS and SPDC aligned on the following as basis for the commercial bid analysis, in line with the approved commercial evaluation criteria below:

- a. The commercial evaluation will be conducted in two stages based on the two commercial ITT templates issued to bidders to quote for both (1st stage) Engineering Design/Project Support Manpower Service and (2nd Stage) Engineering Design/Project Support Pure Services.
- b. Adopt all conditions stated under **Award Criteria** above.
- c. Minimum (barebone) cumulative quote for statutory payment (PAYE, Statutory / Welfare payments inclusive of profit /mark up element) in the 1st stage commercial evaluation shall be 55.75% Ref: Table 1 below for the basis of the statutory payments/ welfare payments and PAYE.

Table 1

STATUTORY PAYMENTS BREAKDOWN	APPROXIMATE %
GLA	0.75%
NSITF	1.00%
GTPL	0.50%
NHF	2.50%
PENSION (EMPLOYER'S PART)	18.00%
NCD	1.00%
WHT	5.00%
PERMITS INCLUDING (BOSIET/HUET/OSP ETC.)	0.00%
HCD	3.00%
PAYE	24.00%
TOTAL	55.75%

- d. Bidders with quote below the bare bone cost will not be recommended for contract award, as non-compliance to statutory payments will not be encouraged.
- e. First 20 bidders that meet the minimum (barebone) cumulative sum of Statutory Payments+ Welfare Payments + PAYE + Profit of equal or greater than 55.75% (first stage commercial) shall be selected for the second stage commercial evaluation to determine the best commercially acceptable rate for provision of Engineering Design and Project Support Pure Services.
- f. Bids above the best commercially acceptable rate shall be negotiated down to best commercially acceptable rate which should not be greater than 100% of the company estimate. And if the best commercially rate is above 100% company estimate it shall be negotiated down to 100% company estimate.
- g. Second Stage commercial evaluation shall be the selection of the best commercially acceptable rate of Engineering Design/Project Support Pure Services among the 20 selected bidders from the first stage commercial evaluation. The quote determined to be the best commercially acceptable rate from the Pure Service bids, shall be offered to other bidders.
- h. Only bidders who accept NAPIMS/SPDC offer shall be proposed for contract award.

The 1st Stage Commercial Evaluation

- Commercial ITT was issued to the 41 bidders that passed the technical stage. Their bids were opened on 7th September 2021.
- 37 bidders submitted commercial bids. NAPIMS, NCDMB and SPDC conducted commercial bids evaluation independently. NAPIMS/SPDC Commercial evaluation and reconciliation/approval was on 9th November 2021, while NCDMB commercial report was approved on 9th December 2021.
- The first 20 vendors bid that met 1st Stage Commercial Evaluation criteria (lowest acceptable bids with the minimum (barebone) cumulative sum of Statutory Payments + PAYE + Profit equal or greater than 55.75%) are listed in table 2 below, **Ref Attachment 5** for details.

