	National Oil Corporation of Kenya 1ST ADDENDUM - REQUEST FOR PROPOSAL FOR FINANCING OF PURCHASE OF REFINED PETROLEUM PRODUCTS – 1ST DECEMBER 2017.	Ref No. NOCK/PRC/03(1286)2017-2018 Page 1 of 3
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Please refer to the **Request for Proposal for Financing of Purchase of Refined Petroleum Products - REF No. NOCK/PRC/03(1286) 2017-2018** advertised on, **November 21st, 2017.**

We hereby issue this 1st addendum giving amended Terms of reference and technical evaluation criteria as below:

FINANCING OF REFINED PETROLEUM PRODUCTS

National Oil Corporation of Kenya (NOC) is seeking alternative sources of financing for petroleum products.

BACKGROUND

The National Oil Corporation of Kenya is a fully integrated Oil and Gas company involved in all aspects of the petroleum value chain covering the Upstream Oil and Gas exploration and downstream marketing of petroleum products.


National Oil has an active downstream business segment with a growing retail network of 110 service stations currently spread across Kenya. The Corporation also serves a cross-section of Commercial and Industrial, Export and Government businesses across the country.

OBJECTIVE

1. Developing a comprehensive financing strategy for purchase of petroleum products including LPG.
2. Financing National Oil's purchase of petroleum products and LPG under both deferred payment as well as structured trade and commodity financing
3. Provide a framework agreement under which the party can provide financing for product imports and local purchases.

TERMS OF REFERENCE (AMENDED)


1. The Corporation wishes to partner with financiers providing innovative and cutting edge financing solutions including deferred payment and structured trade and commodity financing for purchase of petroleum products.
2. The bidders should be traders and/or financiers engaged in international commodities trading.
3. The bidders shall finance the purchase of products imported through Kenya's Open Tender System (OTS) and Products imported by National Oil through its quota allocation pursuant to Laws of Kenya.
4. The bidder should have Liquidity of at least USD 200m through own capital or external facilities

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5. The bidders should be eligible to trade with a Kenyan company in accordance with Kenyan Laws.
6. The successful bidder shall work with National Oil to develop a robust financing strategy and financing solution suited for the needs of National Oil
7. The bidder shall finance the products based on agreed documents including but not limited to Bill of Lading, Certificate of Quality, Certificate of Origin for CIF/FOB purchases. For local purchases it will be based on an ASE outturn reports.
8. For bidders who are traders the quality of the product delivered under the agreement shall be as per the prevailing Kenya Bureau of Standards (KEBS).
 - For Automotive Gasoline (Premium Motor Spirit) the standard is KS EAS 158: 2012;
 - For Automotive Gas Oil (Automotive Diesel) the standard is KS EAS 177: 2012; and
 - Jet A-1 specification shall conform to the Aviation Fuel Quality Requirements for Jointly Operated System (AFQRJOS) checklist, latest issue.
 - The density for Unleaded Premium Motor Spirit (PMS) shall be maximum 0.7427 kg/litre at 20 degrees centigrade.

B. TECHNICAL EVALUATION CRITERIA AMENDED

Item	Description and requirements	Points %
Experience in providing Financing Services	<ol style="list-style-type: none"> i. Provide 3 References (2 Marks each) ii. Registration with Regulatory Authority in country of residence- (5Marks) iii. State the Financing duration that you can offer (90 days and above- 20 Marks, 75 Days- 15 Marks, 60 Days -10 marks, 45 Days -5 Marks) iv. Provide proof of Liquidity of USD 200 million through own capital or external facilities (13 Marks) 	44
Financing instruments	<ol style="list-style-type: none"> i. Provide detailed financing options that bidder will provide to National Oil- (15 Marks) ii. State all applicable charges for the financing options provided (for example Interest rates, negotiation fees, penalties etc)- (5 Marks) 	20
Experience in trading in	<ol style="list-style-type: none"> i. Experience in physical trading crude and refined products. Provide reference from 3 buyers- 15 Marks. 	15

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Item	Description and requirements	Points %
petroleum Products.		
Proposed Staff Capacity (attach short resumes)	ii. Relationship Manager(1 Experience (1 Mark per year up to 3 Years) iii. Operations Manager –0.5 Experience (1Marks per years up to 3 years.)	6
contracts	i. Provide summary of material contracts including Loan Agreement. (3 Marks for each contract)	15
	Total	100%

To be considered technically responsive for financing of purchase of refined petroleum products, the tenderer should have a minimum score of 70 points out of the 100 points.

Bidders are advised to note and use the amended Terms of Reference and Technical Evaluation criteria as given above.

Bidders who have already submitted their tender documents and wish to amend them after this 1st addendum prior the tender closing date and time (**December 20, 2017 at 1000hrs**), can do so by submitting additional documents clearly labeled “**amendment/addition Request for Proposal for Financing of Purchase of Refined Petroleum Products - REF No. NOCK/PRC/03(1286) 2017-2018 advertised on, November 21st, 2017**”

Except as clarified herein, all the other terms and conditions of the tender remain as is and are unchanged.

CHIEF EXECUTIVE OFFICER