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Comprehensive Vendor Assessment for Construction of Petrochemical Plant

Kazakhstan Petrochemicals Industries (KPI) selected TÜV Rheinland to perform third party vendor assessment services to evaluate technical competence, production capacity and quality assurance.

Basic Facts

Client	Kazakhstan Petrochemicals Industries Inc
Timeframe	October 2016 – December 2016
Project Location	China and Kazakhstan
Main Services	<p>Factory Audit Services</p> <ul style="list-style-type: none"> ▪ General and background information ▪ Financial affairs ▪ Personnel and qualification ▪ Manufacturing ▪ Testing competency ▪ Engineering control ▪ Procurement ▪ Inspection procedures ▪ Quality assurance ▪ Non-conformity and corrective actions ▪ Site evaluation ▪ HSE (Health, Safety and Environment) ▪ Final evaluation

INITIAL SITUATION, REQUIREMENTS

In a joint venture with the State of Kazakhstan, Kazakhstan Petrochemical Industries Inc., LLP (KPI) has launched the Integrated Petrochemical Complex and Infrastructure Project. With a total investment of approximately 6.3 billion USD, the project includes the construction of a 500 kt/a facility for propylene dehydrogenation as well as a polypropylene facility with a capacity of 500 kt/a. In collaboration with a Chinese EPC contractor, KPI sought an experienced, trusted and independent partner to provide **vendor assessment services** to evaluate 90 potential suppliers in 12 locations of China, producing 102 types of equipment. For this important job they turned to TÜV Rheinland.

SOLUTIONS, RESULTS

Due to our good relationship with the customer, our competitive offer, and our competent response to KPI concerns, TÜV Rheinland was awarded the contract. TÜV Rheinland Shanghai acted as the sub-contractor, performing on-site **vendor inspections** to ensure that potential Chinese suppliers were able to maintain the technical competency, production capacity, delivery schedule and quality assurance required for this project

after several years of economic slowdown. Services were conducted by 15 experts in 5 technical disciplines and completed over a three-month period between October and December 2016. Suppliers of pressure, rotary, electrical and control equipment as well as piping and construction materials were inspected and evaluated. Audits were carried out according to relevant international standards such as ASME Sec. I, V, VIII and IX, ANSI B31.3/4/8, NACE, NACE TM0284, API 620/650, AWS D1.1, API 5L, ISO 3834, Sec. VIII and ICE.

We successfully coordinated several auditors to provide an in-depth vendor assessment according to demanding customer requirements. We applied a comprehensive rating system including guidelines and a final evaluation matrix. Vendors were classified into three categories, listed as "recommended", "recommended with comments" or "not recommended". Results were presented in an easy-to-understand format to facilitate efficient decision-making when choosing partners and placing orders.

KPI representatives complimented our team and expressed their utmost satisfaction with our services.

BENEFITS FOR THE CLIENT

Our comprehensive vendor assessment helped project partners audit suppliers in order to:

- Reliably evaluate technical competency
- Confirm capability and capacity to produce high-quality products
- Ensure on-time delivery
- Increase efficiency in procurement process

DID YOU KNOW?

There is a continuing trend for EPC contractors to source materials and components for the construction of industrial assets from various countries around the globe.

Intelligent vendor assessment makes supply chains more reliable for both, operators and EPC contractors.

ABOUT TÜV RHEINLAND

Founded 145 years ago, TÜV Rheinland is a global leader in independent inspection services, ensuring quality and safety for people, the environment and technology in nearly all aspects of life.

We inspect technical equipment, products and services, oversee projects and help to shape processes for companies around the world. Since 2006, we have been a member of the United Nations Global Compact to promote sustainability and combat corruption.

NEED MORE INFORMATION? DO NOT HESITATE TO CONTACT US!

[ONLINE CONTACT](#)

TÜV Rheinland Industrial Services
Am Grauen Stein
51105 Cologne
Germany
industrial-services@tuv.com

www.tuv.com

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