



# Bid Evaluation Criteria

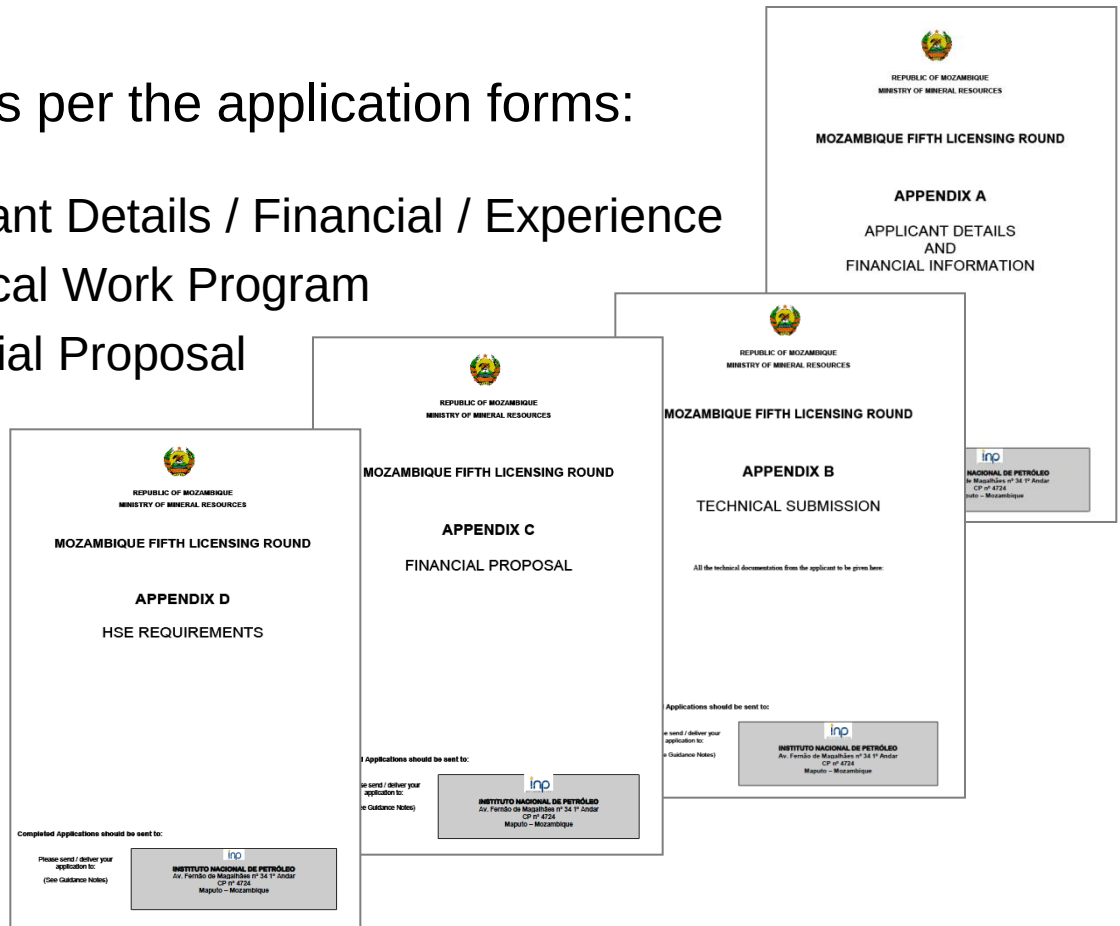
Mozambique Fifth License Round

# Evaluation Criteria

INP is making available guidance on its evaluation criteria and score card to enable companies to better prepare there bids.

The evaluation is split as per the application forms:

- Appendix A - Applicant Details / Financial / Experience
- Appendix B - Technical Work Program
- Appendix C - Financial Proposal
- Appendix D - HSE



REPUBLIC OF MOZAMBIQUE  
MINISTRY OF MINERAL RESOURCES

MOZAMBIQUE FIFTH LICENSING ROUND

APPENDIX A  
APPLICANT DETAILS  
AND  
FINANCIAL INFORMATION

REPUBLIC OF MOZAMBIQUE  
MINISTRY OF MINERAL RESOURCES

MOZAMBIQUE FIFTH LICENSING ROUND

APPENDIX B  
TECHNICAL SUBMISSION

All the technical documentation from the applicant to be given here:

