

Annex I – Instructions to Bidders

A. General

- A.1. Your proposal could form the basis for a contract between your firm and the Secretariat of the Pacific Environment Programme (SPREP).
- A.2. Currency of the proposal. All amounts quoted in the proposal shall be in United States Dollars (USD) unless otherwise specified.
- A.3. Definitions
- A.3.1. Firm; in the context of this RFT the word “firm” refers to any organization’s legal status, whether it is a sole proprietorship, a company, non-profit, a partnership, a joint venture, or any other form of legal association.
- A.3.2. Contractor(s); means the party or parties with which SPREP may eventually enter into a contract(s) for the works and/or services as per the attached TOR at Annex (II).
- A.4. Costs incurred. This RFT does not commit SPREP to award a contract or to pay any costs incurred in the preparation or submission of proposals, or in making necessary studies for the preparation thereof, or to procure or contract for services or supplies.
- A.5. Right to reject. SPREP reserves the right to reject any or all proposals received in response to this RFT and to negotiate with any of the proposers or other firms in any manner deemed to be in the best interest of SPREP.
- A.6. No contractual offer. This RFT contains no contractual offer of any kind. Any proposals submitted will be regarded as an offer by the proposer and not as an acceptance by the proposer of any offer by SPREP.
- A.7. Advance payments. The Financial Regulations and Rules of the SPREP preclude advance payments or payments by Letters of Credit.
- A.8. Communication. Other than this official means of communication, excluding all provisions made herein, SPREP staff are prohibited from communicating about this procurement with any respondent or external party during the course of this procurement. Respondents are not to call or

attempt to communicate in any other way with SPREP staff regarding this procurement. **Any violation of this instruction may adversely affect a Contractor's prospect of selection.**

A.9. Fraud and Corruption. It is SPREP policy to require that Bidders, suppliers, and contractors and their subcontractors under SPREP contracts, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, SPREP :

A.9.1. defines as "corrupt practices", for the purposes of this provision, as being, but not limited to, any that can be interpreted, at the sole discretion of the United Nations, in terms of the definitions below:

A.9.1.1. *bribery* is the act of unduly offering, giving, receiving or soliciting anything of value to influence the process of procuring goods or services, or executing contracts

A.9.1.2. *extortion* or coercion is the act of attempting to influence the process of procuring goods or services, or executing contracts by means of threat of injury to person, property or reputation

A.9.1.3. *fraud* is the misrepresentation of information or facts for the purpose of influencing the process of procuring goods or services, or executing the contracts, to the detriment of SPREP or other participants

A.9.1.4. *collusion* is the agreement between Bidders designed to result in bids at artificial prices that are not competitive. "Collusive bidding", "other anti-competitive conduct", or "any other similar conduct" may include, *inter alia*, any attempt to alter the results of a solicitation exercise in such a way that would lead to an outcome other than that which would have been obtained through an open and transparent competitive process.

A.9.1.5. *improper assistance* is the practice compiling proposals that, in the sole opinion of the United Nations, are prepared with the assistance of current or former employees or contractors of the United Nations, in violation of confidentiality obligations, or by using information not otherwise available to the general public or which would provide a non-competitive benefit shall also be excluded from further consideration

A.9.2. will reject a proposal to award a contract if it determines that a vendor recommended for award has engaged in corrupt practices in competing for the contract in question

A.9.3. will declare a vendor ineligible, either indefinitely or for a stated period of time, to become a SPREP registered vendor if it at any time determines that the vendor has engaged in corrupt practices in competing for or in executing a SPREP contract

A.9.4. will cancel or terminate a contract if it determines that a vendor has engaged in corrupt practices in competing for or in executing a SPREP contract

- A.9.5. will normally require a SPREP vendor to allow SPREP , or any person that SPREP may designate, to inspect or carry out audits of the vendor's accounting records and financial statements in connection with the contract.
- A.10. Investigations. Any vendor participating in SPREP 's procurement activities, shall facilitate to SPREP personnel upon first request, all documents, records and other elements needed by SPREP to investigate the allegations of misconduct by either vendors or any other party to the procurement activities. The absence of such cooperation may be sufficient grounds for the debarment of the vendor from SPREP vendor roster and may lead to suspension following review by SPREP Vendor Review Committee.
- A.11. Audits. Suppliers, their subsidiaries, agents, intermediaries and principals must cooperate with the SPREP as well as with other investigations authorized by the SPREP as and when required.
- A.12. Confidentiality. This RFT is communicated to and received by each addressee thereof on the understanding and condition that it is confidential and proprietary to SPREP, and contains privileged information. No information contained in the RFT may be copied, exhibited or furnished to others without the prior written consent of SPREP. Proposers will be bound by the contents of this paragraph whether or not they submit a proposal or respond in any other way to this RFT. SPREP will not return proposals received. These proposals shall be kept confidential for the sole and internal consideration of SPREP.
- A.13. Modification of request for proposal. SPREP reserves the right to modify or exclude any consideration, information or requirement contained in this RFT and to add new considerations, information or requirements at any stage of the procurement process, including negotiations with proposers, at any time before any contract is awarded for the services detailed in this RFT.
- A.13.1. To give proposers reasonable time in which to take a modification into account in preparing their proposals, SPREP may, at its sole discretion, extend the deadline for the submission of proposals. The new deadline will be communicated through the appropriate media.
- A.14. Eligible Bidders. Without abandoning the provisions made in this document for determining the technical eligibility of the bidders , SPREP asserts that:
- A.14.1. A Bidder, and all parties constituting the Bidder, may have the nationality of any member state of the United Nations.
- A.14.2. A Bidder shall not have a conflict of interest. All Bidders found to have conflict of interest shall be disqualified. Bidders may be considered to have a conflict of interest with one or more parties in this bidding process, if they are or have been associated in the past, with a firm or any of its affiliates which have been engaged by SPREP to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the Services to be purchased under these Bidding Documents.

