
TENDER DOCUMENT

Consultancy services to develop a national strategic plan for the development of petroleum pipelines and storage facilities in Uganda

(Ref. no 13/999)

Open tendering competition of the Public Procurement Act and the Regulations relating to public procurement part I and III

Submission deadline: 09.01.2014

12:00 noon local time (Norway)



**NORWEGIAN PETROLEUM
DIRECTORATE**

1 Contents

2	General description.....	4
2.1	About the Norwegian Petroleum Directorate.....	4
2.2	Scope of procurement.....	4
2.3	Public announcement.....	4
3	Scope of work / Terms of reference.....	4
4	Competition rules.....	4
4.1	Procedure.....	4
4.2	Reservations and non-conformity.....	5
4.3	Abidance.....	5
4.4	Communication during the tender process.....	5
5	Qualification requirements.....	5
5.1	General requirements.....	5
5.2	Company registration.....	6
5.3	Financial strength.....	6
5.4	Experience.....	6
6	Award criteria.....	7
7	Submission and disposition of tender.....	7
7.1	Submission of tender.....	7
7.2	Disposition of tender.....	7
8	List of annexes.....	9
8.1	Annex 1 – Scope of Work/ terms of reference.....	9
8.1.1	Background.....	9
8.1.2	Purpose.....	9
8.1.3	Objective.....	9
8.1.4	Scope of the study and related tasks.....	9
8.1.5	Administration.....	11
8.1.6	Deliverables and Schedule.....	11
8.1.7	Communication.....	12
8.1.8	Client's input to the study.....	12
8.1.9	Skills and Knowledge of the Consultants team.....	12
	Composition of the Consultancy Team, Local Content and Capacity Building.....	12
	The consultancy is expected to be of the following team composition, with demonstrated experience in the oil and gas sector:.....	12
i.	Team Leader.....	12
ii.	Petroleum infrastructure experts, especially on pipelines and storage facilities.....	12
iii.	Petroleum economist.....	12
iv.	Planning Specialist with good appreciation of land use planning.....	12
v.	Health, Safety and Environment Specialist.....	12

vi.	Legal Specialist	12
-----	------------------------	----

2 General description

2.1 About the Norwegian Petroleum Directorate

The Norwegian Petroleum Directorate (NPD) is a governmental specialist directorate and administrative body established in 1972.

The paramount objective of the NPD is to contribute to creating the greatest possible values for society from the oil and gas activities by means of prudent resource management based on safety, emergency preparedness and safeguarding of the external environment.

For more information about NPD, visit our website www.npd.no.

2.2 Scope of procurement

NPD hereby invites potential bidders to submit a tender for consultancy services to develop a national strategic plan for the development of petroleum pipelines and storage facilities in Uganda, as further described in Annex 1 incorporated in this document, cf. section 8.1. The assignment will be executed and administered by NPD through Oil for Development- programme ("OfD") by request by the Uganda Petroleum Exploration and Production Department ("PEPD") and Ministry of Energy and Mineral Development ("MEMD").

The economic frame of the procurement is USD 400 000, and thus the procurement is announced in accordance with the Public Procurement Act and the Regulations relating to public procurement part I and III.

Based on an evaluation of current agreements and announced procurement of agreements relating to NPDs services in Uganda through OfD, NPD has decided to announce a separate tender for the development of a national strategic plan for the development for petroleum pipelines and storage facilities in Uganda. The current and announced consultancy services agreements is based on services relating to public administration and competence building relating to governmental administration and so forth, based on experience from Norwegian public administration and regulations.

For the development of a national strategic plan for the development for petroleum pipelines and storage facilities in Uganda, a broad experience from onshore development of pipelines and storage facilities in tropical and/or African areas is essential for the assignment, and thus NPD has decided that a separate tender is necessary.

2.3 Public announcement

Tender competition is announced in the Merccell-database, DOFFIN-database and in the TED-database.

3 Scope of work / Terms of reference

The scope of work is the development of a national strategic plan for the development of petroleum pipelines and storage facilities in Uganda. A detailed account is given in section 8.1 – Annex 1 Scope of work/ terms of reference.

