

# THE FIJI SUGAR CORPORATION LIMITED

HEAD OFFICE, DRASA AVENUE RD, BALAWA, LAUTOKA, FIJI.

PHONE: 6662655: FAX: 6664685

# EOI DOCUMENT FOR SUPPLY & DELIVERY OF FUEL, OIL & LUBRICANTS TO ALL MILLS

The Fiji Sugar Corporation Limited hereby invites offers, through sealed EOIs from well established suppliers, for the supply & delivery of Fuel, Oil & Lubricants to respective locations.

#### 1.0 The EOI:

1.1 The EOI maybe received no later than 4.00pm Fiji Time on the 14<sup>th</sup> December 2018 with the subject clearly marked "EXPRESION OF INTEREST Supply & Delivery of Fuel, Oil & Lubricants", and addressed to:

The Chairman Tender Committee - Supply & Delivery of Fuel, Oil & Lubricants Fiji Sugar Corporation Limited Head Office
Drasa Ave, Balawa
Private Mail Bag
Lautoka, Fiji Islands

It is the responsibility of the tenderer to ensure that EOI documents are placed in the Tender Box. The Fiji Sugar Corporation Limited will not be responsible for any lost or misplaced EOIs.

1.2 Issue Date

EOI document issue date is 29 November, 2018

1.3 Closing Date & Time

EOI close on 14 December, 2018 - 4.00pm

1.4 Validity

The EOI shall remain valid for acceptance for a period of 60 days from the date of closing.

1.5 Contract Period

The contract period shall be initially for 3 year and subject to successful performance an extension for another 2 years shall be granted.

#### 1.6 EOI Forms

Please fill in the required information and submit one copy with your EOI. Failure to submit EOIs on the EOI Forms provided will invalidate the EOI. All relevant Information, Specifications, Product Certification, Quality Assurance Certificates and Materials Safety Data Sheets must accompany the EOI.

#### 1.7 Specification

If the prospective tenderer has any doubt as to the meaning or intention of the specification or any document incorporated in it by reference or if he/she requires further information to ensure that he/she has a clear and correct understanding of the nature and extent of the supply and work to be carried out under the contract, he/she shall direct any enquires he/she may have to resolve these with the person whose name and/or position is stated below.

Written request for additional information/clarification must be emailed to <a href="mailto:savineshk@fsc.com.fj">savineshk@fsc.com.fj</a> or faxed to (679) 666 4685, marked to the attention of Secretary to the Tender Committee.

#### 1.8 Claims Not Allowed

Claims for extra expenses under the contract will not be allowed on the grounds that insufficient information was given in the specification or that the tenderer was not conversant with the conditions prevailing at any of the Corporation's sugar mills.

#### 1.9 Verbal Advice

Verbal advice or information given or obtained in respect of this specification shall not constitute a warranty or a representation to the tenderer or prospective tenderer and shall not be binding on the Corporation. The Corporation shall be bound only by the advice or information furnished by the Corporation in writing.

#### 1.10 Canvassing

The canvassing by tenderers and/or their agents will be considered grounds for the rejection of a EOI.

Except as hereinafter provided a tenderer shall not discuss or attempt to interview or discuss any matter in relation to his/her EOI or any other EOI to this specification with any employee or agent of the Corporation.

All correspondence received and agreed records of interview will form part of the EOI. Any provision contained therein, which is not in full confidence with the specification, shall have no force or effect unless that particular provision is specifically noted therein as a departure from the specification.

#### 1.11 EOI Documents

The EOI Documents shall be marked "Original EOI" and shall bear the Tenderer's official stamp, together with the signature and name in block letters of the official company representative authorized to sign on behalf of the Tenderer.

#### 1.12 EOI Pricing

All EOI pricing shall be calculated and expressed in Fijian Currency. The rates and prices offered in the EOI shall be fully inclusive of all costs of products, taxes, and all other obligations of any and every kind to be borne by the tenderer under the terms of this contract. These prices shall remain firm for the duration of the contract period.

