

Project fact sheets



Project fact sheets

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2 Change management	Mammoet	Improvement tracks	2014
3 Large capex	SBM Offshore	FPSO's Paraty and Ilhabela	2013
4 Project dashboards	SBM Offshore	Dashboard for capex FPSO's	2011
5 Project reviews	SBM offshore	Gate review for FPSO's	2010
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1 LARGE INSURANCE CLAIM FOR SHELL

Introduction

On 3rd June 2014 a large explosion and subsequent fire cause a significant property damage to the plant owned by Shell and Basf in joint venture Ellba CV. No significant personnel injuries occurred in the incident. The event was declared covered under the governing policies by the insurer for property damage, business interruption and third party liabilities.

Scope

Seanergy was awarded the contract with the goals to:

- Support safe execution of the repair
- Maximize the recovery for Ellba within the terms & conditions of the policy
- Keep cash flow neutral during execution
- Maintain good relationship in the JV

Method

Seanergy has supported the safe execution by expressing the goal zero policy of Shell. Forensic engineers were informed of physical and chemical causes leading to the incident. Loss adjusters and forensic accountants were informed real time of project decisions and minimal time lag was allowed between project decision and insurers consent. Project cost forecasting and cash flow graphs prevented negative cash flow for Ellba.

Result

The REN-project has above average safety KPI's. The latest forecast indicates 100% recovery of all costs. Cash flow has been positive for Ellba till today. All partners are teaming up towards a safe Ready For Start Up.

PROJECT FACTS

Client Shell Nederland Chemie BV
Project Ellba - REN project



Scope Insurance claims after explosion and fire at Ellba MSPO-2 plant on 3 June 2014

Location Shell, Moerdijk, NL
Period Jun 2014- Jun 2016



2 IMPROVEMENT TRACKS FOR MAMMOET

Introduction

In a market of projects growing in risk, complexity and value Mammoet was requested to define governance for the top trier projects by SNV Holding BV.

Scope

Seanergy was asked to define the improvement tracks to be executed in an implementation phase based on interviews with board members. The goal was to set the scene for improvements in the next years allowing improved control on projects.

Method

Seanergy carefully interviewed and listened to all board members. Based on elaborate experience with heavy lifting and project control on large projects Seanergy convinced board members to limit the change scope to just a selection of five major improvements.

Result

All board members were committed to the proposed improvement track ready for implementation ensuring control on the top projects at Mammoet.

PROJECT FACTS

Client Mammoet Holding BV
Project Governance on projects



Scope Define 5 track to improve control over top projects
Location Mammoet, Utrecht, NL
Period Jun 2014- Jul 2014



3 LARGE CAPEX: FPSO CIDADE DE PARATY AND FPSO CIDADE DE ILHABELA

Introduction

In early 2009 SBM offshore was awarded a USD 1,6 BLN contract for EPCI delivery and subsequent lease of the FPSO Cidade de Ilhabela in a construction period of 36 months.

Scope

Seanergy was accountable for the project control team on the EPCI-project. The responsibility of the control team was estimation, cost engineering, cost control, planning&progress, contract management and dashboard reporting. Later material control was added to the scope.

Method

After setting WBS structures the work packages were subcontracted with sound contract management and progress measurement. Forecasting was aligned with finance department and cash flow monitored. Material control ensured timely supply chain of all parts to the integration yard in Brasil.

Result

The FPSO was delivered without any safety incidents, on budget and on the scheduled date to start production to the client Petrobras without any significant problems.

PROJECT FACTS

Client SBM Offshore BV
Project Control large capex of FPSO Cidade de ilhabela



Scope Manage project control department at SBM offshore

Location SBM Offshore, Schiedam, NL

Period Nov 2009- Jul 2013



4 PROJECT DASHBOARDS

Introduction

The individual execution centers within SBM had a large level of responsibility to manage projects. Two projects with substantial losses forced the board to be more in the individual projects.

Scope

The board was faced with different reporting per execution center. No benchmarking on performance between the execution centers was possible. Definition varied throughout the centers in Monaco, Rotterdam, Houston and Kuala Lumpur.

Method

KPI's were selected by interviewing the various decision makers within SBM. One template was selected to suit all large Capex projects (turnkey and lease for Turrets and FPSO's). After 6 month a review and last fine tuning was executed. Thereafter database was implemented to have all relevant project data in a single database. A timetable was set to review all large projects with the project manager on the 10th calendar days of each month.

Result

The board is far better informed and the project managers now have a clear platform to address issues beyond their authority. Finance and other departments have robust structure and clear working procedure to deliver the reports in the set timeframe.

PROJECT FACTS

Client SBM Offshore BV

Project Project dashboards



Scope Define and implement project dashboards

Location SBM Offshore, worldwide

Period Nov 2009- Jul 2013



5 Introduction Project reviews for gates

Introduction

SBM builds large FPSO's and components of Floating production units. During these capital projects key decisions are made at several moments in the project lifetime. SBM overspent significantly on two projects.