- A.14.3. A Bidder that is under a declaration of ineligibility by SPREP in accordance with Instructions to Bidders Clause A.9, at the date of contract award, shall be disqualified.
- A.14.4. Bidders shall not be eligible to submit a bid when at the time of bid submission:
- A.14.4.1. Suppliers are already suspended by SPREP; or,
 - A.14.4.2. Supplier's names are mentioned in the United Nations 1267 Terrorist list issued by the Security Council resolution 1267 which establishes a sanctions regime to cover individuals and entities associated with Al-Qaida and/or the Taliban; or,
 - A.14.4.3. Suppliers are suspended by the United Nations Procurement Division (UNPD); or,
 - A.14.4.4. Suppliers have been declared ineligible by the World Bank (see <http://www.worldbank.org/debarr>).
- A.15. Joint Venture. Bids may be submitted by a Joint Venture (JV). In the case of a JV:
- A.15.1. The duly filled "Joint Venture Partner Information Form" of Annex (v) must be included with the Bid; and
 - A.15.2. All parties to the JV shall be jointly and severally liable; and
 - A.15.3. The JV shall nominate a Representative who shall have the authority to conduct all businesses:
 - A.15.3.1. - for and on behalf of any and all the parties of the JV during the bidding process; and
 - A.15.3.2. - in the event the JV is awarded the Contract, during contract execution.

B. Preparation and Contents of Proposals

B.1. Language of the proposal. The proposals and all correspondence and documents relating to this RFT shall be written in the English language. Any printed literature furnished by the Bidder may be written in another language so long as accompanied by an English translation of its pertinent passages in which case, for purposes of interpretation of the Proposal, the English translation shall govern.

B.2. Contents of the proposal.

B.2.1. This sub-section refers exclusively to the assessable contents of the proposal, for instructions on collation, marking and sealing of the proposal components please refer to sub-section "C.1 Format of the Proposal" and sub-section "C.2 Sealing and marking of the Proposals."

B.2.2. Proposals must offer services for the total requirements. Any proposal which does not fully and comprehensively address this RFT may be rejected. The Bidder is expected to examine all corresponding instructions, forms, terms and specifications contained in the RFT Documents. Failure to comply with these documents will be at the Bidder's risk and may affect the evaluation of the Proposal.

The proposal shall include, but is not limited to, the following information:

B.2.3. Tender submission form Annex (IV)

B.2.4. Qualification document. A brief description of your firm and an outline of recent experience on projects of a similar nature, including experience in the country and language concerned. You should also provide information that will facilitate our evaluation of your firm's substantive reliability and financial and managerial capacity to provide the services.

The following documents are to be submitted:

1. Company Registration Documents;
2. Annual balance sheets and profit & loss statements for the last 3 (three) financial years;
3. The firm's reference list. Minimum five relevant projects with details; and
4. List of relevant completed projects, including project value, and list of corresponding contact persons within the clients.

B.2.5. Technical proposal:

B.2.5.1. The proposal should describe the approach and methodology that will be applied by the firm to meet the objectives and scope of the services required by SPREP. This section should demonstrate the proposal's responsiveness to the specification by identifying the specific components proposed, addressing the requirements, as specified, point by point; and demonstrating how the proposed methodology meets or exceeds the specification.

You should include the number of person-months in each specialization that you consider necessary to carry out all the work.

B.2.5.2. Assumptions. Include any assumptions as well as comments on the data, support services and facilities to be provided by SPREP as indicated in the TOR, or as you may otherwise believe to be necessary.

B.2.5.3. Team structure. Provide the composition and work tasks (including supervisory) which would be assigned to each member. Include team organogram and curriculum vitae of senior professional members of the team.

B.2.5.4. The technical proposal must not provide financial information.

B.2.6. Financial proposal. This must contain the financial information about the services that will be provided by the Contractor. **For RFT AP 6/5/4 bidders are instructed to refer to the form present in this document at Annex III.** The firm must state its contract price, discounts, if any, and payment terms. The currency used in the financial proposal shall be in accordance to clause (A.2.) The financial component shall have a cover letter wherein your firm's authorized representative affirms a summary of the price and the period of validity.

