



*Government of the Cooperative Republic of  
Guyana*

**Ministry of Natural Resources**

**REQUEST FOR PROPOSALS**

**Ref. No. 2020-SV-ICB-02**

Provision of Marketing Services for the  
Cooperative Republic of Guyana's Oil Entitlement  
from the Liza Destiny FPSO Vessel.

August 28, 2020



## Section 1. Invitation For Bids

*The Cooperative Republic of Guyana*  
**Ministry of Natural Resources**

**REQUEST FOR PROPOSALS (RFP)**  
*(without Prequalification)*

**Non-Consultancy Services**

**Provision of Marketing Services for the Cooperative Republic of Guyana's Oil Entitlement from the Liza Destiny FPSO Vessel.**

**Ref. No. 2020-SV-ICB-02**

<b>Country:</b>	- Guyana
<b>Sector:</b>	- Petroleum
<b>Issuing Agency:</b>	- Ministry of Natural Resources of the Cooperative Republic of Guyana
<b>Description of Services:</b>	- Provision of Marketing Services for the Cooperative Republic of Guyana's Oil Entitlement from the Liza Destiny FPSO Vessel
<b>Objective of the Assignment:</b>	- To competitively market and maximize the value of the Government's crude oil entitlement barrels from Liza Destiny FPSO, offshore Guyana, in the Stabroek Block
<b>Duration of Services:</b>	- Twelve (12) calendar months
<b>RFP Submission Deadline:</b>	- by <b>09:00hrs Guyana time on Thursday, September 25, 2020</b>
<b>Validity of RFP Submission:</b>	- One Hundred and Fifty (150) days after submission.
<b>RFP Document Availability:</b>	RFP document can be downloaded from:  - <b><u>Website:</u></b> <a href="https://nre.gov.gy/2020/08/28/request-for-proposals-rfp/">https://nre.gov.gy/2020/08/28/request-for-proposals-rfp/</a>  - <b><u>Facebook:</u></b> <a href="#">Ministry of Natural Resources-Guyana</a> / <a href="#">Department of Energy Guyana</a>

**Method of RFP Submission:** A sealed envelope clearly marked: **Provision of Marketing Services for the Cooperative Republic of Guyana's Oil Entitlement from the Lisa Destiny FPSO Vessel - Ref. No. 2020-SV-ICB-02. Do not open before September 25, 2020 at 09:00hrs**

**Inside the Outer Envelope**

Two (2) hard copies of the Technical Proposal and two (2) Hard Copies of the Financial Proposals in separate sealed envelopes.

Also, electronic non-editable copies of the Technical and Financial Proposals to be included on separate labelled thumb drives. **In case of any discrepancy between the hard and the electronic copies, the hard copy will prevail.**

Submissions are to be deposited **into the Tender Box only** at the below named address.

**Proposal submission address: The Chairman,  
National Procurement and Tender  
Administration Board,  
Ministry of Finance Compound,  
Main & Urquhart Streets, Kingston,  
Georgetown, Guyana**

## 1. Background

- 1.1. December 20, 2019 marked a historic milestone for Guyana, as ExxonMobil and its partners produced the first commercial crude from the Liza field located approximately 120 miles off shore the coast of Guyana in the Stabroek Block. The Stabroek Block is expected to produce up to 750,000 bpd by 2025.
- 1.2. ExxonMobil successfully drilled several deep-water exploration wells, which now makes the Cooperative Republic of Guyana an oil producer. The seafloor beneath Guyana's coastal waters contains one of the largest oil discoveries in recent years, placing Guyana in the top 40 reserve holders in the world.
- 1.3. The Government of the Cooperative Republic of Guyana (the "Government") intends to hire an Oil Marketing / Trading Company for the **Marketing Services of the Cooperative Republic of Guyana's Crude Oil Entitlement from the Liza Destiny FPSO Vessel.**
- 1.4. Bidding will be conducted through the International Competitive Bidding procedures specified in the Laws of Guyana: Ch 73:05 - Procurement Act: Part VI.

## 2. RFP Document Availability

- 2.1. The Ministry of Natural Resources now invites sealed **Technical and Financial Proposals** from eligible firms for the services described in the Terms of Reference.
- 2.2. Interested eligible bidders may download RFP Bid document at:
  - Website: <https://nre.gov.gy/2020/08/28/request-for-proposals-rfp/>
  - Facebook: **Ministry of Natural Resources-Guyana / Department of Energy Guyana**
- 2.3. Electronic submission of bids will **not** be permitted.
- 2.4. Bids must be delivered **into the Tender Box** at the address (1) below by **Friday, September 25, 2020 before 09:00hrs**. Each sealed envelope will be opened in the presence of bidders' representatives and the contents will be recorded. Contents should include separate envelopes with two hard copies of Technical and Financial Proposals and two labelled thumb drives. The public is invited to attend at the address (1) below at **Friday, September 25, 2020 at 09:00hrs**.
- 2.5. Late bids will be rejected.

### **3. Further Information and Clarifications**

3.1. Interested Firms may obtain further information and seek clarifications by email at **doe@motp.gov.gy** from **August 28, 2020**.

3.2. Firms may request clarification up to Ten (10) days prior to the RFP submission date.

### **4. The Bid Proposal** should be presented in a sealed envelope clearly marked: **Provision of Marketing Services for the Cooperative Republic of Guyana's Oil Entitlement from the Lisa Destiny FPSO Vessel - Ref. No. 2020-SV-ICB-02.**

4.1. Within the outer envelope the following contents should be included:

4.2.2 Two (2) hard copies of the Technical Proposal in a sealed envelope marked Technical Proposal;

4.3.2 Two (2) hard copies of the Financial Proposal in a **sealed** envelope and clearly marked Financial Proposal;

4.4. Also, an electronic non-editable copy of the Technical and Financial Proposals to be included on separate labelled thumb drives (one for Technical Proposal and one for Financial Proposal). In case of any discrepancy between the hard and the electronic copies, the hard copy will prevail.

