



# NIGERIAN CONTENT DEVELOPMENT & MONITORING BOARD

NCDMB CORPORATE HEADQUARTERS: ISAAC BOKU EXPRESSWAY, OPOLO, P.M.B 10, YENAGOA, BAYELSA STATE

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ES/NCDMB/NAE/MMD/08/17  
August 30, 2017.

The Managing Director,  
Nigerian Agip Exploration Ltd  
Plot 40/42, Aguiyi Ironsi Street, Maitama Abuja-FCT.

**ATTENTION: Mr. Barry Nwibani**

**NAE EPCI 1 PACKAGE: CHARTERING, OPERATION & MAINTENANCE FOR AN FPSO TANKER FACILITY FOR OPL 245 ZABAZABA AND ETAN DEVELOPMENT PROJECT**

**NCDMB COMMERCIAL EVALUATION REPORT**

Following the participation of Nigerian Content Development and Monitoring Board (NCDMB) in the Commercial Evaluation exercise of the above mentioned project, please find below the summary of the Evaluation results.

S/N	BIDDERS	FIRM SCOPE		PRICE OF WORK IN-COUNTRY (USD)
		TOTAL LUMP SUM (USD)	% OF COY ESTIMATE	
1	BLUE WATER/SAIPEM	5,426,500,714	98%	2,966,993,161.91
2	BUMI ARMADA	7,622,412,019	134%	2,740,108,326.84
3	BW OFFSHORE	7,630,575,309	135%	3,434,801,972.83
COMPANY ESTIMATES		5,670,000,000	100%	N/A

Based on their submissions and in conjunction with the ITT requirements for Nigerian Content on this package as well as NCDMB no Objection letter to NAE ref: ES/NCDMB/NAE/05/17 dated June 9, 2017, **all the bidders have provisionally complied** with the minimum Nigerian Content requirements for the above-subject project as prescribed for in the NOGICD Act 2010.

The bidders that have provisionally complied are therefore qualified for an award recommendation, contingent upon to the satisfaction of the Board prior to contract award:

1. Demonstration of in-country investments in the development of their own fabrication yards with lifting capacity or investments in ownership of functional existing yards having the capacity to execute 9000 tons (Topsides 7000 tons and Appurtenances 2000 tons) of fabrication.
2. Finalization of all MOAs with their nominated local vendors/suppliers and in-country service providers representing their firm Nigerian Content commitments (as contained in the table attached), subject to other commercial considerations.
3. Nigerian Content commitment inside out-of-country SoW Tenderer(s) shall identifies the COREN registered (i.e. with practicing license) indigenous engineering company participating in the execution of the SOW (i.e. Early engrn., Hull engineering, LQ engineering, Mooring engineering) and confirming the allocation of 50% of the total man-hours out-of-country to that entity for Nigerian Content.

## GOVERNING COUNCIL

Dr. Emmanuel Ibe Kachikwu (Chairman), Mr. Inuwa Isa (Member), Mr. Mohammed Kari (Member), Mr. M.B. Ladan (Member), Mr. Ibrahim Mairiga (Member), Mr. Bank Anthony Okoroafor (Member), Engr. Kashim Abdul Ali (Member), Mr. Mina Oforiokuma (Member), Engr. Simbi Kesiye Wabote (Secretary).

In line with section 16 of the NOGICD Act 2010, the award of contract shall not be solely based on the principle of the lowest bidder where a Nigerian indigenous company has capacity to execute such job and the company shall not be disqualified exclusively on the basis that it is not the lowest financial bidder, provided the value does not exceed the lowest bid price by 10%.

**Please, note that the NC Value (%) submitted by the Operator recommended bidder shall form basis for post contract NC monitoring by NCDMB and non-fulfillment of NC commitments shall lead to the outright project/contract cancellation and disqualification of the contractor from participation in future tenders.**


Therefore, Operator must ensure that the recommendation to award (RTA) to the successful bidder is accompanied by a duly approved Nigerian Content Compliance Certificate.

The law holds the Operator responsible for the compliance to all provisions both in the award of the contract and during contract execution.