B.2.6.1. In addition this component must cover all the services to be provided and must itemize the following:

B.2.6.1.1. An all-inclusive rate per person-day (including honorarium and living expenses) for each team member to be assigned to the project and a rate for the person's work at home, if applicable;

B.2.6.1.2. An all-inclusive amount for international travel and related expenses. Please indicate the number of round trips per team member;

B.2.6.1.3. An all-inclusive amount for local travel;

B.2.6.1.4. All other costs, if any, indicating nature and breakdown;

B.2.6.1.5. Summary of total costs for the services proposed; and

B.2.6.1.6. A proposed schedule of payments.

B.3. Period of validity of proposals. Proposals shall remain valid for a period of at least one hundred and twenty (120) days from the date fixed for opening of Tenders in the RFT. A proposal valid for a shorter period may be rejected by SPREP on the grounds that it is non-responsive.

B.4. Comprehensive and concise proposals. Proposers must provide all requisite information under this RFT and clearly and concisely respond to all points set out in this RFT. Please present information in order of the requirements stipulated in Annex III – Evaluation Criteria. Any proposal which does not fully and comprehensively address this RFT may be rejected. Proposers should also limit their proposals to the requirements of this RFT. Unnecessarily elaborate brochures and other presentations beyond that sufficient to constitute a complete and effective proposal are discouraged.

C. Submission of Tenders

C.1. Format of Tenders. The technical and financial proposals in response to the present request must be delivered as stated in RFT Request Document at point 7.3. For hard copies 2 (two) copies each in separate documents must be delivered, clearly marked “Original Proposal” and “Copy” as appropriate. In the event of any discrepancy between different copies of the proposals, the one stamped “Original Proposal” shall govern.

C.2. Sealing and marking of proposals. The proposer shall seal the hard copies proposal in one outer and two inner envelopes, as detailed below:

C.2.1. The outer envelope shall show the address as stated in the RFT Request Document at point 7, and marked “TENDER: ***Contract to Export Used Oil from the Northern Pacific for Recycling – Re-advertised***” – REF: AP 6/5/4

C.2.2. Both inner envelopes shall indicate the name and address of the proposer, and clearly marked:

C.2.2.1. “**Technical Proposal**” and shall contain the documents with the information stipulated in paragraphs B2.5 above. The technical proposal shall not contain any pricing information; and

C.2.2.2. “**Financial Proposal**” and shall contain the total price quotation with the information stipulated in clause B.2.6 above.

C.3. If the two inner envelopes are not sealed and marked as per the instructions in this clause, SPREP will not assume responsibility for the proposal’s misplacement, premature opening and/or consequent disqualification of your proposal.

C.4. Signing of the proposals. All copies of the Proposal shall be typed or written in indelible ink and shall be signed by the proposer or a person or persons duly authorized to bind the firm to the contract. The latter authorization shall be indicated by written power-of-attorney accompanying the Proposal. A Proposal shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the proposer, in which case such corrections shall be initialed by the person or persons signing the Proposal.

- C.5. Deadline for submission of proposals. Proposals should reach the delivery address supplied in point 7 of the RFT Request Document not later than the date and time clearly defined in point 7.1 of the RFT Request Document.
- C.6. It is the exclusive responsibility of the proposers to ensure that their proposal reaches the delivery address before the stipulated deadline. Tenders received after the deadline will be rejected.
- C.7. Modifications and withdrawals. Tenders may be modified or withdrawn in writing prior to the bid opening. Bids may not be modified or withdrawn after this time.
- C.8. Pricing Errors. In case of error in the totalling prices, unit prices will govern. In case of discrepancies between the amounts in figures and the amounts in words the amounts in words will govern.
- C.9. Clarifications of request for Tender. Questions on any part of this RFT should be submitted, in writing, to SPREP within the date stipulated at point 5.1 of the RFT Request Document. Responses will be advertised on the website as stipulated at point 5.1. Questions may be sent via email at tenders@sprep.org.
- C.9.1. In responding to the requests for clarifications SPREP may, at its sole discretion, apply the provisions made in Annex (i) Clause A.13 Modification of request for proposal.

D. Opening and Evaluation of Proposals

- D.1. Opening of proposals. A public opening of proposals will take place on the date and time stipulated at point 7.4 of the RFT Request Document. The bid opening will be held at the address stipulated at point 7 of the RFT Request Document. The purpose of the public opening is to record the proposals submitted by the due date and time. No price will be announced at the time of the public opening. Firms submitting offers are welcome to send one (1) representative with proper authorization to observe the recording of proposals received.
- D.2. Clarification of proposals. To assist in the examination, evaluation and comparison of Proposals, SPREP may at its discretion, ask the Bidder for clarification of its Proposal. The request for clarification and the response shall be in writing and no change in price or substance of the Proposal shall be sought, offered or permitted.
- D.3. Preliminary Examination. SPREP will examine the Proposals to determine whether they are complete, whether the documents have been properly signed, and whether the Proposals are generally in order. Prior to the detailed evaluation, SPREP will determine the substantial responsiveness of each Proposal to the RFT. For purposes of these Clauses, a substantially responsive Proposal is one, which conforms to all the terms and conditions of the RFT without material deviations. SPREP's determination of a Proposal's responsiveness is based on the contents of the Proposal itself without recourse to extrinsic evidence.