The annual usage quantities set in these documents are best available estimates only and are purely to give some indication of scope of supply/work to the Tenderer. Their accuracy or inaccuracy will in no way affect the validity of any EOI or any contract based thereon.

The rates, prices and totals are required for comparison only and do not necessarily represent the sum to be paid to the Tenderer for execution of the supply/work. The actual sum to be paid for such work/supply will depend on actual work done or goods supplied and will be in accordance with the contract.

#### 1.13 Value Added Tax (VAT)

All EOI pricing shall be calculated and expressed as VAT exclusive (VEP).

#### 1.14 Market Fluctuations

The EOI prices shall remain firm for the duration of the contract period. Price adjustments will only be allowed in such cases as that caused by Government levies and or major currency devaluation. If the Supplier expects reimbursement for such increases, it will also be expected to pass onto the Corporation any decreases in the same items. No adjustments to the agreed pricing will be allowed unless agreed to in writing by both parties.

The successful tenderer will give 30 days notice to the Corporation with proper justification for any increase/decrease being sort. The justification must include all necessary documentary evidence supporting the increase/decrease sought. It is our intention that this EOI/Contract shall be based on an Open Book Policy. Therefore in order to justify any future adjustment in Fuel, Oil & Lubricants pricing, it will be essential to benchmark the cost and other components that makeup the selling price of each individual item being offered as part of this EOI.

The benchmarked figures are to be submitted with your EOI. This will form part of the EOI document.

#### 1.15 Specific Conditions for Fuel Oil

The successful tenderer will be required to supply Fuel Oil, Fuel Storage Tanks and Fuel Dispensing Equipment (where required) for the successful operation of all the Corporation's milling equipment and motor vehicles. Any additional Fuel Storage Tanks & Dispensing Units required to fulfill the obligations of this contract shall be supplied free of cost to FSC. Additional services that will be required are defined below.

- 1.15.1 Carryout audit of all fuel storage and dispensing equipment at all mills prior to commencement of each Crushing Season. A report based on the findings of this audit is to be presented to the Central Tender Committee. The audit will entail:
  - the existing/current condition of fuel storage tanks, associated pipelines and fittings and fuel dispensing equipment;
  - recommending upgrade taking into consideration Occupational Health & Safety and Environmental requirements;
  - identifying areas of product wastage;
  - reduce product usage with the view of obtaining optimum cost reduction; and
  - provide audit and progress reports.
- 1.15.2 The successful tenderer will be required to provide technical backup on an ongoing basis.
- 1.15.3 The successful tenderer will be required to provide Quality Control/Product Test Certificates, if requested by the Corporation.
- 1.15.4 The successful tenderer will be required to provide technical backup on an ongoing basis and as and when requested by the Corporation.
- 1.15.5 The successful tenderer will be capable of understanding and servicing the erratic demand patterns of the Corporation.
- 1.15.6 The successful tenderer will also be required to meet the Corporation's Tender Committee and Engineering team at three monthly intervals to discuss issues relating to supply of products, key performance indicators (KPI's) process and productivity improvements or any other issue that may be of importance to either or both parties.
- 1.15.7 As part of the services to be provided, the successful tenderer will provide for refueling of mill motor vehicles (including Head Office fleet) at any of the contractor's nominated Service Station using fuel credit cards. Motor vehicle "Fleet Management Reports" are to be provided on a monthly basis.
- 1.15.8 As part of the contract, the successful tenderer will be required to
  - carry adequate stocks of Fuel Oil in order to fulfill the contractual obligations;
  - guarantee the quality of Fuel Oil that is to be supplied under this contract, is manufactured/processed to International Standards (ISO)
  - provide Material Safety Data Sheets for all products being offered. This must form part of your EOI document.
- 1.16 Specific Conditions for Lubricants
- 1.16.1 The successful tenderer will be required to supply all Lubricants and greases required for the successful operation of all the Corporation's milling equipment and motor vehicles. Additional services that will be required are defined below.