**Finally, prior to contract award, NAE in accordance with the commitments made via letter to the Board ref: BPDN/NCD/ABJ/OM/034/17 dated May 26, 2017 on CDI and legacy projects shall determine in conjunction with the Board the project expenditures earmarked for the execution of these CDI which shall be included inside the project cost for each EPCI package. The earmarked expenditure for the CDI shall be included in NAE 2017/2018 budget going forward.**

We count on your usual cooperation.

For: **NIGERIAN CONTENT DEVELOPMENT & MONITORING BOARD**

  
20/9/17  
**ENGR. SIMBI KESIYE WABOTE**  
Executive Secretary

NIGERIAN CONTENT COMMITMENT TABLE FOR OPL 245 ZABAZABA ETAN CHATERING, OPERATION & MAINTENANCE FOR AN FPSO TANKER FACILITY (EPCI 1)

NC SCOPE	BREAKDOWN	TARGET	NC SCOPE APPLICABILITY MATRIX				WORK LOCATION(S)/NOMINATED LOCAL VENDOR			NCDMB REMARK
			Hull	Top sides	LQ	Mooring	BLUEWATER/ SAIPEM	BUMI ARMADA	BW OFFSHORE	
PROJECT MANAGMENT	Project Management to be domiciled in Nigeria	80%	X	X	X	X	Saipem, PHC, Nigeria.	PMT to be domiciled in-country and project office will be established upon contract award	BWO Offshore, VI, Lagos	NAE to ensure domiciliation of 80% of project management man-hours in-country
	Total Man-hrs.						900,000	1,702,400	686,504	
	NC Man-hrs.						720,000	1,362,720	558,408	
	NC%						80	80	81%	
ENGINEERING	Domiciliation within offices of COREN Company	80%	X	X	X	X	Dover Engineering, Phc, Rivers state	<ul style="list-style-type: none"> <li>• Crestech</li> <li>• Amazon</li> <li>• Desicon</li> <li>• Netco</li> <li>• DeltaAfrik</li> </ul>	Aims to conclude COREN registration prior to contract award and domicile the engineering in-house	NAE to ensure : <ul style="list-style-type: none"> <li>• MOA is provided with a COREN registered company to domicile the following engineering man-hours in-country                             <ol style="list-style-type: none"> <li>Topsides = 80%</li> <li>Hull system= 50%</li> <li>LQ system=50%</li> <li>Mooring=50%</li> </ol> </li> <li>• NAE to ensure Nigerian personnel</li> </ul>
	Total Man-hrs.						841,500	700,000	895,926	
	NC Man-hrs.						701,500	560,280	895,926	
	NC%						83	80	100	
	Extended FEED			X	X	X	X	Not Applicable to work scope	Not Applicable to work scope	
Early Eng.			X	X	X	X	Not Applicable – Activity performed during bid stage	3-4 months out country	Yes	