A Proposal determined as not substantially responsive will be rejected by SPREP and may not subsequently be made responsive by the Bidder by correction of the non-conformity.

D.4. Evaluation of the proposals. Proposals will be evaluated in accordance with the SPREP Financial Regulations and Rules, established procedures of the SPREP Procurement Manual and:

D.4.1. A two-stage procedure is utilised in evaluating the proposals, with evaluation of the technical proposal being completed prior to any price proposal being opened and compared. The price Schedules of the Proposals will be opened only for submissions that passed minimum technical score of 70% (490 points) of the maximum obtainable 700 points;

D.4.2. The evaluation will be conducted in accordance with the cumulative analysis method, according to which the technical and financial proposals have pre-assigned weights and pre-assigned maximum number of scores: technical proposal (70%), 700 points maximum, financial proposal (30%), 300 points maximum; and

D.4.3. The winning proposal will be the one with the highest sum of points obtained both for financial and technical evaluation.

D.5. Technical Evaluation. The technical proposal is evaluated on the basis of its responsiveness to the Terms of Reference (TOR) as per the evaluation criteria contained in the bidding documents. The obtainable number of points specified for each evaluation criterion indicates the relative significance or weight of the item in the overall evaluation process. Please see the detailed breakdown of obtainable points in Annex (III).

D.6. Financial Evaluation. In the second stage the price proposals of all contractors who attained minimum 70% of the maximum score (490 points and more) for the technical evaluation will be reviewed. Arithmetical errors will be rectified according to clause C.8 Pricing Errors. If the Bidder does not accept the correction of errors, its Proposal will be rejected.

The lowest amount technically qualified financial proposal will be awarded maximum 300 points and other financial proposals will be awarded points in accordance with the following formula:
Financial Proposal score = (Lowest Price / Price under consideration) x 300.

E. Contracting Arrangements

E.1. Award of contract.

E.1.1.SPREP reserves the right to accept or reject any proposal received in response to this RFT and to negotiate with any of the proposers or other firms in any manner deemed to be in the best interest of SPREP.

E.1.2.Before the expiration date of the proposals validity, SPREP will make its best efforts to select and award the contract to the qualified proposer whose proposal, after being evaluated, is considered to be the most responsive to the needs of the organization.

E.2. Contract currency shall be United States Dollars (USD) and payments will be executed in USD unless otherwise specified.

E.3. Signing of the contract. Any contract awarded for the services described in this RFT will be signed between the selected firm and SPREP unless otherwise specified. The duration of the contract shall expire upon SPREP's acceptance as satisfactory of the deliverables that are submitted by the selected firm.

E.4. Payment provisions. SPREP's general policy is to pay for the performance of contractual services rendered, or to effect payment, upon the achievement of specific milestones described in the contract.

E.4.1.SPREP's policy is not to grant advance payments except in unusual circumstances where the potential contractor specifies in the proposal that there are special circumstances warranting and advance payment. SPREP, at its sole discretion, may however determine that such payment is not warranted or determine the conditions under which such payment would be made.

E.4.2.Any request of advance payment is to be justified and documented and must be submitted with the financial proposal. This justification shall explain the need for the advance payment, itemize the amount requested and provide a time schedule for the utilization of said amount.

E.5. Adjustable Price. Prices quoted by the Bidder shall be fixed during the Bidder's performance of the Contract and not subject to variation on any account.

E.6. Ownership of work papers. The work papers and related documentation shall be the property of SPREP and shall be kept in the custody of the selected firm. The eventual transfer, disposal or destruction of the work papers will be subject to the instructions of SPREP. The work papers and related documentation shall be subject to submission and review by SPREP solely and at its discretion.

E.7. General conditions of contract. The contract for the provision of the services shall be subject to the SPREP's General Conditions of Contract for Services. Please note that the terms set forth in this RFT and other terms of your proposal shall be included in any contract entered into between your firm and the SPREP, should SPREP accept your proposal and, that the contract will require compliance

with all statements and representations made in your proposal as to the performance of the services.

E.8. Vendor Protest. Vendor protest procedures are intended to afford an opportunity to appeal to persons or firms not awarded a purchase order or contract in a competitive procurement process.

It is not available to non-responsive or non-timely proposers/bidders or when all proposals/bids are rejected. In the event that you believe you have not been fairly treated, you can find detailed information in the following link: <http://www.sprep.org/accountability/complaints>

Annex II – Terms of Reference (TOR)

Background

2.1 SPREP is calling for tenders from qualified and experienced contractors to collect, export and recycle or end use used oil from Pohnpei, Federated States of Micronesia (FSM).

2.2 Interested Contractors are also encouraged to nominate to collect, export and recycle used oil from Ebeye and Majuro. Both of these locations are in the Republic of Marshall Islands (RMI), where stockpiles also exist. (It is anticipated that economies of scale will decrease collection and transport costs if more than one location is nominated by the tenderer).