- 1.16.2 The tenderer shall carryout complete Lubrication Survey at the Corporation's three sugar mills and recommend appropriate products. Results of the survey will be documented and distributed to relevant Mill Manager and a copy must be sent to the Corporation's Tender Committee.
- 1.16.3 The successful tenderer will provide services of Lubricant Engineer/s to visit the Corporation's three sugar mills once every fortnight for the first three months at the beginning of each Crushing Season and three monthly afterwards to carryout Lubricant Audit and Technical Support. The audit will entail:
  - Lubricant audit report;
  - The existing/current condition of oil and lubricants storage areas;
  - Recommending upgrade taking into consideration Occupational Health & Safety and Environmental requirements;
  - Identifying areas of product wastage and recommend corrective measures to reduce wastage with a view of obtaining optimum cost reduction;
  - Increase lubricant life;
  - Technical advise to reduce downtime by effective use of products;
  - Technical advise to reduce product contamination; and
  - Provide audit and progress reports.
- 1.16.4 The successful tenderer will provide detailed plans in regards to improvement in lubrication efficiency by introduction of automatic lubrication, flo-bins, automatic electronic dispensers, centralized lubrication systems, etc as agreed by individual mills. Successful tenderer is required to provide agreed designs and specification of each system.
- 1.16.5 The successful tenderer will provide Condition Monitoring of oil and lubricants used in the mills, analysis of Lubricants and Oil used in turbines, high-speed gearboxes, and other critical plants and equipment annually. The successful tenderer on a quarterly basis will provide suitable number of test kits for oil analysis.
- 1.16.6 The successful tenderer shall supply fully tried, tested and proven products which will be reliable and of consistent quality, suitable for the sugar industry.
- 1.16.7 The successful tenderer will be required to provide technical backup on an ongoing basis and as and when requested by the Corporation.
- 1.16.8 The successful tenderer will be required to provide Quality Control/Product Test Certificates, if requested by the Corporation.
- 1.16.9 The successful tenderer will organize training for factory personnel in regards to product knowledge and correct product usage prior to start of each crushing season. The training program will be structured and agreed by Mill Engineering Personnel. It will be imperative for the successful tenderer to conduct this training in such a manner that it causes minimum amount of hindrance to the start of crush.

- 1.16.10 The successful tenderer will be capable of understanding and servicing the erratic demand patterns of the Corporation.
- 1.16.11 The successful tenderer will be required to:
  - Provide labels/stickers at all lubrication points showing the name of the product to be used at these points;
  - Provide a Product Equivalent Chart showing the products currently in use and what the tenderer's new product (best equivalent) will be;
  - Provide a 24 hour contact list of the contractor's key personnel.
- 1.16.12 The successful tenderer will also be required to meet the Corporation's Tender Committee and Engineering team at three monthly intervals to discuss issues relating to supply of products, key performance indicators (KPI's) process and productivity improvements or any other issue that may be of importance to either or both parties.
- 1.16.13 As part of the contract, the successful tenderer will be required to
  - carry adequate stocks of oil and lubricants in order to fulfill the contractual obligations;
  - guarantee the quality of oil and lubricants that are to be supplied under this contract, are manufactured/processed to International Standards (ISO)
  - provide Material Safety Data Sheets for all products being offered. This must form part of your EOI document.
- 1.17 General Terms & Conditions

The "General Terms and Conditions" attached to this document shall apply to this EOI.

1.18 Acceptance

The Corporation is not obliged to accept the lowest or any other EOI.

Faxed, late and EOIs sent through Email will not be accepted.