4.5. Submission of the Proposals are to be deposited **into Tender Box only** at the below named address.

### **5. Address (1) - Submission and Opening of Bids:**

**The Chairman,  
National Procurement and Tender Administration Board,  
Ministry of Finance,  
Main & Urquhart Streets,  
Georgetown, Guyana**

**Permanent Secretary, Ministry of Natural Resources**

## **Section 2. Instructions to Companies**

### **1. Definitions**

- a) "Client" means the Government of the Cooperative Republic of Guyana (GCRG) with which the selected Company signs the Contract for the Services.
- b) "Company" means any entity that may provide or provides the Services to the Client under this Contract.
- c) "Contract" means a legally binding written agreement signed between the Client and the Company.
- d) "Data Sheet" (Section 3) such part of the Instructions to Companies used to reflect specific assignment conditions.
- e) "Day" means calendar day.
- f) "Government" means the Government of the Cooperative Republic of Guyana.
- g) "Instructions to Companies" (Section 2 of the RFP) means the document which provides interested Companies with all information needed to prepare their Proposals.
- h) "Personnel" means professionals and support staff provided by the Company and assigned to perform the Services or any part thereof;
- i) "Proposal" means the Technical Proposal and the Financial Proposal.
- j) "RFP" means the Request For Proposal to be prepared by the Client for the selection of Consultants.
- k) "Services" means the work to be performed by the Company pursuant to the Contract.
- l) "Terms of Reference" (TOR) means the document included in the RFP as Section 5 which explains the objectives, scope of work, activities, tasks to be performed, respective responsibilities of the Client and the Company, and expected results and deliverables of the assignment.

## **2. Introduction**

- 2.1 The Client will select a marketing / trading firm (the Company), in accordance with the method of selection specified in the Data Sheet.
- 2.2 Companies are invited to submit a Technical Proposal and a Financial Proposal for marketing services required for the assignment named in the Data Sheet. The Proposal will be the basis for contract negotiations and ultimately for a signed Contract with the selected Company.
- 2.3 Companies should contact the Client's representative named in the Data Sheet with any questions and /or clarifications on the assignment before submitting their Proposal and as per instructions in the Data Sheet.
- 2.4 Companies should familiarize themselves with the local conditions and take them into account in preparing their Proposals, including attending a pre-proposal conference if one is specified in the Data Sheet. Attending any such pre-proposal conference is optional and is at the Company's expense.

## **3. Conflict of Interest**

- 3.1 The Client requires that Companies provide professional, objective, and impartial Services and at all times hold the Client's interests paramount, strictly avoid conflicts with other assignments or their own corporate interests and act without any consideration for future work.

- 3.1.1 Without limitation on the generality of the foregoing, Companies, and any of their affiliates, shall be considered to have a conflict of interest and shall not be recruited, under any of the circumstances set forth below:

### **Conflicting relationships**

- (i) A Company (including its Personnel) that has a business or family relationship with a member of the Client's staff who is directly or indirectly involved in any part of (i) the preparation of the TOR, (ii) the selection process for such assignment, or (iii) supervision of the Contract, may not be awarded a Contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the Client throughout the selection process and the execution of the Contract.
- 3.1.2 A Company must disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of the Client, or that may reasonably be



perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Company or the termination of its Contract.

3.1.3 No agency or current employees of the Client shall submit a bid under their own ministries, departments or agencies. Recruiting former government employees of the Client to work for their former ministries, departments or agencies is acceptable provided no conflict of interest exists. When the Company nominates any government employee as Personnel in their technical proposal, such Personnel must have written certification from their government employer confirming that they are on leave without pay from or have resigned or retired from their official position and allowed to work full-time outside of their previous official position. Such certification shall be provided to the Client by the Company as part of the Technical Proposal.

## **Fraud and Corruption**

3.2 The Client requires that all firms, entities and individuals bidding for or participating in a Government project, including, *inter alia*, applicants, bidders, contractors, consulting firms and individual consultants (including their respective officers, employees and agents) adhere to the highest ethical standards, and report to the Client all suspected acts of fraud or corruption of which it has knowledge or becomes aware, during the selection process and throughout the negotiation or execution of a Contract. Fraud and corruption are prohibited. Fraud and corruption include acts of: (a) corrupt practice, (b) fraudulent practice, (c) coercive practice and (d) collusive practice. The definitions of actions set forth below cover the most common types of fraud and corruption but are not exhaustive. For this reason, the Client shall also take action in the event of any similar deed or complaint involving alleged acts of fraud and corruption, even when these are not specified in the following list. The Client shall in all cases proceed in accordance with the established procedure referred to in Clause 3.2 (b)

(a) The Client defines, for the purposes of this provision, the terms set forth below:

(i) A *corrupt practice* is the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;

- (ii) A *fraudulent practice* is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
  - (iii) A *coercive practice* is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to improperly influence the actions of a party; and
  - (iv) A *collusive practice* is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.
- (b) If the Client, in accordance with its administrative procedures, demonstrates that any firm, entity or individual bidding for or participating in a Government project including, *inter alia*, applicants, bidders, contractors, consultants, borrowers (including grant beneficiaries), purchasers, executing agencies and contracting agencies (including their respective officers, employees and agents) engaged in an act of fraud or corruption, the Client may:
- (i) decide to terminate any proposal to award a contract or a contract awarded for services approved by the Government;
  - (ii) suspend of the crude oil marketing operations and associated services if it is determined at any stage that evidence is sufficient to support a finding that an employee, agent or representative of the Government has engaged in an act of fraud or corruption;

### 3.3 Companies shall represent and warrant:

- (a) that they have not engaged in any violation of policies on fraud and corruption described herein;
- (b) that they have not misrepresented or concealed any material facts during the procurement or contract negotiation processes or performance of the contract;
- (c) that neither they nor any of their directors, officers or principal shareholders have been declared ineligible to be awarded

Government-approved contracts or have been convicted of a crime involving fraud or corruption;

- (d) that none of their directors, officers or principal shareholders has been a director, officer or principal shareholder of any other company or entity that has been declared ineligible to be awarded a Government-approved contract or has been convicted of a crime involving fraud or corruption;
- (e) that they are not subject to any debarment penalty or proceedings.
- (f) A bidding Company shall permit and shall cause its agents, services providers, or suppliers to permit the Client to inspect all accounts, records, and other documents relating to the submission of the Proposal and contract performance (in case of an award), and to have them audited by auditors appointed by the Client.

