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# SCOPE STATEMENT

## CARGAS “NGVC”

9 October 2022



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## SCOPE STATEMENT

### PROJECT IDENTIFICATION

<b>Project Name</b>	CARGAS “NGVC”
<b>Project Number</b>	IM-22-79
<b>Customer Name</b>	CARGAS “NGVC”
<b>Project Type</b>	Implementation
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<b>CIC Project Sponsor</b>	Mr. Ibrahim Ahmed
<b>CARGAS Project Manager</b>	Mr. Abdelmoneim El-Farra
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## 1. PURPOSE

The Scope Statement provides a definition of the project. It documents the products and services that are to be produced by the project, as well as the boundaries of the project. The Preliminary Scope Statement is developed during Initiating and additional detail is captured in Planning.

## 2. PROJECT SCOPE

CARGAS will be provided with the service of implementing SAP S/4 HANA On-Premise according to SAP best practices and Fit To Standard sessions.

The project will be implemented as described below:

NO	Description	Value
	Controlling Area	1
	Company code	1 ..
	Modules	<ul style="list-style-type: none"> <li>- Financial</li> <li>- Controlling</li> <li>- Material Management</li> <li>- Sales and Distribution</li> <li>- Customer Service</li> <li>- Human Capital Management (Personnel Administration, Organization Management, Time Attendance &amp; Payroll)</li> </ul>
	FRE	20

## 2.1. Project Goal

### SAP application in the CARGAS company for the following reasons:

- Achieving strategic goals and supporting business growth and profits by improving operational efficiency and increasing sales
- Presenting the right data at the right time for better decisions
- Improving business processes and operations
- Have a good business communication system.
- The business cycle will be configured according to best practices and based on

## 2.2. Customer Business Processes

### The business cycle will be configured according to best practices and based on

- Contracts signed between the CARGAS and CIC.
- Guide to policies and procedures for all Business cycles within the holding company as follows:

### 1. Financial Accounting & Controlling (FICO):

- **Accounts Payable and Suppliers**
  - To manage and complete supplier master data
  - Create an invoice from logistics
  - Analysis of outstanding payments
  - Pay the bill
  - Deferred payments to banks
  - Payment processing efficiency analysis
- **Accounts Receivable and Customers**
  - To manage and complete customer master data
  - Create an invoice from logistics
  - Analysis of open positions
  - Reconcile open invoices with incoming payments automatically
  - Easily and efficiently process incoming payments that are not assigned to open invoices
  - Efficiency analysis of payment collection processing
- **Accounting for fixed assets**
  - Create major assets

- Purchase of assets
- Selling and stopping assets
- Assets Valuation
- End of month and fiscal year closings
- To purchase an asset from a purchase order
- Create old assets
- **Cash journal:**
  - Post / View Cash Journal Entries
- **General accounts and closing the fiscal year:**
  - Posting of general ledger account documents
  - View the journal document
  - View the balances of the general ledger
  - Perform repeated entries
  - Automatic and manual comparison of accounts
  - End of the day closing
  - month end closing
  - year-end closing

## 2. Materials Management (MM)

- Manage activities in procurement
- Consumable purchase cycle
- Sub-suppliers' procurement cycle
- Purchase Requisitions
- The cycle of transporting goods between the warehouses of the same company
- Purchase of goods between companies under one umbrella
- Purchasing Services
- Supplier evaluation and performance monitoring
- Request a price
- Classification and Assignment of the Resource
- Purchase of direct materials
- Procurement Contracts
- Serial Number Management
- Physical Inventory - Stock Inventory and Adjustment
- Returns to Supplier
- Scrapping operations in the warehouse

### 3. Human Capital Management (HCM)

- **Personal Administration**
  - Recruitment and Re-employment
  - break up
  - Organizational assignment/offers
  - Change in payment
  - Change in contract type
  - Giving reports
- **Organization Management**
  - Maintaining the organizational structure
- **Payroll**
  - Payroll and send payroll
  - Out-of-cycle payroll processing
  - Company loan processing
  - Sanctions Department
- **Time Management**
  - military service
  - Maternity protection and maternity leave
  - Attendance / absence / overtime / Hajj leave

#### 2.3. Solution/Service Description

SAP S4/ HANA on Premise implementation will support the integrated implementation of all core business processes covering the CARGAS business.

#### 2.4. Proposed Delivery Model

The system application service will be provided on the CARGAS company's site, remotely, or via video conference, according to the business needs.

### 3. Project Objectives

The main Objectives of SAP implementation project are:

- Speed response and analysis while simplifying IT
- Acquire and integrate data from a wide range of sources to boost visibility
- Uncover new insights to help stakeholders work smarter
- Ride the next wave of change with innovative new applications
- Maintain security and business continuity

Aligned to corporate, organizational strategies, and project Objective should be “**SMART.**”

- **Specific:** Well defined, clear, and unambiguous
- **Measurable:** With specific criteria that measure your progress toward the accomplishment of the goal
- **Achievable:** Attainable and not impossible to achieve
- **Realistic:** Within reach, realistic, and relevant to your life purpose
- **Timely:** With a clearly defined timeline, including a starting date and a target date. The purpose is to create urgency.

