



Algoritmi has assisted **NCOC** and **Agip KCO** maintain the control of suppliers to assure the maximum quality in the operative activities of the Kashagan Project



Client Profile

Agip KCO, part of the ENI group of companies, acts as agent for the North Caspian Operating Company within the context of the North Caspian Sea's Production Sharing Agreement (NCSPSA) of 1997 which governs the use of the Caspian Seas oil and gas resources. Agip KCO is responsible for the execution of the first phase of the development of the Kashagan reserves which amount to around 35 billion barrels of oil in place and reserves for a further 11 billion barrels in the North Caspian Sea area. Agip KCO is also responsible for the execution of the onshore component of the second phase of the Kashagan Project.

In October 2008 the Republic of Kazakhstan reached an agreement with the seven companies participating in the NCSPSA to form a new operative joint venture company, the North Caspian Operating Company BV. In January 2009, NCOC became the operator of reference within the NCSPSA assuming the role that was previously held by AGIP KCO. The same NCOC acts on behalf of the venture partners with the State petroleum company Kaz Munay Gaz, Eni, Shell, ExxonMobil and Total as well as Conoco-Phillips and INPEX which are the minority partners. The assets in the 5600 km² NCSPSA operative area include the Kashagan field, one of the largest petrol fields in the world, others are

the Kalamkas and Aktoty Kairan fields.

The Challenge

Research conducted by Algoritmi in the sector of application platform development led the company to identify the control processes and vendor qualification as the most critical in the contexts of technical potential and economic impact. The majority of companies with a high level of technology that are involved in long-term projects of high economic and territorial dimensions find that the key to success lies in the control of supplies and the qualification of suppliers.

Algoritmi, a consultant of ENI since the late 1990's, is involved in the

design and development of enterprise level applications. In 2003, Agip KCO, within the context of the first phase of the Kashagan Project, adopted the DOCAP system for the qualification and periodic monitoring of the performance and adherence to international standards of its suppliers.

In 2010 the Kashagan entered its second phase. The optimum performance of the DOCAP system and the results achieved during the first phase convinced NCOC and the agents of NCSPSA (KazMunaiGas, ENI, Shell,

ExxonMobil, TOTAL, CNPC and INPEX) to adopt the same solution and operative approach.

10 years of collaboration with Algorithmi

NCOC considers DOCAP more than a software product: DOCAP is a strategic instrument that assures the continuity of production and the related administrative activities.

The acquisition processes managed by DOCAP are made possible by the full automation of the vendor qualification process

which is the backbone of the system.

DOCAP governs the control and feedback processes that consent NCOC to monitor the supplier, their performance and adherence to local and international norms.

Considering the strategic importance of DOCAP, NCOC has assigned, year after year, the operative support, maintenance, advice on new processes and the evolution of the existing to Algorithmi.

10 years of DOCAP: The numbers

DOCAP is comprised of a set of components that operate in a cooperative fashion. As a whole the Pre-qualification tool, the Vendor system and the Marketing Information Database have operated constantly for 10 years. Over 1,5 million web pages have been consulted by more than 1,300 users while managing over 16,000 case files.

Tool	Application web pages	Users (active/historical)	Processes	Suppliers
Pre-qualification tool	980.000	42/117	11.339 Pre-qualification	7.345
Vendor system	480.000	286/984	4.620 Bid List 3.100 Feedback	6.917
Marketing Information Database	80.000	70/290		3.780

Another success

In 2010 ENI Pakistan adopted DOCAP for the handling of administrative control and supplier qualification activities. In less than 6 months since the kick-off of the project Algorithmi analysed ENI

Pakistan's requirements, executed the tailoring process and integrated DOCAP into the client's ERP systems.

Algorithmi conducted this activity in its entirety using only internal

personnel working from Italy and the client's premises in Karachi.

Algorithmi also managed the implementation of the platform and the training of the client's key users.