**Only One Proposal**

- 3.4 Companies may only submit one proposal. If a Company submits or participates in more than one proposal, such proposals shall be disqualified.

**Proposal Validity**

- 3.5 The Data Sheet indicates how long Companies' Proposals must remain valid after the submission date. Should the need arise, however, the Client may request Companies to extend the validity period of their proposals. Companies who agree to such extension shall confirm that they maintain the terms (Technical and Financial) as those presented in the Proposal, or in their confirmation of extension of validity of the Proposal, Companies could submit new terms which would be considered in the final evaluation for Contract award. Companies who do not agree have the right to refuse to extend the validity of their Proposals.

**4. Clarification and Amendment of RFP Documents**

- 4.1 Companies may request a clarification of any of the RFP documents up to the number of days indicated in the Data Sheet before the proposal submission date. Any request for clarification must be sent in writing, or by standard electronic means to the Client's address indicated in the RFP and Data Sheet. The Client will respond in writing acknowledging receipt of clarification. In due time the Client will publish on the website the responses (including an explanation of the query but without identifying the source of inquiry). Should the Client deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure under para. 4.2.

- 4.2 At any time before the submission of Proposals, the Client may amend the RFP by issuing an addendum in writing. The addendum shall be communicated via public announcement and will be binding on all Companies. To give Companies reasonable time in which to take an amendment into account in their Proposals, the Client may, if the amendment is substantial, extend the deadline for the submission of Proposals.
- 4.3 A Company may submit a modified Proposal or a modification to any part of it at any time prior to the proposal submission deadline. No modifications to the Technical or Financial Proposal shall be accepted after the deadline. The modified Proposal should be submitted in a sealed envelope clearly marked: **MODIFIED PROPOSAL. Provision of Marketing Services for the Cooperative Republic of Guyana's Oil Entitlement from the Lisa Destiny FPSO Vessel - Ref. No. 2020-SV-ICB-02.**
- 4.4 The original Proposal will be returned sealed to the Company.

**Preparation of Proposals**

- 4.4 The Proposal, as well as all related correspondence exchanged by the Companies and the Client, shall be written in the language(s) specified in the Data Sheet.
- 4.5 In preparing their Proposal, Companies are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal. The Company shall bear all costs associated with the preparation and submission of its Proposal, and the Client shall not be responsible or liable for those costs, regardless of the conduct or outcome of the selection process. The Client is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to Contract award, without thereby incurring any liability to the Company.

**Language**

- 4.6 Documents to be issued by the Companies as part of this assignment must be in the language specified in the Data Sheet. It is desirable that the firm's Personnel have a working knowledge of the Client's national language.

**Technical Proposal Format and Content**

- 4.7 The Data Sheet indicates the format of the Technical Proposal to be submitted. Submission of the wrong type of Technical Proposal will result in the Proposal being deemed non-responsive. The Technical Proposal shall provide the information indicated in the following paragraphs from (a) to (g) using the attached Standard Forms (Section 3).

- (a) A brief description of the Company's organization and an outline of recent experience of the Company on assignments of a similar nature is required in Form TECH-2 of Section 3. For each assignment, the outline should indicate the duration of the assignment and the Company's involvement. Information should be provided only for those assignments for which the Company was legally contracted as a corporation or as one of the major firms within a consortium or joint venture. Companies should be prepared to substantiate the claimed experience if so requested by the Client.
- (b) Comments and suggestions on the Terms of Reference including workable suggestions that could improve the quality/ effectiveness of the assignment and on requirements for counterpart staff and facilities including: administrative support, equipment, data, etc. can be provided by the Company when describing approach and methodology
- (c) A description of the approach, methodology and work plan for performing the assignment covering the following subjects: marketing approach and methodology, work plan, and trading, operations and shipping organisation.
- (d) The list of the proposed Personnel by area of expertise and short CVs.
- (e) A detailed description of the proposed methodology and staffing for training, if the Data Sheet specifies training as a specific component of the assignment.

**4.8 The Technical Proposal shall not include any price information. A Technical Proposal containing price information may be declared non-responsive.**

### **Financial Proposal**

4.9 The Financial Proposal shall be prepared using the attached Standard Forms (Section 4). It shall list all Prices associated with the assignment. If appropriate, these Prices should be broken down by activity. Activities and items described in the Technical Proposal but not priced separately, shall be assumed to be included in the prices of other activities or items.

### **Taxes**

4.10 The Company may be subject to local taxes (such as: value added or sales tax, social charges or income taxes on non-resident Foreign Personnel, duties, fees, levies) on amounts payable by the Client under the Contract. The Client will state in the Data Sheet

if the Consultant is subject to payment of any local taxes. Any such taxes amounts shall not be included in the Financial Proposal as they will not be evaluated, but they will be discussed at contract negotiations, and applicable amounts will be included in the Contract.