Applications should be sent to:

Please send / deliver your application to:  
(One Guidance Notes)

INP  
INSTITUTO NACIONAL DE PETRÓLEO  
Av. Fernando de Albuquerque nº 34 1º Andar  
CP nº 4724  
Maputo – Mozambique

REPUBLIC OF MOZAMBIQUE  
MINISTRY OF MINERAL RESOURCES

MOZAMBIQUE FIFTH LICENSING ROUND

APPENDIX C  
FINANCIAL PROPOSAL

Applications should be sent to:

Please send / deliver your application to:  
(One Guidance Notes)

INP  
INSTITUTO NACIONAL DE PETRÓLEO  
Av. Fernando de Albuquerque nº 34 1º Andar  
CP nº 4724  
Maputo – Mozambique

REPUBLIC OF MOZAMBIQUE  
MINISTRY OF MINERAL RESOURCES

MOZAMBIQUE FIFTH LICENSING ROUND

APPENDIX D  
HSE REQUIREMENTS

Completed Applications should be sent to:

Please send / deliver your application to:  
(One Guidance Notes)

INP  
INSTITUTO NACIONAL DE PETRÓLEO  
Av. Fernando de Albuquerque nº 34 1º Andar  
CP nº 4724  
Maputo – Mozambique

## APPLICANT DETAILS AND FINANCIAL INFORMATION

|            |                                                    |          |
|------------|----------------------------------------------------|----------|
| Appendix A | <b>Applicant Details and Financial Information</b> | <b>5</b> |
|            | Total Investment in E&P Exploration                | 1.0      |
|            | Value (Market Cap) - Small to Large                | 2.0      |
|            | Production of Oil and Gas                          | 1.0      |
|            | Affordability of work Program Bid                  | 1.0      |
|            | <b>Applicant Technical Expertise</b>               | <b>8</b> |
|            | Number of E&P wells drilled                        | 2.0      |
|            | Technology - relevant to Area                      | 4.0      |
|            | Number of discoveries                              | 2.0      |
|            |                                                    |          |

INP has allocated 13% of the Evaluation marks to this section

*Companies must have proven expertise, technical capacity and financial means to conduct the required petroleum operations in an efficient manner (Reference the Petroleum Law)*

# Experience – Onshore

## Operator

- Operatorship of at least one onshore exploration / development program including seismic and drilling
- Total assets & capital greater than USD 100 Million

## Non-Operator / Partner

- Should have sufficient assets to support the proposed work program and contingencies

## All Participants

- *Companies must have proven expertise, technical capacity and financial means to conduct the required petroleum operations in an efficient manner (Reference the Petroleum Law – Article 26)*

# Experience – Offshore less than 500m

## Operator

- Operatorship of at least one offshore petroleum license and the drilling of exploration and development wells
- Total assets & capital greater than USD 2 Billion

## Non-Operator / Partner

- Should have sufficient assets to support the proposed work program and contingencies

## All Participants

- *Companies must have proven expertise, technical capacity and financial means to conduct the required petroleum operations in an efficient manner (Reference the Petroleum Law – Article 26)*

# Experience – Deep Water Offshore > 500m

## Operator

- Operatorship of at least one petroleum license in water depths in excess of 500m including drilling of exploration or development wells.
- Total assets & capital greater than USD 5 Billion

## Non-Operator / Partner

- Total assets & capital greater than USD 250 Million

## All Participants

- *Companies must have proven expertise, technical capacity and financial means to conduct the required petroleum operations in an efficient manner (Reference the Petroleum Law – Article 26)*

## Group Applications

- INP recommends 2 to 4 companies per application group as shown (A,B,C)
- With the State through ENH having a carried interest (minimum of 10% biddable) in each EPCC
- Group application must be documented by a fully executed agreement which shall be submitted at the time of application

## Preferred Application Group Composition

1. Operator
2. Concessionaire
3. ENH

**A**

- 
1. Operator
  2. Concessionaire
  3. Concessionaire
  4. ENH

**B**

- 
1. Operator
  2. Concessionaire
  3. Concessionaire
  4. Concessionaire
  5. ENH
- 