This Pacific POPs Release Reduction project is a GEF funded project under the Pacific Alliance of Sustainability, with components co-financed by the French Development Agency (l'AFD). The project is being co-implemented by the United Nations Environment (UNE) and the Food and Agriculture Organization of the SPREP (FAO). This project component focuses on prioritising the collection and recycling of used oil stockpiles from the northern Pacific.

Used oil audits and cost benefit analyses have identified Pohnpei, (FSM), and Majuro and Ebeye (RMI) as priority locations for intervention to remove significant national stockpiles of used oil (Appendix 1, 2 and 3). The estimated quantities of used oil stockpiled at each location are presented in Table 1. Whilst all care has been taken in compiling these estimates, Tenderers should be aware that the actual recoverable amount of oil at these locations may be significantly different from the quantities stated in Table 1.

Table 1: Estimated used oil quantities (2018)

Used Oil Location	Estimated Quantity of Used Oil (L)	Used oil storage mechanism
Pohnpei	660,000	55 US gallon/208 litre drums
Pohnpei	122,000	Two open sumps
Pohnpei	155,000	Bulk Storage Tanks
Majuro	2,433,000	Bulk Storage Tanks
Ebeye	200,000	Bulk Storage Tanks

OBJECTIVES:

The objective is to commence the collection, export and recycling or end use of used oil currently stockpiled in Pohnpei, Majuro and Ebeye.

SCOPE OF WORK:

The scope of work covers the collection (location specific), export and refining and recycling or use of used oil: collected from one, two or all three locations*:

1. Develop an OHSE Management Plan for the works;
2. Commence export and refining and recycling of used oil from Pohnpei, and, if agreed, from Majuro and/or Ebeye*; and
3. Supply and delivery of isotankers; inspection of existing isotankers; transfer of isotankers to international sea port terminal; loading and strapping of isotanker to ship; transport to and unloading of isotanker at receiving international port; transfer of isotankers to recycling facility; cleaning and associated costs for isotankers post transfer of used oil to recycling facility; and recycling or use of the used oil.

*It is anticipated that economies of scale will decrease collection and transport costs if more than one collection location is nominated by the tenderer.

USED OIL REFINING and RECYCLING STANDARDS

All used oil collected and exported for refining and recycling or end use must be processed at an accredited and nationally licenced recycling centre. Minimum suggested oil refining standards are provided at Appendix 4.

REPORT TO:

The firm will report to SPREP.

TIMEFRAME:

1. A bill of lading will be presented for payment for the first shipment of a minimum of 20,000 litres of used oil within 60 days of contract signature.
2. Contract shall be completed before June 2019.

Supporting Information: Appendix One: Used Oil Stockpiles Pohnpei (March 2018)

a. Existing Stockpiles

The Pohnpei Utilities Corporation (PUC) site has approximately 122,000 litres of used oil in two open sumps, situated under disused generators sets in an unused area of the power house; approximately 53,000 litres in two large storage tanks outside the power plant, and approximately 260,000 litres in an estimated one thousand three hundred, 200 litre, steel oil drums, mostly stored under cover and generally in reasonable condition.

The landfill, managed by Pohnpei Waste Management Services (PWMS) under contract to the State Government, has approximately 400,000 litres of used oil in approximately two thousand 200 litre steel drums. Many of these drums have been there a long time and some will have leaked their entire contents. Many are overgrown, and some are visibly sinking into the landfill (see photos in the report). The landfill operator will conduct all work required to handle and empty these drums as a facility to do this will be constructed on site (see below). The landfill operator has heavy machinery on-site suitable to lift the drums for emptying, and empty drums can remain on-site. This work will be conducted at the landfill operator's cost.

The FSM PetroCorp (FSMPC) stockpile is in two large storage tanks, one of approximately 75,000 litres and one of 26,000 litres, giving a total of around 102,000 litres of used oil.

b. Removal of Stockpiles

This large Pohnpei used oil stockpile must be exported to an overseas facility where it can be re-refined and recycled or end use.

1. For the PUC power plant stockpile, used oil can be pumped directly from the sumps in the generator house into an ISO Tanktainer (TT) or into a road tanker. The used oil stored in drums could then be emptied into the sumps for subsequent removal by the same system. PUC will fill tankers that are provided to the site, at their cost.
2. For the FSMPC stockpile, used oil stored in the two large storage tanks can be pumped directly into a TT or into a road tanker for removal and export. FSMPC will fill tankers provided to the site at their cost.
3. For the landfill stockpile, infrastructure is currently being built that will allow drainage of drummed used oil directly into a TT or a road tanker onsite for removal and export. This infrastructure will be operated by the landfill operator, who will be responsible to empty the drums into any TT or road tanker provided for the purpose, and at the landfill operator's cost.

c. Oil Transport

The most economic method of removal is highly likely to involve the use of T14 ISO Tanktainers (TT) as these are coming into Pohnpei containing liquid fuels. These TTs can be backfilled with used oil, but a cleaning charge does apply after emptying at the receiving end, in addition to freight costs. A TT will hold approximately 21,000 litres at the fill rate that is expected, the TTs typically having a nominal maximum capacity of 25,000 litres.