**5. Submission, Receipt, and Opening of Proposals**

- 5.1 The original proposal (Technical Proposal and Financial Proposal) shall contain no interlineations or overwriting, except as necessary to correct errors made by the Company itself. The person who signed the proposal must initial such corrections. Submission letters for both Technical and Financial Proposals should respectively be in the format of **TECH-1 of Section 3, and PR-1 of Section 4.**
- 5.2 An authorized representative of the Company shall initial all pages of the original Technical and Financial Proposals. The authorization shall be in the form of a written power of attorney accompanying the Proposal or in any other form demonstrating that the representative has been dully authorized to sign. The signed Technical and Financial Proposals shall be marked "**ORIGINAL**".
- 5.3 The Technical Proposal shall be marked "ORIGINAL" or "COPY" as appropriate. The Technical Proposals shall be sent to the addresses referred to in the **Data Sheet** and in the number of copies indicated in the Data Sheet. **An electronic copy (memory stick) of the Technical Proposal should be included.** All required copies (hard copies and electronic) of the Technical Proposal are to be made from the "Original". If there are discrepancies between the original and the copies of the Technical Proposal, the original governs.
- 5.4 The original and all copies (hard and electronic) of the Technical Proposal shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL" Similarly, the original Financial Proposal (if required under the selection method indicated in the Data Sheet) shall be placed in a sealed envelope clearly marked "FINANCIAL PROPOSAL" followed by the name of the assignment, and with a warning "DO NOT OPEN WITH THE TECHNICAL PROPOSAL." The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number and title of the Bid Proposal, and be clearly marked "DO NOT OPEN, EXCEPT IN PRESENCE OF THE OFFICIAL APPOINTED, BEFORE [*insert the time and date of the submission deadline indicated in the Data Sheet*]". The Client shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed

and/or marked as stipulated. This circumstance may be case for Proposal rejection. **If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive. The same applies if the electronic version submitted is not password protected with the password provided in a separate sealed envelope.**

- 5.5 The Proposals must be sent to the address/addresses indicated in the Data Sheet and received by the Client no later than the time and the date indicated in the Data Sheet, or any extension to this date. Any proposal received by the Client after the deadline for submission shall be returned unopened.
- 5.6 The Client shall open the Technical Proposals in the presence of the representative of the Procuring Entity immediately after the deadline for their submission. The envelopes with the Price Proposal shall remain sealed and securely stored.

## **6. Proposal Evaluation**

- 6.1 From the time the Proposals are opened to the time the Contract is awarded, the Companies should not contact the Client on any matter related to its Technical and/or Price Proposal. Any effort by Companies to influence the Client in the examination, evaluation, ranking of Proposals, and recommendation for award of Contract may result in the rejection of the Company's Proposal. Evaluators of the Technical Proposals shall have no access to the Financial Proposals until the technical evaluation is concluded and the Procuring Entity receives a "no objection" to proceed with the opening of the Financial Proposal.

### **Evaluation of Technical Proposals**

- 6.2 Pre-screening (preliminary evaluation) shall be conducted for all Proposals in order to determine responsiveness and compliance to the Minimum Qualification Requirements.
- 6.3 The evaluation committee shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub-criteria, and point system specified in the Data Sheet. Each responsive Proposal will be given a technical score ( $S_t$ ). A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP, and particularly the Terms of Reference or if it fails to achieve the minimum technical score indicated in the Data Sheet.

### **Evaluation of Financial Proposals**

- 6.4 After the technical evaluation is completed the Client shall proceed to open the Financial Proposals. Financial Proposals shall be opened publicly in the presence of representatives of the Client,

representatives of the technically qualified Companies and the National Procurement and Tender Administration Board (NPTAB). The Financial Proposal of the Companies who met the minimum qualifying mark will then be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall be then opened, and the total prices read aloud and recorded.

- 6.5 The price scores ( $S_p$ ) of the Financial Proposals will be computed as indicated in the Data Sheet. Proposals will be ranked according to their combined technical ( $S_t$ ) and price ( $S_p$ ) scores using the weights ( $T$  = the weight given to the Technical Proposal;  $P$  = the weight given to the Financial Proposal;  $T + P = 1$ ) indicated in the Data Sheet:  $S_{comb} = S_t \times T + S_p \times P$ . The firm achieving the highest combined technical and price score will be invited for negotiations.

- 7. Negotiations**
- 7.1 Negotiations will be held at the date and address (physical or video/conferencing presence require) indicated in the Data Sheet. The invited Company will, as a pre-requisite for attendance at the negotiations, confirm availability of all professional staff. Failure in satisfying such requirements may result in the Client proceeding to negotiate with the next-ranked Company. Representatives conducting negotiations on behalf of the Company must have written authority to negotiate and conclude a Contract.
- Technical negotiations**
- 7.2 Negotiations will include a discussion of the Technical Proposal, the proposed technical approach and methodology, work plan, and organization and staffing, and any suggestions made by the Company to improve the TOR. The Client and the Company will finalize the TOR and work plan. These documents will then be incorporated in the Contract as "Description of Services". The Client shall prepare minutes of negotiations which will be signed by the Client and the Company.
- Price negotiations**
- 7.3 If applicable, it is the responsibility of the Company, before starting price negotiations, to contact the local tax authorities to determine the local tax amount to be paid by the Company under the Contract. The price negotiations will include a clarification (if any) of the firm's tax liability in the Client's country, and the manner in which it will be reflected in the Contract; and will reflect the agreed technical modifications in the cost of the services.
- Conclusion of the negotiations**
- 7.4 Negotiations will conclude with a review of a draft Contract. To complete negotiations the Client and the Company will initial the agreed Contract. If negotiations fail, the Client will invite the



Company whose Proposal received the second highest score to negotiate a Contract.

**8. Award of Contract**

- 8.1 After completing negotiations the Client shall award the Contract to the selected Company and promptly notify all Companies who have submitted proposals.
- 8.2 The successful Company is expected to commence the assignment on the date specified in the Data Sheet.

**9. Confidentiality**

- 9.1 Information relating to evaluation of Proposals and recommendations concerning awards shall not be disclosed to the Companies who submitted the Proposals or to other persons not officially concerned with the process, until the publication of the award of Contract. The undue use by any Company of confidential information related to the process may result in the rejection of its Proposal and may be subject to the provisions of the Client's antifraud and corruption policy.