4 Competition rules

4.1 Procedure

Open tendering competition, cf. the Public Procurement Act of 16 July 1999 No. 69 as amended, see also the Regulations relating to public procurement, laid down by Royal Decree on 7 April 2006 No 402, part I and part III.

Only bidders that fulfil the qualification requirements will have their tenders evaluated. Bidders are not allowed to change the tender after the submission deadline.

This type of procedure does not allow for contract negotiations.

4.2 Reservations and non-conformity

If the supplier has reservations regarding parts of the tender documentation, required specifications, contract or other tender documents, it shall be clearly stated in the bid. Any reservations must be specified, including consequences for performance, prices or other conditions.

The same applies to non-conformity. Reservations and non-conformities shall be stated precisely and unambiguously. They shall be stated in the bid letter in such a manner that the contractor can evaluate them without it being necessary to contact the supplier, cf. Section 20-3 of the Regulations relating to public procurement. Substantial reservations, and reservations or non-conformities that can result in uncertainty regarding evaluation of the bid compared to other bids, will result in the bid being disallowed, cf. Section 20-13(1) of the Regulations relating to public procurement.


If the supplier's reference to standardized terms of delivery, or something similar, deviates from existing tender or contract provisions, it will be regarded as a reservation.


4.3 Abidance

The bidder must abide by his/her tender until 3 months after the submission deadline.

4.4 Communication during the tender process

All communication during the process shall be routed via the Merccell-portal, www.merccell.no. This is to assure that all communication will be logged. When you are logged on to the competition,

choose the flag marked "Communication", click on the symbol  "New message". Enter the

information to the authority and then click . The authority will then receive your message. If the question regards all bidders, the authority will answer the inquiry anonymously by giving the answer as additional information. Additional information is available under the flag "Enquiry", then the flag "Additional information". You will also receive an e-mail with a link to the additional information.

Requests received later than 5 working days prior to the deadline for the offer will not be answered.

5 Qualification requirements

5.1 General requirements

Requirement	Documents required
Circumstances regarding the bidder's tax remittances shall be in order (this only applies to	<ul style="list-style-type: none"> • Tax certificate • VAT certificate <p>More information: http://www.skatteetaten.no/en/Bedrift-og-organisasjon/Merverdiavgift/Skatteattest/</p>

Norwegian companies).	
The bidder shall have a HES-system in line with current regulations.	<ul style="list-style-type: none"> • A HES self-declaration from the bidder (form is attached in annex 2)

5.2 Company registration

Requirement	Documents required
The bidder shall be registered in the “The Register of Business Enterprises” in Brønnøysund or registration in a trade register or the like as set out in the laws of the country of registration of the bidder.	<ul style="list-style-type: none"> • Copy of company registration Certificate or similar.

5.3 Financial strength

Requirement	Documents required
The bidder must have a sufficient financial and economic position to fulfil the assignment.	<ul style="list-style-type: none"> • Statement on company's total turnover for the last accounting year.
	If the supplier of legitimate reasons can not provide the documentation requested by the contracting authority, he may prove his economic and financial position with any other document which the contracting authority can accept.

5.4 Experience

Requirement	Documents required
The bidder must have experience with similar assignments, and the required consultancy services are expected to be provided by a firm with experience in conducting strategic planning	<p>Description of the all relevant previous assignments. The description must include an overall description of the assignment, extract of the study, value, timing and contact information of the client.</p> <p>CV's and descriptions of key personel experience will not be accepted as documentation in this context.</p>

or similar assignments in Africa or similar tropical areas.	
--	--

6 Award criteria

Only tenders that is submitted by qualified bidders and that meet the requirements and specifications given in the tender document will be considered.

