



SPDC Contract Requisition >\$100k and <USD1m

Part AB: Approval of Contract Award

Confidential

Section A: Conformance to Contract Plan (Part A)

Contract Number:	CW653522
Contract Title:	PA: SUPPLY OF SWAGELOK PRODUCTS -
Reference & Date of Contract Plan	Start Date: 11/07/2022 End Date: 10/07/2025
Conformance to Contract Plan	NA

Section B – Technical/Commercial Evaluation Result

Purpose of Submission

This proposal seeks approval to set up a replacement Price Agreements with **SNL SALES & SERVS NIG LTD** for the **SUPPLY OF SWAGELOK PRODUCTS** to SPDC with a contract ceiling of **USD 475,000.00**.

Background

Contract (CW263939/4610049580) is due to expire on 14.04.2022, however, out of the ACV of USD 475,000 on the contract spend is USD 467,589.33. Materials in this expired contract are part of material in 2022 procurement plan. Contract CW263939 was set up on FCA incoterm, the proposed contract will also be set up on FCA incoterm. The expired contract was set up with 10% mark-up while the proposed contract will be set with 8% mark-up, this 2% reduction in mark-up will result to a savings of USD 8,075.00.

Contracts CW263939/4610049580 has been closed in SAP in line with CP process for expired contracts.

SNL SALES & SERVS NIG LTD is the OEM subsidiary in Nigeria.

Single source strategy is being proposed to **SNL SALES & SERVS NIG LTD** on the bases of in-country subsidiary of the manufacturer and avoidance of middleman/intermediary costs and likely quality issues. The applicable terms and conditions are as follows:

Table 1 FCA RATE

SWAGELOK - FCA RATES		
Items	Agreed Rates	Rate
List price		100.00
Discount	15.0%	
FOB		85.00
Markup (% of CIF)	8.0%	6.80
Subtotal-B		6.80
Total Selling Price (A+B)		91.80
Mark-Up 100% USD		

Award recommendation

Single source strategy is being proposed to **SNL SALES & SERVS NIG LTD** as the in-country representative of the manufacturer for these materials and in order to gain direct access to genuine materials and avoid middleman/intermediary costs.

Terms and Conditions of the contract

- The delivery lead-time shall be as advised by OEM.
- Payment shall be in 100% USD as this is FCA incoterm contract.
- This is for the supply of genuine materials as requested in the PO.
- The manufacturer's warranty shall apply to all the products delivered under this Agreement.
- Relevant material certificates shall accompany all the products.

Relevant Information

- The vendor has cleared SSS report which sufficient for FCA contract.
- OEM price list, which the base prices are derived from, shall be valid for this period **11/06/2022 - 10/06/2025**
- HSE mode is 3 and HSE risk is low.



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LONG TERM STRATEGY

Section C – Award Recommendation

Proposed award to: **SNL SALES & SERVS NIG LTD**

Reasons: Vendor is the OEM subsidiary in Nigeria

<input type="checkbox"/> Lowest Conforming	<input checked="" type="checkbox"/> Only Conforming	<input type="checkbox"/> Lowest Life Cycle Cost	<input type="checkbox"/> Lowest TCO
<input type="checkbox"/> Technical Weighted Preference	<input type="checkbox"/> Lowest Acquisition Cost	<input checked="" type="checkbox"/> Call-off from Frame Agreement	<input type="checkbox"/> Other
Nigerian Content:			

1. *If winning 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.

Schedule	Schedule Targets	**Vendor's NC Pledge	Measuring Metrics	Agreed actions including waivers
NA	NA	NA	NA	

b. Nigeria Content Summary Work scope.

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

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

Note: Where the category is not specified in the Act (Schedule) indicate as N/A
NOGICD = Nigeria Oil & Gas Industry Content Development Act

Authorized Contract Value (ACV):	USD 475,000.00		
1% Nigerian Content Development Fund (NCDF)	0.00		
Currency of Contract: <input checked="" type="checkbox"/> USD & NGN <input type="checkbox"/> NGN only	Cost estimate at Strategy stage: USD 475,000.00	Budget approved? <input type="checkbox"/> YES <input type="checkbox"/> NO Budget availability will be confirmed by User prior to call off from the Agreement and the account of user department will be charged whenever their request is fulfilled.	
Saving achieved:	Identified Potential Savings:		
PGS Code	BFU to indicate:		
State all amendments or changes to contract standard terms and conditions. Confirm use of GI clauses if GI elements are present in workscope.	None NA		
State any lessons learnt (eg. market, suppliers, process): None			
Contract Start Date: 11/06/2022	Contract End Date: 10/06/2025		

Section D – Contract Management

KPI's and Goals	Quality Assurance (Genuine OEM Parts 100% at all times)	Zero defects/rejects (0% defects at all-times)
	Delivery performance (100% on time delivery at all times)	Right quantity (100% Compliance with PO)
	Competitive pricing (NA). Compliance with published price list at all times	Stocking Performance (NA)
	NCD Compliance-Mandatory (100% Compliance NCD Act)	OEM Pricing Compliance (100%)

Contract Management Plans required under the Contract

<input checked="" type="checkbox"/> Health & Safety	<input checked="" type="checkbox"/> Environment	<input checked="" type="checkbox"/> Nigerian Content	<input type="checkbox"/> Transition	<input type="checkbox"/> Project Management	<input checked="" type="checkbox"/> Quality
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Section E – Stakeholder Approvals*



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.

SHAREPOINT