NC SCOPE	BREAKDOWN	TARGET	NC SCOPE APPLICABILITY MATRIX				WORK LOCATION(S)/NOMINATED LOCAL VENDOR			NCDMB REMARK
			Hull	Top sides	LQ	Mooring	BLUEWATER/SAIPEM	BUMI ARMADA	BW OFFSHORE	
	Topside System	80%		X			89%	80%	87%	participation for 50% man-hrs. out of country. SOW out of country limited to: <ol style="list-style-type: none"> <li>Basic engineering</li> <li>Hull</li> <li>Mooring</li> </ol>
	Hull System	50%	X				50%	20% out-county with the participation of Nigerians	52%	
	LQ System	50%			X		50%		Included in Topside	
	Mooring	50%				X	51%	50%		
PROCUREMENT	Paint and protect coating	100%	X	X	X		PCMN	<ul style="list-style-type: none"> <li>PCMN</li> </ul>	<ul style="list-style-type: none"> <li>PCMN</li> <li>Sigmakalon</li> <li>Portland paints</li> <li>AkzoNobel Nigeria</li> </ul>	NAE shall ensure that: <ol style="list-style-type: none"> <li>MOA is provided with in-country manufacturer prior to contract award recommendation</li> <li>There shall be site visit verification exercise to in-country nominated manufacturer to ascertain their manufacturing capability</li> </ol>
	Valves	100% Ball Valves 60% other valves	X	X			Plant Engineering	<ul style="list-style-type: none"> <li>Hylok</li> <li>Cameron WA</li> </ul>	<ul style="list-style-type: none"> <li>Cameron WA</li> </ul>	
	Sacrificial Anode	100%	X			X	Metec W.A	Metec W.A	Metec W.A	
	LV cables			X	X	X	<ul style="list-style-type: none"> <li>Coleman</li> <li>Nexans Kablemetal</li> </ul>	<ul style="list-style-type: none"> <li>Coleman</li> <li>Nexans Kablemetal</li> </ul>	Coleman cables	
	HV cables			X	X	X	<ul style="list-style-type: none"> <li>Coleman</li> <li>Nexans Kablemetal</li> </ul>	<ul style="list-style-type: none"> <li>Coleman</li> <li>Nexans Kablemetal</li> </ul>	Nexans kabelmetal	
	Bolts & nuts			X	X	X	Nigerian Machine tools ltd	<ul style="list-style-type: none"> <li>Nigerian Machine tools ltd</li> </ul>	<ul style="list-style-type: none"> <li>Nigerian Machine Tools</li> <li>Homble Energy Services</li> </ul>	

NC SCOPE	BREAKDOWN	TARGET	NC SCOPE APPLICABILITY MATRIX				WORK LOCATION(S)/NOMINATED LOCAL VENDOR			NCDMB REMARK
			Hull	Top sides	LQ	Mooring	BLUEWATER/SAIPEM	BUMI ARMADA	BW OFFSHORE	
	Flanges & fittings	100% tonnage	X	X			Plant Engineering	<ul style="list-style-type: none"> <li>• Nigerian Machine tools Ltd</li> <li>• Hylok</li> <li>• Zech oil and Gas</li> </ul>	<ul style="list-style-type: none"> <li>• NMT Oshogbo</li> <li>• Grephil Intl. Limited</li> </ul>	
	GRE Pipes	100%	X	X			In-country vendor to be nominated	B+G&S Nig. Ltd	Bell oil & gas	
	Ropes					X	Nigerian Ropes	In-country vendor to be nominated	<ul style="list-style-type: none"> <li>• Nigerian Ropes</li> <li>• TMCH GROUP LIMITED</li> <li>• Jevant Spencer</li> <li>• Joreh Technologies</li> </ul>	
	LQ Furniture and fittings				X		<ul style="list-style-type: none"> <li>• American Furniture Galleries Ltd. (AFG)</li> <li>• Shreehari International Ltd.</li> <li>• Zen Décor Nigeria Limited</li> </ul>	Zen Décor Nigeria Limited	<ul style="list-style-type: none"> <li>• American Furniture Galleries Ltd. (AFG)</li> <li>• Shreehari International Ltd.</li> </ul>	
	Cable trays and ladders			X			Ariosh Nig. Ltd	Ariosh Ltd	<ul style="list-style-type: none"> <li>• Schneider electric</li> <li>• Fembosco Engineering Limited</li> </ul>	