The NPD will choose the most economically advantageous tender, based on the following criteria:

Criteria	Counts	Documents required
Price	20 %	A quotation of hourly rate, only one price category allowed.
Technical qualifications, skills and relevant experience of proposed consulting team composition	45%	Proposed manpower for the assignment (organization plan) with names and CV's for the key personell who shall carry out the assignment, cf. also section 8.1.9
Proposed methodology to achieve the objectives/ deliverables of the assignment	35 %	A well formulated description of offered methodology and an account of how the assignment will be executed in accordance with annex 1.

7 Submission and disposition of tender

7.1 Submission of tender

All tenders shall be submitted electronically via the Merccell portal, www.merccell.no by the tender deadline. Tenders delivered after the deadline will not be accepted. (The system does not permit tenders to be sent electronically via Merccell after the tender deadline.)

If you are not a Merccell customer, or you have questions regarding how the application functions, e.g. how to submit a tender, please contact Merccell Support at tel +47 21 01 88 60, or by e-mail to support@merccell.com. It is recommended to submit the tender in adequate time before the deadline. A minimum of 1 hour before the deadline is suggested.

If the authority should provide additional information that results in you wanting to change your tender before the deadline, you can access your offer, open it, make the necessary changes and send it again right up to the deadline. The last submitted tender will be regarded as the final one.

The tender requires an electronic signature when it is submitted. When sending the tender electronically, an electronic signature will be requested to confirm that you are the actual bidder who has submitted the tender. An electronic signature can be obtained at www.commfides.com, www.buypass.no or www.bankid.no.

We would like to remind you that it can take some days to acquire an electronic signature, and therefore recommend that this process be initiated as soon as possible.

7.2 Disposition of tender

The tender shall be enunciated in English and as in this disposition:

File name	Contents
Qualification requirements	Documents are to be enclosed in the step Kvalifikasjonskrav/Qualification requirements when you submit the tender in Merccell.
K01 – Tax certificate	Ref. section 5.1
K02 – VAT certificate	Ref. section 5.1
K03 – HSE self- declaration	Ref. section 5.1
K04 – Certificate of registration	Ref. section 5.2
K05 - Financial statement	Ref. section 5.3
K05 - Experience	Ref. section 5.4
Documents required	Documents are to be enclosed under the tab Dokumenter/Documents when you submit the tender in Merccell.
DOK01 – Cover page	Signed by a responsible/liable representative for the bidder. Confirmation that the NPD's contract terms are accepted. Reservations with reference to specific contract clauses must be quoted with alternative proposals, as this type of procedure does now allow negotiations. Name and contact information of the bidder.
DOK02 - Price	Ref. section 6
DOK03 - Technical qualifications	Ref. section 6
DOK04 – Proposed methodology	Ref. section 6

8 List of annexes

- Annex 1 – Scope of work/ Terms of reference (incorporated in this document, cf. section 8.1)
- Annex 2 - HES self-declaration form
- Annex 3 – Contract terms

8.1 Annex 1 - Scope of Work/ terms of reference

8.1.1 Background

Uganda has established commercial quantities of oil and gas deposits in the Albertine Graben currently estimated at over 3.5 billion barrels of Stock Tank Oil in Place (STOIIP), of which 1.2 billion barrels is recoverable. The confirmation of commercial crude oil reserves occasioned the formulation of a National and Gas Policy for Uganda with the goal to utilize the country's oil and gas resources to contribute to early achievement of poverty eradication and create lasting value to society. This policy was approved and adopted by Cabinet in 2008.

In line with the objective 4 of the National Oil and Gas Policy 2008, which provides for the promotion of valuable utilization of the country's oil and gas resources, the Government of Uganda commissioned a feasibility study for the establishment of a refinery in Uganda. The study which was undertaken in 2010/2011 assessed the crude oil production potential, size and configuration of the refinery, location, financing options, social and environmental assessment, among others. The study recommended a base case refinery of 60,000 Barrels Per Stream Day (BPSD) that will be expanded depending on the market and discovery of additional resources. The process of developing the refinery is on-going.