Supporting Information: Appendix Two: Used Oil Stockpiles Majuro (March 2018)

a. Existing Stockpiles

The Majuro Energy Corporation (MEC) site has 2,433,000 litres of used oil in two large storage tanks on their tank farm, one with 1.78 million litres (tank # 3) and one with 650,000 litres (tank # 8). Much of this oil is contaminated diesel 'slops', and it may have a high water content. However, some water content reduction should be possible at the MEC tank farm prior to shipment.

b. Removal of Stockpiles

This large Majuro (MEC) used oil stockpile must be exported to an overseas facility where it can be re-refined and recycled or end use.

Used oil stored in the two large storage tanks can be pumped directly into a TT or into a road tanker for removal and export.

Tank No	Oil Quantity (L)	Water Quantity (L)	Notes
3	1,782,900	minimal	This tank needs repair and is a priority for oil removal. Stored oil understood to have minimal water content
8	650,350	120,000	Higher water content, would require 140,000 of oil/water to be separated before shipment offshore

c. Oil Transport

The most economic method of removal is highly likely to involve the use of T14 ISO Tanktainers (TT) as these are coming into Majuro containing liquid fuels. These TTs can be backfilled with used oil, but a cleaning charge does apply after emptying at the receiving end, in addition to freight costs. A TT will hold approximately 21,000 litres at the fill rate that is expected, the TTs typically having a nominal maximum capacity of 25,000 litres. Any tankers provided to the site will be filled by MEC at their cost.

Supporting Information: Appendix Three: Used Oil Stockpiles Ebeye (March 2018)

a. Existing Stockpiles

The Kwajalein Atoll Joint Utilities Resources (KAJUR) power plant site on Ebeye stockpile is contained in two 25,000 US gallon tanks, and one is reported as full whilst the other is 'nearly full', which means that the stockpile is around 190,000 litres. There is reported to also be a buried 6,000 US gallon tank containing an unknown quantity of used oil in it. This is estimated at an additional 10,000 litres.

b. Removal of Stockpiles

This large KAJUR used oil stockpile must be exported to an overseas facility where it can be re-refined and recycled or end use.

For Ebeye, the situation is slightly more complicated than for Majuro. Ebeye has no capacity to move shipping containers off the wharf. However, KAJUR has a small 1,000 US gallon (3,800 litres) road tanker maintained for emergency use. The small tanker could be used to transport used oil from the Ebeye power plant (over 5-6 trips) to fill an empty TT located at the dock that had been unloaded by ships crane. The filled TT would be loaded onto a container ship using the ships crane. Nine to ten TTs should be sufficient to remove the used oil stockpile at KAJUR. KAJUR will fill used oil transport tanks provided to Ebeye wharf at their cost.

c. Oil Transport

The most economic method of removal is highly likely to involve the use of T14 ISO Tanktainers (TT). Currently, MEC has a fuel contract with Mobil for fuel for the power station, but KAJUR buys fuel from MEC, which MEC ships to Ebeye by fuel barge fortnightly. One suggested option is that if KAJUR bought diesel in from overseas in TTs for a short period of time, then those TTs could be backfilled with used oil. A cleaning charge does apply after emptying at the receiving end, in addition to freight costs. A TT will hold approximately 21,000 litres at the fill rate that is expected, the TTs typically having a nominal maximum capacity of 25,000 litres.

Supporting Information: Appendix Four: Suggested re-refined base oil criteria

Australian Product stewardship (Oil) regulations 2000.

http://www5.austlii.edu.au/au/legis/cth/consol_reg/psr2000384/sch1.html

1. Mutagenicity

The oil must be non-carcinogenic, demonstrated by having a mutagenicity index of less than 1 using the Modified Ames Test.

2. Poly-aromatic hydrocarbons

(1) The oil must contain less than the following for each kilogram of oil:

- (a) 10 mg of benzo(a)pyrene;
- (b) 10 mg of dibenz(ah)anthracene;
- (c) 100 mg of benz(a)anthracene;
- (d) 100 mg of benzo(b)fluoranthene;
- (e) 100 mg of benzo(k)fluoranthene;
- (f) 100 mg of chrysene;
- (g) 100 mg of indeno(123-cd)pyrene.

(2) The total amount of poly-aromatic hydrocarbons mentioned in subclause (1) that the oil contains must be less than 400 mg for each kilogram of oil.

(3) The total amount of all poly-aromatic hydrocarbons that the oil contains (including poly-aromatic hydrocarbons mentioned in subclause (1)) must be less than 1 000 mg for each kilogram of oil.

3. Polychlorinated biphenyls

The oil must contain less than 2.0 mg of polychlorinated biphenyls for each kilogram of oil.

4. Polychlorinated dibenzo-p-dioxins

The total amount of dioxins and furans that the oil contains must be less than 10 picograms Toxic Equivalent for each gram of oil.

5. Total acid number

The oil must have a total acid number of less than 0.07 mg of potassium hydroxide for each gram of oil.

6. Heavy metals

The oil must contain less than the following for each kilogram of oil:

- (a) 5 mg of arsenic;
- (b) 2 mg of cadmium;
- (c) 10 mg of chromium;
- (d) 100 mg of lead.