**C**

## TECHNICAL SUBMISSION / WORK PROGRAM

|                   |                                  |           |
|-------------------|----------------------------------|-----------|
| <b>Appendix B</b> | <b>TECHNICAL WORK PROGRAM</b>    | <b>50</b> |
|                   | Technical Database               | 8.0       |
|                   | G&G evaluation already completed | 10.0      |
|                   | License Prospectivity            | 4.0       |
|                   | First Exploration Period         | 22.0      |
|                   | Second Exploration Period        | 5.5       |
|                   | Third exploration Period         | 0.5       |

INP has allocated 50% of the Evaluation marks to this section

*INP wishes to encourage excellent technical bids based on all the available technical data that will demonstrate the applicants regional understanding and its ability to evaluate all of the Area applied for.*

# Appendix B

- INP has provided guidance on the minimum data requirements it believes to be required for companies to make a technical evaluation of the Areas on offer (Ref: Data Package Recommendations Presentation)
- INP has provided guidance on the minimum work program for each Area on offer in the Fifth Round. For a bid to be valid the work program offered must meet or exceed this work program (Ref: Minimum EPCC Technical Work Program Presentation)
- INP expects in the competitive bid process for these minimum work programs to be exceeded.
- INP evaluation is weighted towards the First Exploration Period which represents a firm commitment backed by Bank Guarantee.
- INP encourages companies to present a technical proposal that will maximise the knowledge of the petroleum potential of the Areas on offer.

## Technical Data

- Companies must be able to demonstrate that they have entitlement through a current data license to all INP released data and Multi Client data used in the bid.
- Companies who have a AMI (Area of Mutual Interest) with ENH must demonstrate they have adequate license to relevant data.

## FINANCIAL PROPOSAL

|            |                           |      |
|------------|---------------------------|------|
| Appendix C | FINANCIAL PROPOSAL        | 37   |
|            | Training                  | 2.0  |
|            | Institutional Support     | 5.0  |
|            | Social Support            | 2.0  |
|            | State Participation (ENH) | 5.0  |
|            | Production Bonus          | 4.0  |
|            | Other Terms               | 19.0 |

INP has allocated 37% of the Evaluation marks to this section

*This contains a definite proposal on the negotiable items contained in the model EPCC. This proposal also defines the total expenditure per period.*

# Appendix C - FINANCIAL PROPOSAL

| Items                              | US \$ | %   |
|------------------------------------|-------|-----|
| Training                           |       |     |
| Institutional Support              |       |     |
| Social Support                     |       |     |
|                                    |       |     |
| ENH carried Interest (minimum 10%) |       |     |
| Cost Petroleum                     |       | 60% |

|                                                   |                                                                                                         |             |  |  |
|---------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------------|--|--|
| Production Share<br>R-Factor:<br>Government Share | $R < 1$                                                                                                 | Minimum 15% |  |  |
|                                                   | $1 \leq R < 1.5$                                                                                        | Minimum 25% |  |  |
|                                                   | $1.5 \leq R < 2.0$                                                                                      | Minimum 35% |  |  |
|                                                   | $2.0 \leq R < 2.5$                                                                                      | Minimum 50% |  |  |
|                                                   | $R \leq 2.5$                                                                                            | Minimum 60% |  |  |
| Production Bonus<br>payable in US Dollar          | At the commence of initial commercial production:                                                       |             |  |  |
|                                                   | When Production from EPCC Area first reach _____ BOE/day average for a month:                           |             |  |  |
|                                                   | When Production from EPCC Area first reaches each further tranche of _____ BOE/day average for a month: |             |  |  |
|                                                   |                                                                                                         |             |  |  |
| Total Expenditure<br>Commitment (US \$ million)   | First Exploration Period                                                                                |             |  |  |
|                                                   | Second Exploration Period                                                                               |             |  |  |
|                                                   | Third Exploration Period                                                                                |             |  |  |
|                                                   | Total EPCC Expenditure                                                                                  |             |  |  |

# Appendix C

|            |                           |      |
|------------|---------------------------|------|
| Appendix C | FINANCIAL PROPOSAL        | 37   |
|            | Training                  | 2.0  |
|            | Institutional Support     | 5.0  |
|            | Social Support            | 2.0  |
|            | State Participation (ENH) | 5.0  |
|            | Production Bonus          | 4.0  |
|            | Other Terms               | 19.0 |

## Numbers for Guidance

### Annual Payments

### Onshore

### Offshore

- Training > \$120,000 > \$ 250,000
- Institutional Support > \$ 250,000 > \$ 500,000
- Social Support > \$ 120,000 > \$ 120,000