**Section 3 - Instructions to Consultants**  
**DATA SHEET**

<b>Paragraph Reference</b>	
<b>2.1</b>	<p>Name of the Client: <b>Government of the Cooperative Republic of Guyana represented by the Ministry of Natural Resources.</b></p> <p>Method of Selection: <b>Technical and Financial</b> A combination of the Technical and the Financial Proposals, based on weights, as explained in Sub clause 6.5</p>
<b>2.2</b>	<p>Financial Proposal to be submitted together with Technical Proposal: <b>YES</b></p> <p>Name of the assignment is: <b>Provision of Marketing Services for the Cooperative Republic of Guyana's Oil Entitlement from the Liza Destiny FPSO Vessel.</b></p>
<b>2.3, 3.5, and 4.1</b>	<p><b>Clarifications may be requested <u>NOT</u> later than <u>10 days</u> before the submission date.</b></p> <p>The address for requesting clarifications is: E-mail: <a href="mailto:ministry@nre.gov.gy">ministry@nre.gov.gy</a> / <a href="mailto:doe@motp.gov.gy">doe@motp.gov.gy</a> ,</p>
<b>2.4</b>	<p>A pre-proposal conference will be held: <b>No</b></p> <p>The Client's representative is: <b>The Permanent Secretary, Ministry of Natural Resources</b></p> <p>E-mail: <a href="mailto:ministry@nre.gov.gy">ministry@nre.gov.gy</a> / <a href="mailto:doe@motp.gov.gy">doe@motp.gov.gy</a> ,</p>
<b>2.4</b>	<p>The Client will provide the following inputs, additional documents and facilities and links:</p> <p style="text-align: center;"><a href="https://corporate.exxonmobil.com/-/media/Global/Files/crude-oils/Liza/crude-oil_Liza_assay_jun2020.pdf">https://corporate.exxonmobil.com/-/media/Global/Files/crude-oils/Liza/crude-oil_Liza_assay_jun2020.pdf</a></p>
	<p>Proposals must remain valid <b>150 days</b> after the submission date.</p>

<b>Paragraph Reference</b>	
<b>4.4 and 4.6</b>	All Proposals shall be submitted in the following language: <b>English</b>
<b>4.7</b>	The format of the Technical Proposal to be submitted is:  Completed Forms TECH-1, TECH-2, TECH-3, TECH-4 and TECH-5 and TECH-6.
<b>4.7 (e)</b>	Training is a specific component of this assignment: <b>Yes</b>
<b>4.10</b>	Company to state costs, prices, fees in the following currency:  <b>United States Dollars</b>
<b>5.3</b>	Firms must submit the original and two (2) copies of the Technical Proposal, and the original and two (2) copies of the Financial Proposal, per the instructions in the RFP.  Also, electronic non-editable copies of the Technical and Financial Proposals to be included on separate labelled thumb drives.  In case of any discrepancy between the hard and the electronic copies, the hard copy will prevail.  Submissions are to be deposited <b>into Tender Box only</b> at the below named address.

<b>Paragraph Reference</b>	
<b>5.3, 5.4, and 5.5</b>	<p>The Proposal <b>submission</b> address is:</p> <p><b>The Chairman, National Procurement and Tender Administration Board, Ministry of Finance Compound, Main and Urquhart Streets, Kingston, Georgetown, Guyana</b></p> <p>Proposals must be submitted no later than the following date and time: <b>Friday, September 25, 2020, at 09:00hrs</b> (Guyana Time)</p>

Paragraph Reference				
<p style="text-align: center;"><b>5.</b></p>          <p style="text-align: center;"><b>6.3</b></p>			<b>Min</b>	<b>Max</b>
	(i.)	Compliance with Minimum Qualification Requirements	YES	
	(ii.)	Specific experience of the Consultant relevant to the assignment  Marketing services for a Ministry/ NOC Introduction of a new grade  Total Points for criterion (i)	  20 12  <b>32</b>	  25 15  <b>40</b>
	(iii.)	Adequacy of the proposed methodology and work plan in responding to the Terms of Reference:  Technical approach and methodology Work Plan Organization and Staffing  Total points for criterion (ii)	  10 5 6  <b>21</b>	  14 8 8  <b>30</b>
	(iv.)	General Marketing and trading qualifications  Scale of crude oil operations (volumes and grade diversity)  Geographic origin / reach /Value chain integration (upstream and downstream)  Total Points for criterion (iii)	  11  11  <b>22</b>	  15  15  <b>30</b>
	(v.)	The minimum technical score $S_t$ required to pass is:    <b>Points</b>	75	    <b>100</b>

<b>Paragraph Reference</b>	
<b>6.5</b>	The weights given to the Technical (T) and Financial (P) Proposals are: T = <b>0.6</b> and P = <b>0.4</b>
<b>7.2 and 7.3</b>	Expected date for contract negotiations: <b>October 22, 2020.</b>
<b>8.1 and 8.2</b>	Expected date for commencement of consulting services: <b>November 12, 2020.</b>

## **Section 4. Standard Forms**

### **Technical Proposal**

Refer to Reference Paragraph 3.4 of the Data Sheet for format of Technical Proposal to be submitted, and paragraph 3.4 of Section 2 of the RFP for Standard Forms required and number of pages recommended.