7. Appearance

The oil must have a clear and bright appearance.

Annex III – Evaluation Criteria

The technical component, which has a total possible value of 700 points, will be evaluated using the following criteria.

A – Technical

The technical evaluation shall be in two stages. Initially the following PASS/FAIL criteria shall be evaluated. **Proposals failing any of the criteria below will be technically disqualified and no further evaluation will be conducted.**

PASS / FAIL		
REF	DESCRIPTION	REQUIRED DOCUMENTATION
6.1.b	Have a proven partnership with an accredited used oil refiner and recycler, or end user compliant with all necessary national standards (see Appendix Four as a guide).	Agreement signed by both parties as proof of this partnership. Also in the tender document the relationship needs to be defined - Was it a prior contract, current sub-contract, partnership or Subsidiary.
6.1.C	Tenderers must provide evidence of prior movement of product with the accredited used oil refiner or recycler.	National Certificate of accredited in compliant with international best practice for used oil refining, recycling or end use.
6.1.F	Employ practices that minimise occupational health and safety and environment (OHSE) risks to workers employed and the environment in the transport of used oil. Tenderers must provide copies of OHSE certificate, company OHSE management plan, and a summary of OHSE record declaring Lost Time Interval (LTI), records of major oil spillages and OHSE infringements;	OHSE Certificate or policy. OHSE Management plan OHSE record (loss time injury record)
6.1.I	Adequate levels of insurance to cover all stages of the process in case of accident during collection, shipping and treatment of the waste oil.	Copies of insurance cover note. Should be written expressly in the tender application that the said insurances are in place.
F1	3 years Audited Financial Statements	Audited financial statements of the company with the auditor's report for a minimum of three years

Proposals that have passed all criteria of the first phase above will be evaluated on a sliding scale basis according to the criteria set out below.

B – Expertise of firm submitting the proposal

Item		POINTS OBTAINABLE	FIRM				
			A	B	C	D	E
1	Reputation of the organization and staff (competence and reliability) At least 5 years of similar activities since registration date	35					
2	General Organizational capacity which is likely to affect implementation	35					
3	References	35					
4	Relevance of:	70					

	<ul style="list-style-type: none"> - Specialized knowledge - Experience in similar programmes - Experience in the region - Work for SPREP major programmes At least 2 similar national/international projects						
TOTAL		175					

C – Proposed work plan and approach

6.1.g Ability to complete the assignment within the timeframes specified in the Terms of Reference (that is before June 2019);		POINTS OBTAINABLE	FIRM				
			A	B	C	D	E
1	To what degree the firm understands the task	45					
2	Have the important aspects of the task been addressed in sufficient detail?	45					
3	Are time, schedule and man-power estimates well defined and consistent with the task?	85					
4	The scope of the project is well defined and corresponds to the TOR.	70					
5	Clear, logical, realistic presentation of the activity sequence? Project is sufficiently thought out to promise efficient implementation?	70					
TOTAL		315					

D – Specific technical criteria

Item		POINTS OBTAINABLE	Required Documentation
6.1.a	Have a proven record of successfully managing the transportation of petroleum products in the Northern Pacific. Tenderers will be assessed on the amount of throughput in tonnage in the northern Pacific.	70	Bill of Landing of throughput for the last 5 years
6.1.d	Have a proven understanding of, and experience in meeting relevant national and international convention (Basel and/or Waigani) requirements for the international shipping of used oil.	70	Basel and/or Waigani permits
6.1.e	Have demonstrated experience in petroleum product transportation project management. Tenderers will be assessed on the number of projects successfully managed.	35	List of projects, project reports, reference checks
6.1.h	Propose to export used oil from Pohnpei (FSM) and one or both of the nominated RMI locations. Tenderers must clearly indicate locations included in the proposal.	35	Tender application should contain a proposal of which locations the used oil will be exported from.
TOTAL		210	

Criteria type	Evaluation Methodology	Documents supporting	Points awarded (for evaluation criteria use)
Pass/Fail	Audited financial statements of the company with the auditor's report for a minimum of three years	Audited financial statement	Lack of 3 audited financial statement or qualified financial statement is grounds for disqualification

Financial Quotation Form

FINANCIAL QUOTATION RFT NUMBER: AP 6/5/4			
REQUESTED OFFER VALIDITY PERIOD: 120 DAYS			
State the cost per litre inclusive of all costs for export, recycle and refining or end use of minimum 300,000 litres of used oil			
DESCRIPTION	QTY (UNIT)	UNIT PRICE	TOTAL PRICE
Cost of the export, recycling and refining or end use of a minimum of 300,000 litres of used oil	LT		
TOTAL			

DATE

AUTHORIZED SIGNATURE

Annex IV – TENDER SUBMISSION FORM

[Please insert company letter-head]

[INSERT DATE]

Dear Sir / Madam,

Having examined your Request for Tender dated dd/mm/yyyy, we, the undersigned, offer to provide services to SPREP in Apia Samoa according to the TOR provided by SPREP for the sum as quoted in the financial proposal.

