



NIGERIAN NATIONAL PETROLEUM CORPORATION

NNPC Towers, Herbert Macaulay Way, P.M.B. 190, Garki- Abuja, Nigeria

INVITATION TO TENDER FOR THE SALE AND PURCHASE OF NIGERIAN CRUDE OIL GRADES (UPDATE)

1. INTRODUCTION

NNPC is the Nigerian National Oil Corporation empowered pursuant to NNPC Act (LFN Cap. 320) to engage in all commercial activities relating to the Petroleum Operations.

In compliance with the Public Procurement Act 2007 and the Bureau of Public Procurement guidelines, NNPC intends to engage qualified and reputable Companies for the sale and purchase of Nigerian Crude oil grades.

2. BRIEF DESCRIPTION OF SCOPE OF SALE

Sale and purchase of Nigerian Crude Oil grades subject to terms and conditions as will be advised in the term sheets and general form of agreement.

NB: Term Sheets and General Form of Agreement shall be made available to pre-qualified applicants.

Who may apply:

- 2.1 A bona fide end user who owns a refinery and may also own retail outlets. Bilateral involvement of home Governments may be added advantage.
- 2.2 Trading arm of Upstream companies operating in Nigeria with established track record of Oil and Gas production activities
- 2.3 An established and globally recognized large volume Crude Oil trader
- 2.4 Indigenous Nigerian company engaged in Nigerian Oil and Gas downstream business activities.

3. PRE-QUALIFICATION REQUIREMENTS

- 3.1 Full details of company profile with Certificate of Registration/Incorporation, certified true copies of memorandum and article of Association of the company.
- 3.2 Company Tax Clearance Certificate for the last three (3) years (2012, 2013 and 2014).
- 3.3 Evidence of VAT registration and Remittance (where applicable).
- 3.4 Demonstration of minimum annual turnover of **US\$750 million** and net worth of at least **US\$300million**.
- 3.5 Ability to establish an irrevocable Letter of Credit for the payment of any allocated Crude Oil subject to the contract terms.
- 3.6 Ability to pay an initial deposit of **US\$2.5Million** representing the first lifting deposit upon signing of the contract agreement.
- 3.7 Evidence of compliance with the Industrial Training Fund (ITF) Amendment Act 2011 by inclusion of copy of Compliance Certificate from the Industrial Training Fund (where applicable).
- 3.8 Details of the applicant's facilities, markets and volume of crude oil/ products traded and/or processed over the last three years.
- 3.9 Audited account for three (3) years (2012, 2013 & 2014).
- 3.10 Evidence of verifiable similar services carried out within the last five years.

3.11 Compliance with the Nigerian Content Act

Compliance with Nigerian Content Act shall be a major consideration in the selection of applicants to lift Nigerian crude oil. It should be noted that evidence of Nigerian equity in the entity seeking consideration shall give competitive advantage.

- 3.12 Interested applicants must submit a detailed Nigerian Content execution strategy to the satisfaction of the NCDMB, clearly setting out Nigerian Content commitments for subcontracting in the areas of:

- 3.12.1 Insurance and Legal Services
- 3.12.2 Banking and Financial Services
- 3.12.3 Training and Capacity Building

- 3.13 Any additional information relevant to enhance the bid/tender process.

- 3.14 **Certainty of business integrity and pre-signed undertaking to strictly comply with Nigerian Anti-Corruption laws in processing the bid and executing the contract if successful.**

- 3.15 Evidence of current registration with PENCOM and inclusion of Certificate of Compliance from PENCOM. (Where applicable).

4. OTHER CONDITIONS

In addition to the above, applicants should show commitment to the development of the Nigerian economy by investing in any number of investment opportunities that abound either in the oil industry or other sectors or as an alternative, in the short run, meaningful and sizeable investment in community development project(s) as may be acceptable. Investment areas include:

- 4.1 Upstream investment to increase our reserves and production capacity;
- 4.2 Downstream projects in refining, processing, distribution and storage of petroleum products;
- 4.3 Gas utilization projects;
- 4.4 Independent Power Plant Projects;
- 4.5 Agriculture;
- 4.6 Railway Construction;
- 4.7 Solid Mineral Development;
- 4.8 Healthcare sector development and Real Estate Development;
- 4.9 And any other areas of the economy acceptable to the SELLER.

5. SUBMISSION OF BID DOCUMENTS

All prospective companies wishing to tender for the sale and purchase described in 2.0 above shall submit relevant documentation as stipulated in 3.0 above.

The requested information and any supporting documents in respect of these requirements shall be submitted in ONE original plus TWO hard copies and two electronic copies (CD ROM). The documents which should be in separate packages shall be sealed and clearly marked **"INVITATION TO TENDER FOR SALE AND PURCHASE OF NIGERIAN CRUDE OIL"** to the following address:

**The Group Managing Director
Nigerian National Petroleum Corporation
NNPC Towers
Herbert Macaulay Way
Central Area, Abuja**

All the documents shall be delivered/opened as follows:

- 5.1 Bids to be submitted on or before **12 noon on Tuesday, 27th October, 2015** at Block D, First (1st) Floor, Room 45B, Herbert Macaulay Way, NNPC Towers, Central Business District, Abuja, FCT.
- 5.2 Bids shall be opened immediately after the deadline at **12 noon on 27th October, 2015** in the Amphitheatre, 1st Floor, Block A, NNPC Towers, Abuja, FCT.

Bidders are invited to be present during the opening of the bids.

6. IMPORTANT INFORMATION

- 6.1 It must be noted that:
 - 6.1.1 Late submission shall be rejected.
 - 6.1.2 Your company shall provide NNPC with a Letter of Authority to verify all claims made in your submissions.
 - 6.1.3 All claims must be adequately substantiated and verifiable.
 - 6.1.4 NNPC shall deal directly with only authorized officers of the interested companies and not through individuals or agents (ownership is therefore essential).
 - 6.1.5 All costs incurred by your company as a result of this pre-qualification exercise and any subsequent request for information shall be to your account.
 - 6.1.6 This process of Pre-qualification neither creates any commitment by NNPC nor establishes any legal relationship.
 - 6.1.7 **This is an Update to the Invitation to Tender for Sale and Purchase of Nigerian Crude Oil Grades earlier published on 14th September, 2015.**

UPDATED VERSION

SIGNED: MANAGEMENT