These are biddable items

## HSE

This is now a Pass or Fail category

### Operator

- a. QHSE Policy Statement(s)
- b. Evidence of established and implemented QHSE Management System(s)
- c. QHSE certification(s) according to best international industry practice (e.g., ISO certification 9001, ISO 14001 and/or OHSAS 18001), with copies of certificates approved by the awarding official entities.
- d. A copy of the Quality, Health, Safety and Environment Management System(s) (QHSEMS), or equivalent.
- e. A copy of Corporate Social Responsibility reports or initiatives for the past three (3) years.
- f. Experience as operator in environmentally sensitive areas.
- g. QHSE record of material events for the previous three (3) years including oil spills, site fatalities and injuries, major fires and explosions, mechanical/structural failures, emissions and waste, and main remedial efforts.

### Partner / Non-Operator

- a. QHSE Policy Statement(s)
- b. Evidence of established and implemented QHSE Management System(s)
- c. QHSE certification(s) according to best international industry practice (e.g., ISO certification 9001, ISO 14001 and/or OHSAS 18001), with copies of certificates approved by the awarding official entities.

# Bid Evaluation Score Card

| BID EVALUATION SCORE CARD |                                             |      |
|---------------------------|---------------------------------------------|------|
| EPCC 5th License Round    |                                             |      |
| Appendix A                | Applicant Details and Financial Information | 5    |
|                           | Total Investment in E&P Exploration         | 1.0  |
|                           | Value (Market Cap) - Small to Large         | 2.0  |
|                           | Production of Oil and Gas                   | 1.0  |
|                           | Affordability of work Program Bid           | 1.0  |
|                           | Applicant Technical Expertise               | 8    |
|                           | Number of E&P wells drilled                 | 2.0  |
|                           | Technology - relevant to Area               | 4.0  |
|                           | Number of discoveries                       | 2.0  |
| Appendix B                | TECHNICAL WORK PROGRAM                      | 50   |
|                           | Technical Database                          | 8.0  |
|                           | G&G evaluation already completed            | 10.0 |
|                           | License Prospectivity                       | 4.0  |
|                           | First Exploration Period                    | 22.0 |
|                           | Second Exploration Period                   | 5.5  |
|                           | Third exploration Period                    | 0.5  |
| Appendix C                | FINANCIAL PROPOSAL                          | 37   |
|                           | Training                                    | 2.0  |
|                           | Institutional Support                       | 5.0  |
|                           | Social Support                              | 2.0  |
|                           | State Participation (ENH)                   | 5.0  |
|                           | Production Bonus                            | 4.0  |
|                           | Other Terms                                 | 19.0 |
| App D                     | APPENDIX D - HSE                            |      |
|                           | Pass or Fail                                |      |
|                           | Health Safety Environment                   |      |
| TOTAL                     |                                             | 100  |

- **Appendix A** 13 Marks  
Company Expertise
  - **Appendix B** 50 Marks  
Technical Work Program
  - **Appendix C** 37Marks  
Financial Proposal
  - **Appendix D** Pass / Fail  
HSE
- TOTAL 100 Marks**

# Mozambique 5th License Round

This information is provided by INP as part of the Mozambique 5<sup>th</sup> License Round.

Bid applications will close on Tuesday 20<sup>th</sup> of January at 12:00 noon.

For further details, information about data packages and data rooms please contact:

## INP - Institute National Petroleum

Montepio Building, 34, 1  
Fernao Magalhaes Ave  
Maputo  
Mozambique  
**Tel:** +258 21 320 935



### Carlos Zacarias

Exploration Manager [carlos.zacarias@inp.gov.mz](mailto:carlos.zacarias@inp.gov.mz)

### Jose Branquinho

Project Manager [jose.branquinho@inp.gov.mz](mailto:jose.branquinho@inp.gov.mz)

## ERCL – Exploration Reservoir Consultants

Dragon Court  
15 Station Road  
Henley-on-Thames  
Oxon RG9 6HY – UK  
**Tel:** +44 1491 578117



### Huw Edwards

Director ERCL [huw.edwards@ercl.com](mailto:huw.edwards@ercl.com)

### Richard Heath

Director ERCL [richard.heath@ercl.com](mailto:richard.heath@ercl.com)