Also, in line with the objective 5 of the National Oil and Gas Policy 2008, which provides for the development of suitable transport and storage solutions that give good value to the country's oil and gas resources, the Government of Uganda with support from the Royal Norwegian Government conducted two studies; one on storage and transportation of crude oil from the oil fields to the refinery and another on the storage and distribution of refined petroleum products from the refinery to the market.

The studies recommended among other actions, the need to formulate and implement a strategic plan for the development of pipelines and storage infrastructure in the country.

To take forward the above study recommendations, the Government of Uganda requires the services of a consultant to develop the strategic plan, within the scope of the Petroleum (Refining, Conversion, Transmission and Midstream Storage) Act of 2013.

8.1.2 Purpose

The overall purpose of the strategic plan is to put in place a clear direction and provide a framework under which petroleum pipelines and storage facilities are to be developed in Uganda.

8.1.3 Objective

The objective of the assignment is to formulate a strategic plan for development of petroleum pipelines and storage facilities in Uganda and identify resources required to implement the recommendations of the strategic plan.

8.1.4 Scope of the study and related tasks

In order to put in place plans and strategies for the development of petroleum pipelines and storage facilities in Uganda, the activities to be carried out by the Consultant include but are not limited to the following;

- a) Review of the reports on pipelines and storage facilities in Uganda and any other relevant documents, some of which are outlined below;
- National Development Plan 2011-15
 - National Oil and Gas Policy, 2008.
 - MEMD documents on Oil and Gas aspects
 - The feasibility study on refinery development in Uganda
 - Studies conducted on pipelines and storage facilities in Uganda.
- b) Evaluate existing data/information on available resources and consider current and projected demand requirements for both crude oil and refined petroleum products, to effectively plan for the development of pipelines and storage infrastructure as provided for under the Petroleum (Refining, Conversion, Transmission and Midstream Storage) Act of 2013.
- c) Evaluate pipelines and storage requirements for crude oil supply to the refinery being developed in Uganda, coupled with off-take of products from the refinery to midstream storage facilities.
- d) Analyse the pipelines and storage requirements for export of crude oil and refined petroleum products.
- e) Identify priority considerations for the development of petroleum pipelines and storage infrastructure.
- f) Undertake a review of the legislative framework directly or indirectly associated with development of in-country and transnational pipelines and storage infrastructure.
- g) Undertake gap analysis with regard to petroleum storage and transportation infrastructure in the country and evaluate future requirements of such infrastructure.
- h) Define the technical and economic interrelationships between the various petroleum infrastructure components.
- i) Develop specific strategies and evaluate resource requirements to achieve the sustainable development of petroleum pipelines and storage infrastructure.
- j) Assess land requirements for storage facilities and pipeline corridors and advise on modalities to expedite the land acquisition process.
- k) Develop a budget estimate for each of the strategies, clear with timeframes.
- l) Recommend an implementation plan for the development of pipelines and storage facilities.
- m) Evaluate linkages and synergies in the development of integrated regional infrastructure. This plan shall take into consideration existing and proposed regional petroleum infrastructure in the East and Central African region.
- n) Develop a Monitoring and Evaluation framework for implementation of the strategic plan. The framework will ensure that regular and consistent monitoring is undertaken for compliance to timelines and relevant standards.
- o) Undertake risk assessment for the development of pipelines and storage infrastructure.
-

- p) As part of the deliverables, the consultant shall:
- i. Organize and carry out training for four (4) Client staff members (to be attached to the study) at the Consultant's Head Office or as considered more appropriate, in the strategic planning and implementation process for pipelines and storage infrastructure. Travel and living expenses for the four participants shall be met by the Client and are therefore to be excluded from the bid.
 - ii. Conduct a workshop (for 20 participants) arranged in Uganda by the Client to achieve increased local participation in the strategic planning and development of petroleum pipelines and storage infrastructure.
- q) Benchmark the strategy on related international plans on the development of pipelines and storage infrastructure.

8.1.5 Administration

The Client is the Government of Uganda, represented by the Ministry of Energy and Mineral Development (MEMD). This study is financed by the Royal Norwegian Government, through the Oil for Development (OFD) Cooperation Program between Uganda and Norway.

