

TERMS OF REFERENCE (TOR)
FOR
HIRING OF TECHNICAL AND HSEQ AUDIT
SERVICES



TENDER ENQUIRY NO.
SER/CB/PROD-6400000055/2022

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HIRING OF TECHNICAL AND HSEQ AUDIT SERVICES
TERMS OF REFERENCE / SCOPE OF WORK

1. SCOPE OF WORK FOR THE BIDDER:

Oil & Gas Development Company Limited (OGDCL), Pakistan desires to hire services on rate running (as and when required) basis for carrying out comprehensive technical and HSEQ audit of companies providing production operations related services to OGDCL. Bidder will carry out technical and HSEQ audit of following services in line with respective tender documents:

- i. Drill Stem Testing (DST) services
- ii. Slickline Services
- iii. Surface Well Testing (SWT) Services
- iv. Sand Trap Services
- v. CTU and Stimulation Services
- vi. Smart Coil Services

The audit will be carried out annually or as per requirement of OGDCL to determine the capabilities and improvements through comprehensive inspection in terms of equipment, crew and HSEQ standards regarding provision of above-mentioned services to OGDCL. Each inspection will be carried out in stages if required and any shortcomings will be highlighted and intimated to the service provider with advice to rectify any non-conformity that requires improvement to prevent expensive potential failures, downtime and occurrence of safety related untoward incidents with in some agreed time limit. The final report will be submitted after a subsequent/final visit by the inspection team. Any non-conformity requiring more time for rectification shall be clearly pointed out in the report along with commitment of the service provider to rectify the same by next annual audit. The bidder to carry out the technical and HSEQ audit, including but not limited to the following:

Equipment & Crew

Sr.	Description
1	Bidder to provide preliminary generic technical & HSEQ audit checklist as per tender enquiries against which the audit will be carried out. However, the contractor before mobilization will submit finalized checklist and any suggestion/requirement by OGDCL must be incorporated as per scope of work. OGDCL reserves the right to modify/increase/decrease the items in checklist as per respective tender documents or scope of work for current tender, with no impact on financial figures quoted by the bidder.
2	Verify availability and operational capabilities of equipment & crew as per tender documents initiated for hiring of respective services. (Tender documents will be provided for every technical audit).
3	Physically inspect all equipment, carry out pressure and function test wherever applicable.
4	Check the equipment storage facility and supply chain management system.
5	Verify complete organogram of company.
6	Verify hierarchy of staff / crew.

HSEQ (whichever is applicable along with additional comments and findings)

Sr.	Title	Specific Requirement
1	HSE Policy	Compliance with the OGDCL's HSE Policy, in addition to all governmental regulations applicable to the scope of work being performed.

2	HSE Roles	All personnel assigned on the project can safely perform the essential functions of their job assignment. Contractor shall ensure that personnel to maintain the appropriate standards of HSE in connection with the work that is being performed.
3	HSE Planning	i. HSE risk assessment plan ii. Health monitoring plan iii. Safety monitoring plan iv. Environmental monitoring plan v. Emergency preparedness and response plan vi. Waste management & disposal plan
4	Work Permit	Work-to-Permit System and shall have plan of activities in advance, submit THAs/JHAs where required and engage only certified staff for the hot jobs.
5	Safety Critical	Equipment (especially to be used on site for lifting and hoisting purposes) is certified from the third party and operators have proper permits / licenses.
6	PPE	Adequate PPE and other/related safety gadgets of an approved type as required for the performance of the work to be safely performed.
7	Hazard Communication	Proper labeling at all the pertinent safety risk areas with appropriate warning signs and instructions. It shall also be ensured that all original containers of hazardous chemicals or materials entering the project site to be properly labeled with the hazard warnings and related information.
8	Incident Reporting	Incident reporting system to report all significant and important incidents involving fatality, injury, illness, environmental impacts, near hits, and/or hazardous situations to OGDCL representative.
9	Accident Investigation	Accident investigation system to investigate and report all accidents regardless of their nature so that the cause and means of prevention can be determined to prevent reoccurrence.
10	Environmental Procedures	Immediately clean up the trash, spills, food waste, etc. and spills of chemicals, oils, whereas potentially hazardous wastes to be immediately reported.
11	ERP	Shall provide orientation on emergency preparedness and response procedure to its project team and ensure that its personnel are well aware of what procedures are in practice and who is to notify in the event of any emergency.