Table 2; Outcome of 1st Stage Commercial Evaluation

THE SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED

Major Contracts Board Submission

MANPOWER SCOPE										
S/N	BIDDERS NAPIMS/SPDC	ENGINEERING DESIGN SERVICE (\$)	PROJECT SUPPORT SERVICES (\$)	EXPERTISE LEVEL SERVICES (\$)	TOTAL (\$)	PAYE%	OTHER STATUTORIES %	PROFIT %	TOTAL (PAYE/ OTHER STATUTOR Y/PROFIT) %	Design Support
0	COMPANY ESTIMATE	79,525,535.08	196,535,882.40	62,403,209.96	338,464,627.44	24.00%	31.00%	3.00%	58.00%	EDS PSS
1	DAIK	82,682,290.32	204,337,343.69	64,261,704.00	351,281,338.00	24.00%	31.00%	1.05%	56.05%	Y Y
2	PPI TECHNOLOGY	83,916,515.93	206,745,334.14	62,159,444.35	352,821,294.42	24.00%	31.00%	1.05%	56.05%	Y Y
3	CONCAVE	85,124,152.20	210,921,456.83	66,159,551.64	362,205,160.67	24.00%	31.00%	1.05%	56.05%	N Y
4	MCCXEN	83,487,489.21	206,325,999.36	64,887,212.00	354,700,700.57	24.00%	31.00%	1.05%	56.05%	N Y
5	SEFLAM	85,942,653.30	212,394,863.92	66,795,668.91	365,133,186.13	24.00%	31.00%	1.05%	56.05%	Y Y
6	TECHSTONE	84,707,105.40	209,341,387.70	65,835,338.40	359,883,831.50	24.00%	31.00%	1.06%	56.06%	Y Y
7	ARCO	83,859,229.75	206,683,800.51	64,999,601.94	355,542,632.51	24.00%	31.00%	1.06%	56.06%	N Y
8	C.O.U.B.A	84,762,063.16	209,312,490.15	65,826,321.39	359,900,874.70	24.00%	31.00%	1.06%	56.06%	N Y
9	CARDINAL	85,349,434.57	210,928,804.29	66,334,660.28	362,612,899.14	24.00%	31.00%	1.06%	56.06%	Y Y
10	WINORAC ENG.	84,759,334.57	208,739,637.22	65,875,960.80	359,374,932.60	24.00%	31.00%	1.07%	56.07%	Y Y
11	CHESROC	168,728,229.54	416,987,467.53	131,137,619.38	716,853,316.44	24.00%	31.00%	1.17%	56.17%	Y Y
12	WILKRISS	156,372,753.83	386,452,698.03	121,534,795.20	664,360,247.06	24.00%	31.00%	1.18%	56.18%	Y N
13	TEBOL	111,548,107.30	275,675,047.98	86,696,537.26	473,919,692.54	24.00%	31.00%	1.19%	56.19%	Y Y
14	SUNNY EBI	74,473,808.91	177,648,673.99	208,300,339.62	460,422,822.52	24.00%	31.00%	1.20%	56.20%	Y Y
15	KOHASA	84,815,187.48	210,380,128.86	65,711,745.22	360,907,061.55	24.00%	28.00%	6.10%	58.10%	Y Y
16	DOVER	80,081,763.07	195,898,507.45	51,623,735.23	327,604,005.75	24.00%	11.00%	24.00%	59.00%	Y Y
17	ILF ENGINEERS	174,705,924.20	360,997,980.33	24,321,024.00	560,024,928.52	24.00%	16.00%	24.00%	64.00%	Y Y
18	BROADVIEW	85,389,648.00	213,375,188.50	66,105,209.85	364,870,046.35	24.00%	33.00%	8.00%	65.00%	Y Y
19	INTERNATIONAL ENERGY	54,213,499.60	124,391,044.03	34,554,427.48	213,158,971.11	24.00%	26.00%	17.00%	67.00%	Y Y
20	AMAZON	80,485,522.90	198,734,131.78	48,884,796.77	328,104,451.44	24.00%	13.00%	32.00%	69.00%	Y Y
21	CAINERGY	66,219,096.58	149,320,537.42	64,190,112.63	279,729,746.63	24.00%	27.00%	20.00%	71.00%	Y Y
22	DORMAN LONG	71,185,528.83	160,519,577.73	69,004,371.08	300,709,477.63	24.00%	27.00%	20.00%	71.00%	Y Y
23	BATELITWIN	95,430,642.10	236,458,795.82	60,569,787.20	392,459,225.12	24.00%	43.00%	33.00%	100.00%	Y N
24	DELTA AFRIK	158,819,952.77	371,319,318.79	48,199,736.00	578,339,007.56	24.00%	10.00%	145.00%	179.00%	Y Y
25	WEAM	182,887,450.45	260,683,768.60	77,422,862.40	520,994,081.44	24.00%	40.00%	140.00%	204.00%	Y Y
26	WESTFIELD	74,316,705.85	182,252,026.11	41,795,379.03	298,364,110.99	24.00%	8.00%	21.00%	53.00%	Y N
27	FRAZIMEX	73,405,312.52	181,417,739.44	44,792,176.00	299,615,227.96	24.00%	1.00%	28.00%	53.00%	Y Y
28	ARIOSSH	68,476,646.93	176,882,295.95	37,911,335.12	283,270,278.00	24.00%	8.00%	13.00%	45.00%	Y Y
29	OSPOIL	68,186,123.64	168,511,961.19	41,558,731.41	278,256,816.24	24.00%	18.90%	1.01%	43.91%	N Y
30	BENEK	57,258,794.44	141,680,238.50	38,564,622.72	237,503,655.66	24.00%	6.00%	10.00%	40.00%	Y N
31	VAGAN OIL	66,324,296.26	164,318,539.38	47,684,431.08	278,327,266.72	24.00%	6.50%	1.09%	31.59%	Y Y
32	NEMERA	66,410,657.78	164,564,750.97	47,862,596.03	278,838,004.78	24.00%	6.00%	1.09%	31.09%	Y Y
33	MOTAK	62,038,211.55	148,260,709.58	35,231,840.49	245,530,761.62	12.00%	0.00%	18.00%	30.00%	Y Y
34	HENRY WILSON	60,957,661.54	146,140,363.79	36,636,477.70	243,734,503.03	10.00%	0.00%	16.00%	26.00%	Y N
35	MAKAI SYNERGY	59,214,713.42	146,340,619.52	33,005,214.06	238,560,547.00	24.00%	0.00%	1.00%	25.00%	Y N
36	MONICA	98,909,972.95	263,084,315.04	87,664,841.68	449,659,129.67	23.00%	0.00%	2.00%	25.00%	N Y
37	HOECHY	52,170,059.90	128,930,776.99	31,754,175.84	212,855,012.72	15.00%	0.00%	1.06%	16.06%	Y N