FORM TECH-1	Technical Proposal Submission Form
FORM TECH-2	Company's Organization and Experience A Company's Organization B Company's Experience
FORM TECH-3	Comments or Suggestions on the Terms of Reference and on Counterpart Staff and Facilities to be Provided by the Client A On the Terms of Reference B On Counterpart Staff and Facilities to be Provided by the Client
FORM TECH-4	Description of the Approach, Methodology and Work Plan for Performing the Assignment
FORM TECH-5	Team Organisation (Trading Floor, Operations, Shipping)
FORM TECH-6	Short Curriculum Vitae (CV) for Proposed Professional Staff

**FORM TECH-1 TECHNICAL PROPOSAL SUBMISSION FORM**

[Location, Date]

To: [Name and address of Client]

Dear Sirs:

We, the undersigned, offer to provide the consulting services for ***Provision of Marketing Services for the Cooperative Republic of Guyana's Oil Entitlement from the Liza Destiny FPSO Vessel*** in accordance with your Request for Proposals dated **August 28, 2020** and our Proposals. We are hereby submitting our Proposals, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in Paragraph Reference 1.12 of the Data Sheet, we undertake to negotiate on the basis of the proposed commercial terms. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in Paragraph Reference 7.2 of the Data Sheet.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [*In full and initials*]:

Name and Title of Signatory:

Name of Firm:

Address:



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**FORM TECH-2 Consultant's Organization and Experience**

**A - Company's Organization**

*[Provide here a) description of the background and organization of your firm*

The party shall have experience in buying and selling crude oil during the last five years ending on the date of publication of this EOI, either from the private or the government sectors.

## B –Company's Experience

*[Using the format below, provide information on each assignment for which your firm, was legally contracted as a corporate entity or as one of the major companies within an association, for carrying out services similar to the ones requested under this assignment.]*

Assignment name:	Approx. Volume of the contract in bbls
Country: Location within country:	Duration of assignment (months):
Name of Client:	Total N <sup>o</sup> of cargoes managed during the assignment
Address:	Targeted geographies:
Start date (month/year): Completion date (month/year):	Description of the Service provided and key outputs:

**FROM TECH-3 COMMENTS AND SUGGESTIONS ON THE TERMS OF REFERENCE  
AND ON COUNTERPART STAFF AND FACILITIES TO BE PROVIDED BY THE CLIENT**

**A - On the Terms of Reference**

*[Present and justify here any modifications or improvement to the Terms of Reference you are proposing to improve performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities). Such suggestions should be concise and to the point, and incorporated in your Proposal.]*

**B - ON COUNTERPART STAFF AND FACILITIES**

*[Comment here on counterpart staff and facilities to be provided by the Client according to including: administrative support, equipment, data, etc.]*

**FORM TECH-4    DESCRIPTION OF APPROACH, METHODOLOGY AND WORK  
PLAN FOR PERFORMING THE ASSIGNMENT**

*[Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal:*

*Technical Approach and Methodology, Work Plan, and Organization and Staffing.*

**a)**    *Technical Approach and Methodology.* *In this chapter you should explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output. You should highlight the risks and problems being addressed and their importance, and explain the technical approach and methodologies you would adopt to address them.*

**b)**    *Work Plan.* *In this chapter you should propose the main activities of the assignment, their content and any milestones to be reached.*

**c)**    *Organization and Staffing.* *In this chapter you should present the organisation of your Trading Floor, Crude oil Operations and Shipping. You should list the main disciplines of the assignment (front office and back office, the key expert responsible, and proposed technical and support staff.*



**FORM TECH-6 CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF (SHORT)**

1. **Proposed Position** [*only one candidate shall be nominated for each position*]: \_\_\_\_\_
2. **Name of Firm** [*Insert name of firm proposing the staff*]: \_\_\_\_\_  
\_\_\_\_\_
3. **Name of Staff** [*Insert full name*]: \_\_\_\_\_
4. **Date of Birth:** \_\_\_\_\_
5. **Nationality:** \_\_\_\_\_
6. **Education** [*Indicate college/university and other specialized education of staff member, giving names of institutions, degrees obtained, and dates of obtainment*]: \_\_\_\_\_  
\_\_\_\_\_
7. **Years on current post:** \_\_\_\_\_
8. **Previous posts** [*Indicate significant training since degrees under 5 - Education were obtained*]: \_\_\_\_\_
9. **Countries of Work Experience:** [*List countries where staff has worked in the last ten years*]: \_\_\_\_\_
10. **Languages** [*For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing*]: \_\_\_\_\_
11. **Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged.

\_\_\_\_\_  
Date: \_\_\_\_\_  
[Signature of staff member or authorized representative of the staff] Day/Month/Year

Full name of authorized representative: \_\_\_\_\_

## **Financial Proposal**

Financial Proposal Standard Forms shall be used for the preparation of the Financial Proposal.

**PR-1** Financial Proposal Submission Form

**PR-2** Summary of Prices



**FORM PR-1 FINANCIAL PROPOSAL SUBMISSION FORM**

[Location, Date]

To: [Name and address of Client]

Dear Sirs:

We, the undersigned, offer to provide the Marketing services for [Insert title of assignment] in accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the price of [Insert amount(s) in words and figures<sup>1</sup>] per barrel of crude oil. This amount is exclusive of the local taxes, which shall be identified if needed during negotiations and shall be added to the above amount.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Paragraph Reference 1.12 of the Data Sheet.

No commissions or gratuities have been or are to be paid by us to agents relating to this Proposal and Contract execution.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

**FORM PR-2 SUMMARY OF PRICES**

<b>Item</b>	<b>Amounts (US\$)</b>	<b>Description</b>
Financial Proposal per bbl of Crude Oil in USD		
Marketing Fee (including training)		
Pricing period (days)		
Payment Terms (days)		

Please describe clearly:

- any breakdown of the Financial Proposal
- the preferred price structure
- the marketing and administrative fees (including training) applied

## Section 5. Terms of Reference

### Background

December 20<sup>th</sup>, 2019 marked a historic milestone for Guyana. Late in the evening, ExxonMobil and its partners announced that it had produced the first commercial crude from the Liza field, located in Guyana's offshore Stabroek Block. The output from the first phase is expected to reach capacity of 120,000 gross barrels of oil per day (bdp), utilizing the Liza Destiny floating production storage and offloading (FPSO) vessel. Stabroek Block is expected to produce 750,000 bpd by 2025.