We undertake, if our proposal is accepted, to commence and complete delivery of all services specified in the contract within the time frame stipulated.

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

We confirm that we have read, understood and hereby accept the Terms of Reference describing the duties and responsibilities required of us in this RFT, and the General Terms and Conditions of SPREP's Contract for Services.

The undersigned represents to the SPREP as follows (check as appropriate)¹

- ☐ Proposer accepts the Terms and Conditions in Annex (i) and agrees to do all acts required in Annex (i).
- ☐ Proposer also acknowledges that Proposals may be partially awarded between different proposers.
- ☐ Proposer shall submit a performance bond if required in the RFT.
- ☐ Proposer acknowledges that, if awarded a contract, it may be liable for liquidated damages if provided for in this RFT or the contract.
- ☐ Proposer is aware that the SPREP is not committed to award a contract, or to reimburse any costs incurred by the proposer in connection with the RFT process, as stated in Annex (i).
- ☐ Proposer is aware that neither the RFT, nor any of its annexes, including this document, constitutes any agreement or contractual relationship between the SPREP, or any of its entities, and the proposer. Proposer acknowledges that the sole purpose of the RFT and its annexes is to enable vendors to submit a proposal; proposer will not regard or seek to rely upon the RFT or any of its annexes as an offer on the part of the SPREP capable of acceptance by the proposer.
- ☐ Proposer acknowledges that Proposals are evaluated according to the SPREP Financial Regulations and Rules and the evaluation criteria specified in this RFT.
- ☐ Proposer is familiar with and accepts the payment terms in Annex (i).

¹ Terms used in this declaration shall have the meanings ascribed to them in the Terms and Conditions in Annex (i)

- ☐ In the event the proposer is a U.S. entity, proposer will indicate in its Proposal whether or not the prices specified therein are currently subject to GSA Federal Supply pricing and state the GSA Contract Number and Expiration Date.
- ☐ Proposer's Proposal will be valid for the period of 120 days.
- ☐ Proposer is familiar with and accepts the SPREP conditions for the withdrawal and modification of Proposals and the SPREP rules governing errors in Proposals and public opening of Proposals.
- ☐ Proposer accepts the Confidentiality terms stated in Annex (i); and is aware that in the event the SPREP requires proposers to execute a non-disclosure agreement, as stated in Annex (i), and proposer refuses to sign, proposer will not be invited to participate further in the RFT.
- ☐ Proposer accepts the Collusive Bidding and other Anti-competitive Conduct terms stated in Annex (i) and represents that the Proposal has been compiled without the improper assistance of employees or former employees of the SPREP, in accordance with Annex (i).
- ☐ Proposer has not, and is not, engaged in any corrupt practices.
- ☐ Proposer is not aware of any existing or potential conflict of interest as specified in Annex (i). If during the procurement process a conflict of interest arises, or appears likely to arise, proposer will notify the SPREP immediately in accordance with Annex (i).
- ☐ Proposer acknowledges that any costs it may incur in connection with the submission of a Proposal to the SPREP are at the sole expense of the proposer.
- ☐ Proposer shall promptly inform the SPREP in writing of any proposal submitted, or likely to be submitted, by a holding, parent, subsidiary, or affiliated company of the proposer in response to this RFT of which it is aware, or ought reasonably to be aware.
- ☐ Proposer shall submit a bid bond if required in the RFT.

REGISTERED OFFICE ADDRESS OF PROPOSER:	POSTAL ADDRESS:
TELEPHONE NUMBER(S):	FACSIMILE NUMBER(S):

Signature of authorized official of proposer or person otherwise authorized to sign the proposal on behalf of the proposer.

SIGNATURE:	DATE:
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NAME (BLOCK LETTERS):	POSITION HELD:
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Joint Venture Partner Information Form

[The Bidder shall fill in this Form in accordance with the instructions indicated below].

Date: *[insert date (as day, month and year) of Bid Submission]*

RFT No.: *[insert number of bidding process]*

Page _____ of _____ pages

1. Bidder's Legal Name: <i>[insert Bidder's legal name]</i>
2. JV's Party legal name: <i>[insert JV's Party legal name]</i>
3. JV's Party Country of Registration: <i>[insert JV's Party country of registration]</i>
4. JV's Party Year of Registration: <i>[insert JV's Party year of registration]</i>
5. JV's Party Legal Address in Country of Registration: <i>[insert JV's Party legal address in country of registration]</i>
6. JV's Party Authorized Representative Information Name: <i>[insert name of JV's Party authorized representative]</i> Address: <i>[insert address of JV's Party authorized representative]</i> Telephone/Fax numbers: <i>[insert telephone/fax numbers of JV's Party authorized representative]</i> Email Address: <i>[insert email address of JV's Party authorized representative]</i>
7. Attached are copies of original documents of: <i>[check the box(es) of the attached original documents]</i> <input type="checkbox"/> Articles of Incorporation or Registration of firm named in 2 above. <input type="checkbox"/> JV Agreement, or letter of intent to enter into such an Agreement, signed by the legally authorized signatories of all the parties