The 2nd Stage Commercial Evaluation

On conclusion of 2nd stage commercial evaluation exercise:

- The lowest bid for provision of Engineering Design/Project Support Pure Services is **F\$ 219, 842,715.88** among the 20 bidders.
- The lowest acceptable bid is 65% of the company estimate (CE).

Table 3 below lists Engineering Design and Project Support Pure Services bids of the selected bidders from 1st stage Commercial Evaluation.

Table 3 - Outcome of 2nd Stage Commercial Evaluation (F\$)

PURE SERVICE SCOPE							
S/N	BIDDERS	ENGINEERING DESIGN SERVICES (F\$)	PROJECT SUPPORT (F\$)	EXPAT LEVEL SERVICES (F\$)	TOTAL BID RECEIVED (F\$)	TOTAL (PAYE/ OTHER STATUTORY/PROFIT) %	RANKING (% of COMPANY ESTIMATE)
	COMPANY ESTIMATE	79,379,721.97	196,580,459.02	62,631,710.71	338,591,891.70	58%	100%
1	INTERNATIONAL ENERGY	48,144,947.12	129,687,800.76	42,009,968.00	219,842,715.88	67%	65%
2	AMAZON	57,831,915.02	215,639,485.06	35,575,127.05	309,046,527.13	69%	91%
3	MCCXEN	85,453,718.95	223,498,493.45	78,967,869.76	387,920,082.16	56%	115%
4	CHESROC	150,648,241.20	93,176,475.06	154,505,342.68	398,330,058.94	56%	118%
5	PPI TECHNOLOGY	78,992,022.02	252,318,851.92	67,811,025.36	399,121,899.30	56%	118%
6	DAIHK	82,006,090.32	248,421,751.88	77,891,229.52	408,319,071.72	56%	121%
7	WINORAC ENG.	80,471,780.02	252,705,943.39	79,737,599.76	412,915,323.18	56%	122%
8	DOVER	110,602,040.15	249,023,921.79	53,914,181.78	413,540,143.71	59%	122%
9	ARCO	83,374,376.00	251,274,441.73	79,948,028.16	414,596,845.88	56%	122%
10	CONCAVE	80,390,482.75	255,758,409.06	80,130,842.48	416,279,734.29	56%	123%
11	CARDINAL	80,633,012.07	256,435,279.86	80,121,882.20	417,190,174.14	56%	123%
12	KOHASA	82,154,103.60	247,589,104.58	88,840,768.64	418,583,976.82	58%	124%
13	C.O.U.B.A	84,459,693.22	254,470,249.73	79,737,599.76	418,667,542.71	56%	124%
14	TECHSTONE	84,470,005.69	254,505,381.24	79,748,322.16	418,723,709.09	56%	124%
15	SEFLAM	81,105,472.91	258,217,626.27	80,881,539.45	420,204,638.63	56%	124%
16	BROADVIEW	82,359,259.03	261,943,888.39	79,692,386.65	423,995,534.06	65%	125%
17	TEBOL	102,511,427.75	335,150,084.13	103,610,039.95	541,271,551.83	56%	160%
18	ILF ENGINEERS	163,091,531.54	461,765,673.97	20,436,748.80	645,293,954.31	64%	191%
19	WILKRISS	143,995,504.73	469,827,262.73	143,507,891.28	757,330,658.74	56%	224%
20	SUNNY EBI	82,710,756.54	191,713,756.26	1,149,805,220.88	1,424,229,733.68	56%	421%

BASIS OF AWARD & RECOMMENDATION

Negotiations shall be conducted with all bidders listed in Table 3 above with bids above the best commercially acceptable rate of 65% of CE. and award recommendation shall be proposed to all the bidders that accept SPDC JV Offer. Contracts shall be awarded to the successful bidders post the negotiation exercise based on equal split of the cumulative ACV.