Scope

A standard process was required to review the project without any additional burden to the projects and the review should answer the most important questions of the board.

Method

Seanergy defined the gate based on the critical moment in the project.

Can the contract be signed? Is the project well organized? Is the design properly reviewed? Is the vessel ready to sail? Are the modules ready for integration? Is the FPSO ready to leave the integration yard and ready to sail offshore? Can the unit start up production?

For each of the 7 reviews a standard review template was developed based on available information and interviews. Each review can be done within two days including reporting to board members with consent of the project team.

Result

The reviews answered the key questions of board members and were incorporated in the governance structure of SBM. The projects, opposing at the start, were in the end pleased with the method as new methods were learned from the review team and the review team picked up new methods at the reviewed project. With this method control on all projects improved and competence levels of all project managers increased. The one team spirit flourished.

PROJECT FACTS

Client SBM Offshore BV
Project Gate review process



Scope Define and execute project reviews without burden to the projects. Lock the review structure in the governance structure

Location SBM Offshore, worldwide
Period Nov 2009- Jul 2013
Executed on projects: Okha, OSX-2, Cidade de Paraty, Cidade de Ilhabela, BC-10, Prelude turret, Ichtys, TDS Delba



7 GOVERNANCE FORM SCRATCH

Introduction

Oceanteam developed visionary plan to become the world first one-stop shop for offshore installation of wind mill farms.

Scope

Clients were moving from land wind mill farms to offshore locations. The first projects had been awarded on land based contracts. Seanergy was asked to help as operational execution proved cumbersome. Offshore knowledge was in starting phase..

Method

Within six weeks the dashboards to measure the operational and financial performance of the projects were published. PM's and the COO were pleased to have a good overview on the projects in hand. A tender book was reviewed and rates adjusted to correspond with the actual cost of the different offshore spreads.

Result

It quickly became apparent the contracts contained unfavorable clauses. The initial cash flow was too optimistic and the operational competence was very limited. The credit crunch of 2008 was the last push required to make Oceanteam return to the core business of chartering offshore vessel to contractors.

PROJECT FACTS

Client Oceanteam ASA

Project Governance from scratch



Scope Set up project governance structure in shortest possible timeframe

Location Aberdeen, Bergen, Amsterdam

Period Jul 2008- Nov 2009



11 TAX CLAIM AND ADVANCED PRICING AGREEMENT

Introduction

During an initial audit by the Norwegian tax authority (COFTA) information was not shared transparently leading to a major tax claim and penalty by COFTA. The relationship was damaged.

Scope

Seanergy was asked to negotiate between the NL and Norwegian tax authorities to minimize the tax claim. The relationship needed to be restored. Any future claim should be avoided by a ruling.

Method

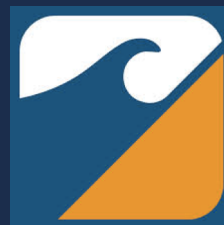
A functional analysis was executed and transfer pricing was defined arrears. Both tax authorities were aligned for the past projects and future projects. The accounts were made transparent to meet future requirements of both authorities.

Result

Both tax authorities accepted arrears transfer pricing to be applied leaving the client with only limited costs. An advance pricing agreement was signed to create transparency for future projects. The relationship was restored and two years later the Ormen Lange contract was awarded to Van Oord.

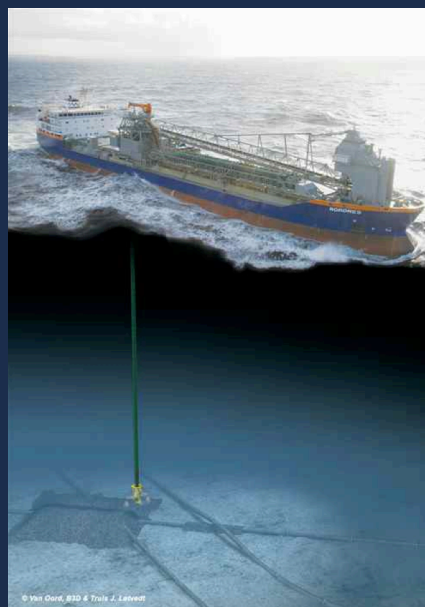
PROJECT FACTS

Client Van Oord Offshore BV
Project Tax claim and advanced pricing agreement



Scope Settlement of a tax claim and negotiate an advanced pricing agreement

Location Rotterdam and Stavanger
Period Nov 2001- Jul 2004



Colophon:

Seanergy BV

't Schoolplein 3

4328 AK Burgh Haamstede, The Netherlands

www.seanergy.company

Text: Michael Roosen

Pictures Roosen Images, www.roosenimgaes.nl

Courtesy to Shell Nederland Chemie and SBM Offshore

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