- 2.0 TERMS AND CONDITIONS OF SUPPLY
- 2.1 EOI documents for supply and delivery of Fuel Oil and supply and delivery of Lubricants are being issued simultaneously. You may submit:
  - Separate EOIs for both items;
  - Joint EOI for both items, clearly showing advantages of merging the two EOIs.
- 2.2 Patents and Copyright Rights

The supplier warrants that the design, materials, documents and specifications of products provided by the Supplier will not infringe any patent, registered product, trademark, or name, copyright, or any other protected right. Used or secondhand products are not acceptable.

2.3 Statutory Requirement

The Supplier shall comply with the requirement of all Fiji Ordinances, Regulations, By-laws, and Orders and proclamation under the Acts and Ordinances. In particular, the Occupational Health & Safety Act and Environmental Protection Decrees must be fully complied with.

2.4 Quality Assurance

Where applicable, the Supplier shall ensure all goods and services provided conform to the quality management system AS/NZS, ISO 9002, or to the most current and applicable British or International Standard. The standard that applies to each of the products offered under this EOI must be shown on the EOI Sheets.

Product Conformance Certificate for every batch shall be made available if requested.

#### 2.5 Technical Data and Information

The Supplier must include in their EOI documents:

- Product Information Sheets/brochures;
- Technical Specifications;

### 2.6 Key Performance Indicators

The Corporation and the Supplier will together develop an agreed set of Key Performance Indicators (KPI's) designed to measure the Suppliers performance and lead to the identification of opportunities for performance improvement, elimination of inefficiencies at either the Corporation or the Supplier, and joint productivity savings. These shall be prepared and issued monthly to the Corporations Key Contract Manager (The person in FSC who is responsible for ongoing management of the contract) and will be used as a basis for discussions at the regular contract meetings.

# 2.7 Defects Liability

The Supplier shall accept liability for any product defects and loss of revenue as a result of defective products.

# 2.8 Delivery

The Supplier will carry stocks of all contracted products, and other volume items agreed to from time to time, at the Suppliers Depot. This is to enable products to be supplied/shipped on the day of demand (through the issue of the Corporation's authorized Purchase Order). A lead-time of two working days will be allowed to deliver the goods. The Corporation's Mill inventories are to be held at an absolute minimum with stocks drawn as required from the Suppliers Depot.

Supplier will deliver all the contracted products purchased under this agreement to the nominated Receiving Locations on such days and between the hours set out in the First Schedule. Partial deliveries will not be accepted.

It is expressed that the successful tenderer and FSC will work closely together in developing processes that will assist both parties to achieve the objectives of this contract.

# 2.9 Approximate Annual Usage Quantities

The approximate annual usage quantities are being provided for guidance purposes only. The Corporation does not commit itself to purchase these exact quantities.

In the case of Marine Fuel, Oil & Lubricants and Industrial Fuel Oil, purchase and usage quantities may vary due to external factors such as strikes, lower cane crop, adverse weather conditions, etc, affecting milling operations.

# 2.10 Completion of the EOI

Tenderers are requested to complete each sheet by adding such specific information on each product to fully describe the specification of the product offered. Pricing and related details are also to be included on the sheets to ensure that the commercial terms of the offer are clear.

#### 2.11 Award

It is the intention of the Corporation to award this contract to a single supplier.

#### 2.12 EOI Submission

EOIs submitted must be on the original EOI forms provided with this EOI. Photocopies will not be accepted. Any corrections/alterations must be initialed.

#### FIRST SCHEDULE - DEFINITIONS

THE BUYER/THE CORPORATION : THE FIJI SUGAR CORPORATION LIMITED

THE SITES: Lautoka Mill, Rarawai Mill & Labasa Mill

Stores Receiving Area:

Monday to Friday 8.00am to 11.00am

1.30pm to 3.30pm

PRODUCT: Fuel, Oil & Lubricants.

ATTACHMENTS:

EOI letter/Specific Conditions – 8 pages

General Terms and Conditions of Tender – 4 pages

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