TRANSITION PLAN / COST OF IMPROVEMENTS (IF APPLICABLE)

Not Applicable.

APPROVED CONTRACT VALUE

- The cumulative proposed ACV after the tender process is F\$219,842,715.88 (\$131,905,629.53 + N36,493,890,835.98@ \$1 to N415).
- This inclusive of 3% provision for Human Capacity Development - F\$6,403,185.90 (\$3,841, 911.54 + N1,062,928,859.30)
- ACV will be split equally among all the bidders that accept SPDC JV offer, thus:

PER CONTRACT	USD	NGN	F\$@415
Work execution	6,403,185.90	1,771,548,098.83	10,671,976.50
HCD Provision (3%)	192,095.58	53,146,442.97	320,159.29
	6,595,281.48	1,824,694,541.80	10,992,135.79

Note: Each contract shall have ACV of F\$ 10,992,135.79 if all the 20 bidders accept NAPIMS/SPDC offer of 65% of CE.

COMPLIANCE TO MODEL TERMS & CONDITIONS

The contract terms and conditions are based on model contract library terms.

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 STATUS

Status of all the 20 bidders listed in table 3 that passed 1st and 2nd stage commercial evaluation is green

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

Business Objective	KPI	Measure	Target	Frequency Measured
High Quality of Service Delivery	Compliance to the defined service requirements as defined in Contract	Output of service provided vs specified output	Output satisfying the agreed parameters of the Scope of Work	Per Service Request
Prompt Adherence to welfare policy	% of Service Personnel promptly paid their salaries and pensions remitted, with valid HMO.	1. Date of payment. 2. % of personnel paid 3. % Valid HMO	1. Payment by 25th of Every Month 2. 100% of Personnel paid. 3. 100% valid HMO	Monthly
Provision of Required PPE and IT tools	All required tools to effectively provide services made available to personnel	Quality and effectiveness of tools	Must meet all specifications	Yearly
Compliance with Contract HSSE Mode Requirements	Zero Fatality, Zero LTI, Zero IOGP LSR violations, HUET/BOSIET compliance, 100% Medical fitness to work Certification, etc.	Compliance with set targets	Achieve Goal Zero	Per Service Requested

CONTRACT MANAGEMENT PLAN (CMP)

Contract segmentation is operational hence not applicable

HSE PLAN

Contract will be managed under the supervision and instruction of SPDC and in accordance with the HSSE Management System developed by SPDC which will, as a minimum, incorporate all relevant HSSE Standards as determined by SPDC from time to time. ("Company HSSE Management System").

The HSE Plan will be prepared, agreed and signed off with the contractor post award.

NIGERIAN CONTENT EXECUTION PLAN**Nigerian Content Development (NCD)**

*Schedule A	Schedule (Target)	Current In-Country Capacity	Measurement Metrics	**Nigeria Content Plan to Close Gaps
Project Administration services / Project Management	80%	80%	Man-Hours	Identify competence gaps of the Nigerian Engineers and develop programme within the contract provision to bridge identified competence gaps
FEED and Detailed Engineering on Onshore/shallow Offshore Facilities	90%	75%	Man-Hours	Identify competence gaps of the Nigerian Engineers and develop programme within the contract provision to bridge identified competence gaps Enforce sub-contracting provision in contract and encourage local vendors to partner with major Vendors

COMMUNITY CONTENT DEVELOPMENT

a) Human Capital Development (HCD) will be handled through SPDC HCD pool fund.

b) 3% provision for HCD has been included in the proposed ACV.







COMMUNITY CONTENT NIGER DELTA CONTENT EXECUTION PLAN






All vendors shall employ at least 30% of qualified personnel from its area of operations in line with GMoU terms on recruitment of skilled workforce

