**04 July to 25 July 2023** ECOWAS Commission ECOWAS Expressions of interest

## SELECTION OF AN INDIVIDUAL CONSULTANT TO DEVELOP AN ECOWAS MODEL PETROLEUM PRODUCTION SHARING CONTRACT (PSC)

1. The Economic Community of West African States (ECOWAS), since its establishment in 1975, has made noteworthy progress in the area of integration and cooperation. However, there are still major challenges that need to be addressed. One of these challenges relates to energy security and the efficient use of energy resources for the economic development of the region. The ECOWAS region has huge energy potential, both fossil and renewable, which is not only unevenly distributed, but also under-exploited. Thus, with the support of the African Development Bank (AfDB), a study was conducted in 2018 on the harmonisation of petroleum policies, laws, regulatory and institutional frameworks of the oil sector in West Africa. The study revealed that a regional harmonisation will enable the regulation to evolve by considering international best practices and current issues in the sector (technological, security, environmental, local content, etc..).

To this end, ECOWAS commenced the harmonisation process through the development of a regional petroleum code, which was adopted by the Ministers of Hydrocarbons/Petroleum in November 2022. Subsequent to the adoption of the code, there is a need to develop a model production sharing contract (PSC), which is the predominant type of oil contract used in the region.

2. The overall objective of the study is to develop an ECOWAS Model Petroleum Production Sharing Contract (PSC) based on the provisions of the ECOWAS Regional Petroleum Code which will serve as a reference for Member States in their contractual relations with oil operators. The model PSC is expected to address all contractual issues related to the exploration and exploitation of petroleum resources, including, but not limited to, items dealing with the perimeter of exploitation and the duration of the contract, the rights and obligations of the contractor and the State, work programmes, evaluation of commercial discoveries, removal and recovery of petroleum resources, local content (local goods and services, training), abandonment and environmental protection, etc.

3. The consultant's tasks will include the following:

- Data collection in ECOWAS Member States to gather all relevant documents related to the existing production sharing contract. The consultant will also collect documents relating to the production sharing contract in force in other oil producing countries of the continent (outside the ECOWAS region) and in the world.
- Cross-analysis of the relevant documents obtained to compare the content of production sharing contracts in the ECOWAS region. The aim will be to identify the main areas of convergence as well as the provisions to be adapted according to the petroleum code. The consultant will also have to highlight the best provisions drawn from petroleum codes around the world that could add value to the ECOWAS model PSC.
- Development of the model production sharing contract: Based on the conclusions of the crossanalysis of the PSCs gathered, the consultant will develop the ECOWAS model PSC based on the provisions of the ECOWAS regional petroleum code.

4. The key expected outcomes of the study are as follows:

- Relevant PSC documents are obtained;
- A comprehensive review of PSCs in force in ECOWAS Member States is conducted;
- A draft ECOWAS model PSC is developed.

5. The study will be conducted by a consultant with the following profile:

- He/she must have at least a Master's degree in petroleum engineering, or petroleum law or any related field with a specialisation in petroleum regulation;
- He/she must have at least 10 years of experience in the development of contractual and legal frameworks governing the petroleum sector as well as the implementation of legal reforms within an international or national oil company, a firm or a government;
- He/she must have undertaken two (2) similar assignments related to oil contacts in the last 10 years, a proven track record in negotiating oil contracts would be an asset;
- He/she must have a good understanding of petroleum exploration, exploitation and development activities, as well as a knowledge of the regulatory texts and international legislation in this field;
- He/she must have a good knowledge of the petroleum sector in the ECOWAS region;
- He/she must have good summary and writing skills and have proven abilities in the preparation and presentation of technical documents;
- He/she must be fluent in English or French and have a good knowledge of the other language.

**Note:** The consultant may be assisted by a resource person for the data collection phase and crossanalysis of the documents obtained.

6. The assignment shall be carried out within six (6) months from the inception meeting to the validation of the final report.

The consultant shall propose a concept note outlining his understanding of the ToR and his methodological approach in line with the objectives and expected outcomes of the study as well as a detailed work schedule.

7. The consultant shall submit the following deliverables:

- An inception report detailing the work plan and setting out the consultant's methodology as well as the updated timetable for the completion of the study. The report will require approval by ECOWAS.
- An interim report containing the findings of the comprehensive review of existing PSCs and the draft ECOWAS model PSC. The report will be approved at a regional workshop organised by ECOWAS.
- A final report reflecting the comments and observations of the validation workshop and presenting the final version of the ECOWAS Model PSC. ECOWAS will approve the report.

**Note:** ECOWAS shall be responsible for organising the validation workshop on the interim report. However, the consultant should include in his/her offer the costs related to his/her participation in the workshop. The workshop will take place over three (3) or (4) days.

**8.** The ECOWAS Commission would particularly like to draw the attention of interested consultants to Article 118 of the ECOWAS Procurement Code on "Offences committed by candidates, bidders and successful bidders", which provides information on fraudulent or corrupt practices in competition or contract execution. In addition, they are invited to take note of the specific information on conflicts of interest related to this assignment in accordance with Article 119 of the ECOWAS Revised Procurement Code.

9. The recruitment of the consultant will be in accordance with the Individual Consultant Selection Criteria set out in the Guidelines for Consultants. The candidate with the highest qualifying score shall submit a technical and financial proposal.

Interested consultants can obtain further information by contacting the Procurement Division at the email address below during working hours, i.e., Monday to Friday, 9:00 a.m. to 5:00 p.m. (GMT +1). Email: procurement@ecowas.int, with copy to: ikkamara@ecowas.int, jumoren@cowas.int, akoumoin@ecowas.int, bdabire@ecowas.int

10. Expressions of interest should be submitted online to the email addresses listed above or in sealed envelopes clearly marked "SELECTION OF AN INDIVIDUAL CONSULTANT TO DEVELOP AN ECOWAS MODEL PETROLEUM SHARING CONTRACT (PSC)" to the address below by Thursday, 25 July 2023 at 11:00 am (Nigerian time, GMT+1).

11. The ECOWAS Tender Box is at the Procurement Division located in the Directorate of Administration and General Services, 1st Floor, ECOWAS Commission, 101 Yakubu Gowon Crescent, Asokoro District, P. M. B. 401 Abuja Nigeria.

Please note that electronic submissions are also accepted and should be sent to the email addresses provided above.

This Request for Expression of Interest is also published on the ECOWAS website. <u>http://www.ecowas.int/doing-business-in-ecowas/ecowas-procurement</u>

**Commissioner for Internal Services.**