NC SCOPE	BREAKDOWN	TARGET	NC SCOPE APPLICABILITY MATRIX				WORK LOCATION(S)/NOMINATED LOCAL VENDOR			NCDMB REMARK
			Hull	Top sides	LQ	Mooring	BLUEWATER/ SAIPEM	BUMI ARMADA	BW OFFSHORE	
									<ul style="list-style-type: none"> <li>• LeGrand - Nigeria</li> <li>• Drais Energy</li> <li>• Ariosh Limited</li> <li>• Fembosco Engineering</li> </ul>	
	Galvanized gratings and cast iron products			X			<ul style="list-style-type: none"> <li>• Nivafer steel construction</li> <li>• Dorman Long Eng.</li> </ul>	Comag steel and construction ltd	<ul style="list-style-type: none"> <li>• Dorman Long Engineering</li> <li>• Sparkwest Steel Industries Limited</li> </ul>	
	Welding Electrodes and Blasting Abrasive Grits		X	X			In-country vendor to be nominated	In-country vendor to be nominated	In-country vendor to be nominated	
FABRICATION							<ul style="list-style-type: none"> <li>• Saipem, Phc</li> <li>• Aveon</li> <li>• SHI-MCI FZE</li> <li>• Rosetti Pivot, VI Lagos</li> </ul>	<ul style="list-style-type: none"> <li>• SHI-MCI Ladol</li> <li>• Aveon</li> <li>• Niger docks</li> <li>• Rosetti Pivot.</li> </ul>	<ul style="list-style-type: none"> <li>• SHI-MCI Ladol</li> <li>• Aveon</li> <li>• Niger docks</li> <li>• EWT</li> <li>• Nivafer</li> </ul>	<p>NAE shall ensure that:</p> <p>i. MOA is provided with nominated in-country fabrication yard to execute 100% fabrication scope</p> <p>ii. There shall be site visit verification exercise to in-country nominated fabrication yard to ascertain their capacity and</p>
	Topside modules	50%		X			49%	50.34%	49.98%	
	Helideck	100%		X			100	100	100	
	Suction Piles	100%					100	100	100	
	Flare tower	100%		X						
	hull appurtenance	100%	X			X	100	100	100	
	LQ accommodati on deck (	40% by weight of the LQ or			X		<ul style="list-style-type: none"> <li>• Saipem Phc,</li> </ul>	<ul style="list-style-type: none"> <li>• SHI-MCI Ladol</li> <li>• Aveon</li> </ul>	<ul style="list-style-type: none"> <li>• Aveon</li> <li>• SHI-MCI FZE</li> </ul>	

NC SCOPE	BREAKDOWN	TARGET	NC SCOPE APPLICABILITY MATRIX				WORK LOCATION(S)/NOMINATED LOCAL VENDOR			NCDMB REMARK
			Hull	Top sides	LQ	Mooring	BLUEWATER/SAIPEM	BUMI ARMADA	BW OFFSHORE	
		70% of the accommodation module (inclusive of the top 3 tiers of decks)						<ul style="list-style-type: none"> <li>• Niger docks</li> <li>• Rosetti Pivot</li> </ul>	<ul style="list-style-type: none"> <li>• Saipem</li> <li>• SCH-MCI</li> </ul>	capability to fabricate the scope of work
	Total tonnage					600	300	1,413		
	In-country Tonnage					300	120 – 140 tons	700		
	NC%					50	40	50		
	Pressure vessels	80%		X		<ul style="list-style-type: none"> <li>• Dorman Long</li> <li>• Nivafer</li> <li>• EWT</li> </ul>	<ul style="list-style-type: none"> <li>• Dorman Long</li> <li>• Nivafer</li> <li>• EWT</li> </ul>	<ul style="list-style-type: none"> <li>• Sudelettra</li> <li>• DBN</li> <li>• DLE</li> <li>• EWT</li> <li>• Nivafer</li> </ul>		
	Total Tonnage					846.8	764.6	860		
	In-country					683.6	628	697		
	NC%					80.7	82.13	81		
	Atm tanks	100%		X		•				
TOP SIDE INTEGRATION	Integration of all in-country topside modules fabrication scope in Nigeria	40% by weight				<ul style="list-style-type: none"> <li>• SHI-MCI, Ladol</li> <li>• Intels</li> </ul>	<ul style="list-style-type: none"> <li>• SHI-MCI Ladol</li> <li>• Aveon</li> </ul>	<ul style="list-style-type: none"> <li>• SHI-MCI Ladol</li> </ul>		
	Total Tonnage					17,735	19,745	18,603		
	In-country Tonnage					8,190	8,057	8,035		