RISK ASSESSMENT

Risk Description	Likelihood (H / M / L)	Impact (H / M / L)	Mitigating Actions	Action Owner
Contractor's resourcing of incompetent personnel may result in poor quality jobs, injuries and damage to assets	L	M	Define basic competency requirements and carry out checks prior to work commencement. Scope shall be reduced, or work suspended for poor performing contractors	Contract Holder
Delay in Mobilization due to funding challenge	M	H	Ensure budget availability, get approval for full work scope, and issue PO before work commences	Contract Owner, Contract Holder
Security incidents may lead to injuries, fatalities and damage to Shell reputation	M	M	All projects shall have an approved security plan. No mobilization to site if conditions are unsafe	Service Users/CH
Use of incompetent contractors may result in poor service delivery, delays and consequent losses to Shell	L	M	Conduct robust technical evaluation to ensure selection of competent/capable contractors. Practical and achievable KPIs shall be included in the contracts. Competent and qualified supervisory personnel.	CMT
Work Hazards during site construction and work supervision may result in injury to personnel and damage to SPDC reputation/assets	L	M	Site induction, pre-site entering permit/briefing, toolbox meeting, use of PPE, supervision, no work during adverse weather conditions. Use of intrinsically safe cameras	Site Supervisor
Deployment of equipment, vehicles/Marine Vessels that are unfit for SPDC operations may result in accidents and delays in getting to site and associated financial losses	L	L	All equipment, vehicles/ Marine vessels to be pre-mobbed before usage in Shell Projects	CH
Non-compliance with company business ethics (SGBP) may lead to reputational damage and financial loss.	L	M	1. Use Manual of authority for approval of Purchase Orders. 2. SGBP discussion as part of contract kick off and contract review meetings with contractors.	CMT
Delayed payment to vendor	M	M	Prioritise vendor payments in view of criticality of service	CH

ATTACHMENT:

Attachment 1a and 1b	Attachment 2	Attachment 3
SPDC and NAPIMS Strategy approvals	NCDMB Approval of Advert	NAPMIS_SPDC Tech Bid Evaluation Sign off.
 Attachment 1a  Attachment 1b MCB strategy approval NAPIMS strategy approval	 Advert Cert - PROVISION OF ENGINE	 NAPMIS_SPDC Technical Evaluation sign off.
Attachment 4	Attachment 5	Attachment 6
NCDMB Tech Report	NAPIMS-SPDC Commercial report (1st Stage Commercial Evaluation)	NCDMB Commercial Evaluation Report
 NCDMB Tech Report SPDC-PROVIS	 Adobe Acrobat Document	

		 Adobe Acrobat Document
Attachment 7	Attachment 8	Attachment 9
MOM with NAPIMS on scope increase.	MCB approval to increase scope.	MOM with NAPIMS on increased number of contracts.
 MoM NAPIMS SPDC Inclusion of Nigerian I	 FW CLOSE OUT OF F MCB DIRECTIVES ON	 Commerical Evaluation Report_ M
Attachment 10		
MOM of Pre bid opening		
 MOM OF COMMERCIAL BID OF		

Negotiation outcome

Table 4

S/N	Project Support Services	Contract Number	Negotiated /Award Price (FUSD)	Contract Duration
1	Daiik Engineering Limited	CW619778	10,992,135.79	3 years +1
2	Concave Energy Services Limited	WS925784251	10,992,135.79	3 years +1
3	Mccxen Limited	CW620323	10,992,135.79	3 years +1
4	Seflam SGL Limited	CW604126	10,992,135.79	3 years +1
5	Arco Integrity Solutions Limited	CW620326	10,992,135.79	3 years +1
6	PPI Technology and Kog Nig. Ltd	CW620335	10,992,135.79	3 years +1
7	Techstone Energy Limited	CW620383	10,992,135.79	3 years +1
8	C.O.U.B.A Services Nigeria Limited	WS925853203	10,992,135.79	3 years +1
9	Cardinal Integrated Projects Ent Ltd	CW620390	10,992,135.79	3 years +1
10	Chesroc Nig Ltd	CW620416	10,992,135.79	3 years +1

Table 5

S/N	Engineering Design Services	Contract number	Negotiated /Award Price (FUSD)	Contract Duration
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THE SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED

Major Contracts Board Submission

1	Winorac Eng And Tech Services Ltd	CW620438	10,992,135.79	3 years +1
2	Wilkriss Nig.Ltd	CW620448	10,992,135.79	3 years +1
3	Sunny-Ebi Multi Systems Limited	CW620475	10,992,135.79	3 years +1
4	Kohasa Engineering Company Limited	CW620501	10,992,135.79	3 years +1
5	Broadview Engineering Limited	CW604123	10,992,135.79	3 years +1
6	International Energy Services Ltd	CW620520	10,992,135.79	3 years +1
7	Tebol Energy	CW620525	10,992,135.79	3 years +1
8	Dover Engineering Limited	CW620529	10,992,135.79	3 years +1
9	ILF Eng Nigeria Ltd	WS926009445	10,992,135.79	3 years +1
10	Amazon Energy Limited	WS926071823	10,992,135.79	3 years +1