Being new to the Oil and Gas (O&G) industry, Guyana's government has been steadily taking steps to prepare for the complexities and risks that lie ahead. This situation is understandable considering the novelty of the O&G industry in Guyana, and the consequent lack of experience. Therefore, much needs to be achieved rapidly to increase the chances of optimal outcomes for Guyana.

The Government is soliciting services from-crude oil marketers to assist it in marketing the Government's allocation of crude oil provided for under the applicable Petroleum Agreement. The Government will retain a trader/marketer under a marketing agreement to market the crude oil.

### Service Requirement and Terms of Reference

The Ministry of Natural Resources now invites companies to present their Proposals to provide the services described below in the intended Objective for the assignment. Following a review of the submissions, the Client may enter into negotiations leading to a marketing agency agreement with a Company.

**Objective of the Assignment:** To competitively market and maximize the value of the Government's Crude oil Entitlement from Liza Destiny FPSO in the Stabroek Block and create a competitive market for the Liza Blend.

**Duration of the assignment:** 12 calendar months

**Commencement date:** 12<sup>th</sup> November 2020

**Crude:** Liza Blend Crude Oil (full assay in [https://corporate.exxonmobil.com/-/media/Global/Files/crude-oils/Liza/crude-oil\\_Liza\\_assay\\_jun2020.pdf](https://corporate.exxonmobil.com/-/media/Global/Files/crude-oils/Liza/crude-oil_Liza_assay_jun2020.pdf))

**Delivery:** Liza Destiny FPSO

**Cargo size:** 1,000,000 bbls at 60F

**Percent Tolerance:** +/- 5% Buyer's Option subject to Terminal Acceptance

**Number of Cargoes:** As determined by Petroleum Agreement dated June 27, 2016. The working assumption is that the Government will be entitled to an estimated 5

cargoes per 12 calendar months. Final numbers will be dependent on production rates and reservoir performance as the production ramps up.

**Country of Origin:** Cooperative Republic of Guyana

**Key activities and objectives of the assignment:**

- To competitively market each and every one of the individual cargoes and to maximize the overall value of the Government's entitlement barrels
- To provide all functions of marketing, assessing regional and global demand centres, selecting customers, making appropriate transportation arrangements
- To provide support and guidance to the Client in all operating and back office responsibilities of managing these crude sales and each individual lifting whilst facilitating timely and cost-efficient crude oil operations
- To support the Client in the continued introduction of the grade in multiple geographies and refinery systems and provide benchmark performance comparisons of prices paid for the Government's crude oil
- To work closely with the Client in understanding the behaviour and yields of the Liza Blend and how these affect pricing differentials
- To support the Client in understanding and advocating any operational considerations that may affect the pricing of the crude
- To conduct training sessions for the Client's personnel in matters relating to Crude oil Supply and Trading fundamentals and more specifically those relevant to the Liza grade pricing
- To provide other mutually agreed upon services including, but not limited to training of Client staff on elements of the marketing process and covering front, middle and back office operations for both crude and cash.

**Company Requirements and Experience:**

**Mandatory Requirements:**

The Company must have a detailed knowledge of and a respected marketing presence and history in global crude oil markets. This is evidenced by 3rd party references from clients, efficient transportation logistics practices and its operational and corporate reputation within the oil and gas industry.

The Company must have sufficient credit quality, in the sole discretion of the Client including but not limited to an investment grade credit rating or equivalent, to support all its payment obligations. The Client may request stand-by security in a form

acceptable to the Client for such value at any time on or after the date a contract arising out of this RFP is executed between the Client and the Company.

- (i) At least 5 years' experience in Crude Oil marketing and trading, within the last five (5) years, as a Company
- (ii) Company's key personnel in the Marketing Team at least 10 years' experience trading in global crude oil markets.
- (iii) Certificate of Incorporation,
- (iv) Certified true copies of Memorandum and Articles of Association of the company and/or similar statutory documents,
- (v) Company profile showing company's capabilities,
- (vi) Provide on Company's letterhead, with official seal, contact details of the company including the name of authorized contact person(s), official address, email and telephone number (s),
- (vii) Details of the bidder's volume of crude oil trading and marketing volumes by geography over the last 5 years,
- (viii) Annual turnover, the company may submit either audited balance sheet with profit and loss accounts or a certificate issued by a practicing chartered /cost accountant (with membership number and firm registration number), certifying the annual turnover,
- (ix) Company Tax Clearance Certificate for the last five (5) years,
- (x) Details of previous experience in introducing a new grade in the market
- (xi) Statement of Business Integrity Code of Conduct,
- (xii) Company's HSE policy and records over the last 5 years,
- (xiii) The bidder shall make provisions to allow the Client to verify all claims made in submission, and also, to verify that the bidder's organization is not in receivership, nor the subject of any form of insolvency or bankruptcy proceedings or the subject of any form of winding up petition or proceedings,
- (xiv) A duly certified written statement confirming that the Company does not have any director who has been convicted in any country for a criminal offence relating to fraud or any financial impropriety or criminal misrepresentation of falsification of facts relating to any matter,
- (xv) A duly certified written statement giving details of any pending litigation the bidder may or may not have.

**Technical Proposal Requirements:**

Companies are invited to supply a proposal that shows the Company profile and activities, their understanding of the scope of work, how they propose to undertake the work, the resources they will use, CV's of the proposed team etc.

**Companies shall provide in the Technical Proposal details of experience and examples of similar work, plus references and testimonials, including:**

- Details of the bidder's volume of crude oil trading and marketing volumes by geography over the last 5 years;
- Details of the applicant's volume of other energy commodities over the last 5 years;
- Evidence of verifiable similar services (crude oil Marketing / supply contracts) carried out within the last 5 years and specific relationships with governments and NOCs; The Company should have demonstrable experience in working closely with ministries and NOCs and in training people in emerging producer countries.
- Details of previous experience in introducing a new grade in the market; and
- References and testimonials for similar work.