2. TERMS AND CONDITIONS FOR BIDDERS:

- 2.1 Bidders to submit required documents/ confirmations along with their technical proposals.
- 2.2 All certificates, documents, proof of work etc. should be in English language or accompanied with certified translation to English language
- 2.3 Bidders providing/provided services to E & P companies in Pakistan against any of the following services, i.e. DST, SWT, Slickline, Sand trap, CTU & Stimulation and Smart Coil services, for the last seven (07) years are not eligible to participate in this tender.
- 2.4 Before mobilization, the contractor will provide CVs of the nominated inspectors with ability, qualification and experience for verification and approval. The contractor will mobilize the inspectors only after the approval of OGDCL.
- 2.5 Contractor shall be liable to replace any person within a suitable time frame, if his ability, qualification, experience, behavior or working is found unsatisfactory by OGDCL before or after the mobilization or during commencement of job and such replacement should be without any additional cost to OGDCL.
- 2.6 Inspection team must include at least two (02) inspectors with the required relevant experience for inspection of each above-mentioned service. Inspection team will be accompanied with technical team of OGDCL.
- 2.7 If available, contractor will provide inspection team constituted of Pakistani nationals with requisite experience. Expatriate professionals will only be employed if qualified/

- experienced Pakistani nationals are not available. Security clearance from Government of Pakistan, arrangement for visa and return air tickets for expatriates on urgent basis, shall be the responsibility of the bidder at bidder's cost.
- 2.8 Transportation and hotel stay of the bidder's personnel and equipment shall be responsibility of the bidder at the bidder's cost. Out of pocket expenses shall not be paid to the contractor in this respect.
 - 2.9 Before mobilization, the contractor will provide tentative technical & HSEQ audit checklist. The contractor will mobilize only after the approval of OGDCL.
 - 2.10 Time required for provision of initial checklist must not be more than 15 days after issuance mobilization notice for the technical and HSEQ audit for any service.
 - 2.11 Time required for provision of final checklist must not be more than 07 days after incorporating suggestions/requirement by OGDCL.
 - 2.12 Time required for mobilization of inspectors should not be more than two (2) weeks after approval of checklist and inspectors by OGDCL.
 - 2.13 The companies/yards to be visited/inspected may be situated anywhere in Pakistan.
 - 2.14 Bidder may have to mobilize inspection team more than once or to more than one yard, depending on the availability of equipment at the site of inspection as per scope of work or due to any other reason without any additional cost to OGDCL.
 - 2.15 Technical & HSEQ audit of different companies providing same services may be carried out depending on the existing contracts of OGDCL at the time of audit.
 - 2.16 Technical & HSEQ audit, of same companies providing different services may be carried out simultaneously depending on the existing contracts and requirement of OGDCL at the time of audit.
 - 2.17 Technical & HSEQ audit of potential service providers may also be carried out if required by OGDCL.
 - 2.18 All the expenses incurred by bidder against any job related to completion of work as per scope may be incorporated in predefined financial model. No other payments will be made and no other claims will be admissible whatsoever.
 - 2.19 Safety and health issues regarding contractor's personnel working at site will be contractor's responsibility.
 - 2.20 If during job, it is ascertained that the service company is unable to perform / accomplish the job satisfactorily, OGDCL reserves the right to terminate the contract with no financial obligation.
 - 2.21 OGDCL will not provide any tools and instruments required for this inspection. It will be contractor's responsibility to have all the required tools and instruments at the work place. Moreover, OGDCL reserves the right to check that the contractor's tools and instruments are in correct working condition, fit for the intended purpose and calibrated any time during technical evaluation and the entire contact period.
 - 2.22 Soft copy of the final inspection report through e-mail and three (03) hard copies in original against each inspection with all supporting documents to be submitted to Manager (Production)-Services, OGDCL Head Office, Islamabad.
 - 2.23 The inspection team visit report is to be submitted within ten (10) days after each visit and final report after completion of the final on-site inspection must be submitted within two (02) weeks.

- 2.24 Payment will be made after verification and acceptance of the inspection report by OGDCL.
- 2.25 Bidder must give “clean acceptance certificate” of OGDCL terms and conditions and if exceptions are found, the bidder will withdraw all exceptions.
- 2.26 OGDCL reserves the right to accept or reject any/all bid(s) or annul the entire bidding process at any time prior to award of contract without taking any responsibility of the affected bidder(s) and is not bound to justify the reasons to the affected bidder(s).
- 2.27 Bidder to confirm compliance to OGDCL’s HSEQ policy.