The Norwegian Petroleum Directorate (NPD) shall handle the tender and selection process in cooperation with Petroleum Exploration and Production Department (PEPD). The NPD shall also participate in the follow-up and quality control process of the consultancy service delivery.

The Client will be responsible for the contractual and overall management aspects of the assignment and provide overall supervision and guidance in order to ensure the timely delivery of the expected outputs in accordance with the Terms of Reference.

The Consultant shall report to the Permanent Secretary, Ministry of Energy and Mineral Development (MEMD). Reports shall be addressed to the Permanent Secretary, MEMD who shall appoint representative(s) to follow implementation of the consultancy service and guide the consultants' team where appropriate.

The Client will ensure that the Consultant gets the necessary support and assistance required from the various Government institutions to ensure good quality results from the consultancy service.

8.1.6 Deliverables and Schedule

The study is expected to be carried out over a period not exceeding six (6) calendar months. The Consultant will deliver the following reports at the scheduled period from the signing of the consultancy services contract. The reports will be submitted in five (5) hard copies and one (1) soft copy in readable and editable form.

- a) **Kick - off meeting:** the study will commence with a kick - off meeting to be held within one week after signing of the contract agreement. The meeting will cover the following areas:
- Agree on key contacts between Consultant and Client
 - Discuss major assignment milestones and confirm delivery dates
- b) **Inception Report:** The inception report will be submitted within five (5) calendar weeks after signing of the agreement. The report shall contain an outline of the activities to be carried out, key approaches and methodology to be used to deliver the expected outputs, preliminary findings, recommendations and the implementation schedule, plus arrangements (including timing, sequencing and resources needed).

- c) **Interim Report:** The Draft National Strategic Plan shall be presented to the Client within ten (10) calendar weeks after presenting the Inception Report. It shall contain a general structure of the National Strategic Plan, findings from completed tasks and a program for tasks yet to be accomplished.
- d) **Final Draft Report:** submitted within five (5) calendar weeks of presenting the Interim Report. The final draft shall address all comments as raised by the Client.
- e) **Final Report:** submitted within two (2) calendar weeks of presenting the Final Draft Report. The final report shall address all comments as raised by the Client.
- f) **Summary Report:** submitted within two (2) calendar weeks of presenting the final report in two (2no.) hard copies and a soft copy. The report shall contain the conclusions of the main findings and recommendations of the study. The report shall include appendices of the following:
- A copy of the final TOR
 - A list of Advisory Bodies consulted, with an appropriate contact
 - A list of persons and agencies consulted during the exercise

8.1.7 Communication

The Consultant will provide a weekly email report to the Client highlighting; activities completed by week; work in progress, activities planned for the next week and issues and areas of concern. The Client shall perform a weekly review of the activities and make any necessary recommendations for the progress.

8.1.8 Client's input to the study

- i. The Client will provide the Consultant with all the available and relevant information to be considered in the assignment on written request from the Consultant.
- ii. The Consultant will be responsible for acquisition of all the necessary information and data that is not available with the Client but required for proper completion of the assignment.
- iii. The Client shall also provide the Consultant with relevant feasibility study reports for reference where appropriate during the assignment.

8.1.9 Skills and Knowledge of the Consultants team

Composition of the Consultancy Team, Local Content and Capacity Building

The consultancy is expected to be of the following team composition, with demonstrated experience in the oil and gas sector:

- i. Team Leader
- ii. Petroleum infrastructure experts, especially on pipelines and storage facilities
- iii. Petroleum economist
- iv. Planning Specialist with good appreciation of land use planning
- v. Health, Safety and Environment Specialist
- vi. Legal Specialist

The above team composition is an indicative guidance of the required team competences. However, the actual team composition that is best suited to the intended output from the study shall be discussed and agreed upon with the selected Consultant.

Within the framework of delivering the strategic plan, the Consultant shall integrate into the service delivery process the requirements for local participation and capacity building, in line with Uganda's local content strategy and the need to build capacity for operationalizing the Consultant's recommendations/plans.