NC SCOPE	BREAKDOWN	TARGET	NC SCOPE APPLICABILITY MATRIX				WORK LOCATION(S)/NOMINATED LOCAL VENDOR			NCDMB REMARK
			Hull	Top sides	LQ	Mooring	BLUEWATER/ SAIPEM	BUMI ARMADA	BW OFFSHORE	
	NC%						46	40.08	43	
LLI/ VENDOR PACKAGES	FPSO ICSS/ PROCESS AUTOMATION AND CONTROL	Design, assembly and testing in-country of ICSS packages		X			<ul style="list-style-type: none"> <li>• Gil Automation</li> <li>• AOS Orwell</li> <li>• Schneider Nig.</li> </ul>	<ul style="list-style-type: none"> <li>• Gil Automation</li> <li>• AOS Orwell</li> <li>• Intech Process and Automation</li> </ul>	<ul style="list-style-type: none"> <li>• Siemens Nig.</li> <li>• ABB Nig.</li> <li>• Gil Automation</li> <li>• AOS/Emerson</li> </ul>	NAE to ensure that MOA is provided with in-country nominated vendor having NCEC to execute the work scope
	FPSO MAIN TELECOMMUNICATION	Design, assembly and testing in-country of MTC packages		X			<ul style="list-style-type: none"> <li>• Gil Automation</li> <li>• AOS Orwell</li> </ul>	<ul style="list-style-type: none"> <li>• Gil Automation</li> <li>• Secure Satcomms</li> </ul>	<ul style="list-style-type: none"> <li>• Radial circle</li> <li>• PPC</li> <li>• telnet Resources</li> <li>• Osecul</li> <li>• Secure Satcomms</li> <li>• 21<sup>st</sup> Century</li> </ul>	
	FPSO ESSENTIAL AND EMERGENCY GENERATORS	Design and Test in-country		X			Cummins WA	<ul style="list-style-type: none"> <li>• JMG</li> <li>• Scoa Power</li> <li>• Mantrac</li> </ul>	<ul style="list-style-type: none"> <li>• Caterpillar</li> <li>• Mantrac</li> <li>• Cummins WA</li> <li>• Scoa</li> <li>• JMG</li> </ul>	
3rd PARTY SERVICES	QAQC inspection		X	X	X		TENDERER confirms utilization of Nigerian service companies. MOA will be provided prior to contract award.	TENDERER confirms utilization of Nigerian service companies. MOA will be provided prior to contract award.	TENDERER confirms utilization of Nigerian service companies. MOA will be provided prior to contract award.	NAE shall ensure that Tenderer utilize Nigerian service companies for third party services and binding MOAs shall be provided prior to contract award recommendation
	NDT		X	X	X					
	Lab mechanical testing		X	X	X					
	freight fwd		X	X	X	X				
	welding procedures and welders certification		X	X	X					
	rigging an scaffolding		X	X	X					



NC SCOPE	BREAKDOWN	TARGET	NC SCOPE APPLICABILITY MATRIX				WORK LOCATION(S)/NOMINATED LOCAL VENDOR			NCDMB REML RK
			Hull	Top sides	LQ	Mooring	BLUEWATER/ SAIPEM	BUMI ARMADA	BW OFFSHORE	
	lifting equipment certification		X	X	X					
	classification, verification and offshore safety certification		X	X	X					
	pre-commissioning		X	X						
	pipe coating		X	X	X					
	insurance and legal services		X	X	X	X				
	satellite and telecoms			X	X					
NHCD Training	10% of the total project hours or 150,000 man-hours (whichever is greater), MOA with OGTAN registered						<ul style="list-style-type: none"> <li>• JK Micheals</li> <li>• Lonadek</li> </ul>	First Fossil Total Project	<ul style="list-style-type: none"> <li>• JK Michaels</li> <li>• Hommaston Limited</li> <li>• Inspection and Test Limited</li> <li>• Maritime Academy Oron</li> <li>• BW Offshore - over the</li> </ul>	NAE shall ensure that OGTAN registered trainers is utilized and MOA is provided prior to contract award recommendation
	Total Project Man-hrs.						1,760,000	1,200,000	1,796,000	
	NC Man-hrs.						179,918	150,000	183,680	
	NC%						10.2	12.5	10.2	