**More specifically companies should submit the following as part of their Technical Proposal:**

- A brief introduction of the Company and the prime vendor who will be the Company's contact with the Client
- The full legal name of the Company.
- The location of the Company's head office and marketing offices
- A Company contact for all questions and clarifications arising from the Proposal and a contact authorised to participate in Contract finalisation. The contact information should include the person's title, address including email, telephone number
- Description of the Company's business objectives for marketing crude oil and how they align with the Client's objective to maximize the value received for the Government's crude oil
- Organisation of Trading Floor and Key personnel in crude oil trading and shipping desk (CVs and years of experience)

- Details of the methodology to implement for the successful Marketing of the crude bbls with details on the proposed approach and plan
- Details of the systems used by the Company to market crude oil
- Details on how the applicant is proposing to foster and promote international interest and competitiveness for Guyana's barrels
- Details of the proposed communication plan with the Client and description of support and training to be provided to the Department of Energy

The Company shall support the Client in all marketing, operating and back office responsibilities of managing the crude liftings.

The successful Company should be willing to work closely with the Client in understanding the behaviour and yields of the Liza Blend within a refinery system, the quality considerations in pricing and allowing for flexibility and/or constraints on operations and timings while production is ramping up. The Company is expected to demonstrate how it intends to support the government's efforts in building its commercial understanding and capability.

Training activities and support are expected to be delivered by a combination of modes: ie E-training and videoconferencing are allowed, combined with face to face training sessions and conversations when appropriate and if there are no travel restrictions.

The Company shall make its own arrangements for carrying out its services, including accommodation, telecommunications, transport, documents reproduction, printing and reproduction of all reports.

### **Financial Proposal Requirements:**

- Bidding Companies should use their discretion to construct the Financial Proposal. Flat fixed price, Formula Price based on benchmarks and Cost plus type of structures will be accepted as potential methodologies for structuring final Financial Proposal.
- It is on the bidder's discretion how to construct their bid. Either alternative would be acceptable as long as it remains competitive for the Government of the Cooperative Republic of Guyana and addresses market, reputational and operational risks
- Details on the Company's pricing strategy, and where the Company proposes an index pricing basis (with FOB delivery terms), the Company must indicate the following:
  - The index basis and the reference period applied for the pricing
  - The price differential (premium/discount) to the index basis

- The marketing and additional administrative fee that may apply
- Any special terms including the event(s) that would trigger a review of the premium/discount or the index base
- Where the Company is proposing an option other than index basis the Company must describe the alternative pricing mechanism in detail
- In any proposed pricing structure, the proposed marketing fee the Company would charge for marketing, administrative and training should be clearly indicated separately
- Payment terms proposed
- The Financial Proposal will apply for all cargoes in a 12 months period from the commencement of the services.

### **Principles for Relationship**

The Client's requires a that the Company adopt a revenue optimization objective for the Government's entitlement.

Where the Company is not proposing an index structure (Buy/Sell) but rather an "at Cost plus" arrangement it shall be compensated for providing the marketing services by a specific fee per barrel

The Company is required to keep the Client informed on pertinent crude oil related issues, including market updates and outlooks, infrastructure developments, and regulatory developments. It is expected that the Company will participate in regular management meetings (telecoms) with the Client at least weekly and in order to discuss not only operational matters but most importantly to discuss the most recent market updates

Where the Company is not proposing an index structure (with FOB delivery terms), it shall manage tanker selection, loading, transportation, and unloading logistics for the Government volumes.

### **Administrative Responsibilities of the Company**

Administering the Government's volumes is a substantial responsibility under the marketing agreements. Although these are subject to more detailed consideration in subsequent stages of the selection process, a few highlights are included below to provide the Company with an appreciation of the administrative responsibilities.

- a) The Client plans to develop a reporting system for managing the information that it will receive from the Company. The Company will be responsible to provide input to the development of this reporting system and to report into it in the format



requested by the Client. The Company should indicate the degree of administration its proposal would cover.

b) The Company will provide the Client a monthly statement, in a format acceptable to the Client and compatible with the Client's reporting requirements.

c) The Company were an "at Cost plus" deal is proposed shall liaise with the Client on a regular basis, administering contracts, ensuring its reporting system is compatible with the Client's reporting requirements.

d) The Company shall provide market data and intelligence.

e) The Company will undertake performance monitoring of the crude oil prices realized by the Client relative to appropriate regional and global benchmarks. The Company shall identify the benchmarks, which it plans to use, and how the benchmark will be monitored.

### **Conflict of Interest Statement**

The Company is required to disclose any potential conflicts of interest arising out of other assignments. Where the Company currently contracts with any party or potential stakeholders that would create conflict of interest or to the extent any conflict of interest would arise in the future, such a company will not qualify to undertake or participate in this assignment. The Company shall provide a copy of its policy or procedures with respect to conflicts management (mere reference to such policy or procedure will not suffice).

In addition to the Company's conflict of interest and confidentiality policy, the Company shall detail any measures that may be required to avoid conflicts of interest and ensure the confidentiality of information received in connection with the implementation of this assignment.

The Proposal should also include the Company's business code of ethics or similar corporate policy, information or statements that the Company and its employees, subcontractors, agents, and, if applicable, Consortium members must adhere to with respect to ethical conduct requirements.

### **Confidentiality**

The Company agrees to keep confidential all information that the Company receives, directly or indirectly, from Client or any other stakeholder, as well as all copies or analyses that the Company has made, or that have been made by third parties, on the basis of such information (collectively, the Material). The Company shall use the Material exclusively for the purpose of providing the services described in these Terms of Reference. The confidentiality obligations shall not apply to information in the public domain.

END