3. DURATION OF CONTRACT:

- 3.1 The duration of the contract will be three (03) years. Extension in term of contract will be subject to mutual consent of both parties in writing.
- 3.2 The bid proposal/rates should remain valid unconditionally during the term of contract.
- 3.3 The rate running contract (as and when required basis) will remain intact till the completion of jobs where contractor is mobilized for the job during the contract period.

4. PAYMENT TERMS:

- 4.1 The prices quoted by bidder in financial bid are to be in US\$ and should be fixed/firm and are inclusive of all applicable taxes, duties and levies etc. except Provincial Sales Tax/ICT Tax on services.
- 4.2 The payment will be made in 100% Pak rupees against verified invoices at official exchange rate prevalent on the date of payment.
(This clause will prevail instead of Master Tender document “ITB” clause # 07 ‘PAYMENT’).

5. BID BOND:

Bid Bond/Bid Security amounting to US\$ 1,000/- (US Dollar One thousand only) is to be attached/provided with technical bid. Please see Master Set of Tender Document for further details.

6. MODE OF PROCUREMENT:

Bids against this tender are invited on “**Single Stage Two Envelope Bidding Procedure**” through press tendering; therefore, the bidders shall submit one original technical bid along with its soft copy and one original financial bid.

Note: The master set of tender documents for services uploaded on OGDCL’s website (www.ogdcl.com) is the integral part of this TOR.

Technical Evaluation Criteria

1. Only technically qualified bidder(s) will be considered for commercial evaluation.
2. All the bidders must fulfill the minimum requirements below for technical qualification. Even a single “No” in below mentioned tables for technical evaluation will lead to disqualification.

Sr.	Description	Confirmation
1	Company profile showing business background including history and relevant experience. Provide necessary documents.	Yes/No
2	Registered company in Pakistan or elsewhere, minimum five (05) year experience in oil and gas technical audit surveys. List of successful inspections carried out by the bidder to be provided. Verifiable work history showing successful execution of similar inspection giving brief scope of work, postal addresses, e-mail addresses and contact (phone/ fax) numbers of minimum three (03) clients.	Yes/No
3	Minimum experience of ten (10) successful relevant inspections during the last five (05) years. Copies of service orders/ completion certificates in this regard must be provided with the technical bid proposal as documentary evidence.	Yes/No
4	Bidder to provide preliminary technical & HSEQ audit checklist in the technical bid, which will be finalized during technical evaluation as per scope of work. OGDCL reserves the right to modify/increase/decrease items in checklist as per respective tender documents or scope of work for current tender, with no impact on financial figures quoted by the bidder.	Yes/No
5	Provide tentative plan/ schedule of inspection.	Yes/No
6	Academic qualification for inspector, preferably, bachelor degree in Engineering or 03 year Diploma of Associate Engineer (DAE) along with mandatory inspection trainings.	Yes/No
7	Inspectors are well conversant with the applicable standards and procedures for inspection of oil and gas industry equipment. Have minimum cumulative experience of Five (05) years in oil and gas operation, inspection, maintenance and repair including 2 years of mandatory inspection experience. Detailed CVs of inspectors showing qualification, training and experience of inspectors must be provided with the technical proposal.	Yes/No

FINANCIAL EVALUATION

Sr.	Description	UOM	QTY. (A)	Unit Cost (US\$) (B)	Total Cost (US\$) (C)
1	Lump sum cost for detailed technical and HSEQ audit of DST services including subsequent visit(s) along with report(s) submission.	Lump Sum	03		=A1*B1
2	Lump sum cost for detailed technical and HSEQ audit of Slickline services including subsequent visit(s) along with report(s) submission.	Lump Sum	03		=A2*B2
3	Lump sum cost for detailed technical and HSEQ audit of Surface Well Testing services including subsequent visit(s) along with report(s) submission.	Lump Sum	03		=A3*B3
4	Lump sum cost for detailed technical and HSEQ audit of Sand Trap services including subsequent visit(s) along with report(s) submission.	Lump Sum	03		=A4*B4
5	Lump sum cost for detailed technical and HSEQ audit of CTU and Stimulation services including subsequent visit(s) along with report(s) submission	Lump Sum	06		=A5*B5
6	Lump sum cost for detailed technical and HSEQ audit of Smart Coil services including subsequent visit(s) along with report(s) submission	Lump Sum	03		=A6*B6
Grand Total for 03 years					=SUM(C1:C6)

Note:

- Lump sum cost should also include cost for subsequent follow up visit cost, Mob/demob, accommodation and all other associated costs.
- The bidder scoring lowest in “**Grand Total for 03 years**” in the above table shall be the financially lowest and contract to be awarded to the lowest evaluated bidder.