### 4. Deliverables

- RACI Matrix
- Define the main roles and responsibilities of project team members
- Agreed project organization
- The steering committee
- Matrix of deliverables
- Team members
- Project Breakdown Structure (WBS) including timelines and deliverables
- Project Delivery Approach (Project Description)
- Specific risk management procedures
- Established Configuration Standards
- Solution design and documentation
- Test plan



- Project team training plan and schedule
- Project plan
- Data Migration Strategy & Approach
- Organization Change Management Plan
- Project Charter
- Project Logistics & Infrastructure
- Project Management Plan
- Project Roles & Responsibility
- Sap Security & Authorization Concept
- Project Stakeholders Register list

## 5. Project Boundaries

CARGAS will be provided with the service of implementing SAP S/4 HANA On-Premise according to SAP best practices and Fit to Standard sessions.

## 6. Out of Scope

- Business Process Engineering / Re-engineering services.
- Workflow procedures.
- Collection / Cleaning / Validation of any Master or transactional data.
- Development of a corporate IT strategy.
- Evaluation and / or installation of hardware, system software, network products or any add-on components to the SAP.
- Setup, Administration and Maintenance of Operation System and Database engines.
- Infrastructure Planning and development for Non- SAP Products.
- Archiving or Imaging for Paper based business documentations.

## 7. Project Assumptions & Constrains

SAP emphasis on a Customer Driven implementation by establishing a partnership and engaging the customer in all project tasks and activities. Exchanging the experience between the two partners in terms of business solutions and business expertise allows both parties to gain a beyond implementation experience.

CARGAS is required to facilitate the implementation and ease the project activities by adherence to the following points along the implementation project.

- SAP S/4HANA will be implemented with its standard processes and settings.

- The SAP version, database, and operating system versions will not be changed throughout this project. SAP is not liable for any software bugs/limitations in any vendor product.
- All training carried out will be conducted by the CIC team for Key users and the end-users, so CARGAS shall be responsible for ensuring that all their end-users are committed and available for training on the SAP system and processes before the system production date, else the Key user will train the end user if unavailable during the End user training.
- Documentation guidelines (and templates) will be defined and agreed at project start-up, and communicated to all project team members before the start of Explore phase. SAP and CIC proprietary tools and methodologies and their relevance to the project work will be assessed at project start up and applied accordingly.
- Developer license access and other such license of SAP will be procured and made available to CIC to initiate with the Project implementation.
- A project steering committee will be formed comprising senior CARGAS executives and CIC representatives to provide project direction & resolve escalated project issues.
- Timely availability of information is required for the project team. Additionally, CARGAS will ensure that all decisions relating to project issues will be taken expediently (max. 3 working days), to de risk the project timeline.
- CARGAS Core team of Business process owners, who will be part of all the Business process meetings, should be empowered to make the decisions during the meeting on various processes of their functions. The feedback is very important in building the Design Document – “To Be Process”.
- CIC will support CARGAS to develop the User Acceptance Test (UAT) plan e.g., schedule, effort estimation, approach and standards. CARGAS will be responsible for preparing the test scripts, performing the tests, and documenting the test results. CIC consultants will provide guidance to the CARGAS team in the execution of these activities.
- The consulting team does not warrant and is not responsible for any third-party products or services engaged directly by CARGAS for services that affects SAP’s system performance, bugs, crashes or system failure.
- Any changes to the project scope as defined in scope document will initiate a change order process. The potential delta (resource need and cost) will be presented to the Change Control Board. Scope changes with cost/resource impact will only be accepted and included in project scope after approval of change order by the Change Control Board. (See Integrated Change Control Plan)
- For data migration, actual data collection and development of interfaces to legacy systems for download of data as well as data cleansing will be the responsibility of CARGAS team.
- Implementation shall take place at CARGAS premises
- CARGAS shall commit to the project team attendance and dedication throughout the project duration and as per the project schedule
- CARGAS shall be responsible for all project environment and necessarily logistical arrangements (Training rooms – Data shows – PC’s - ...etc)
- CARGAS shall be responsible for the delivery of Master Data and Opening Balance on time as per the project schedule
- Any changes in (project timelines for key milestones and go-live dates) have to be approved by the Change Control Board. In case of impact on resource and budget a change order process will be initiated.

- CARGAS Project Manager is responsible for preparing an End User Training Plan in arrangement with CIC Project Manager to fit within the whole project schedule
- Entry of daily transaction after the planned Go- Live date is CARGAS's responsibility
- CIC project manager is responsible for submitting BI-Weekly status reports and periodical status reports after completion of each phase to CARGAS Project Manager and Project Steering Committee.

## 8. Risk Assessment

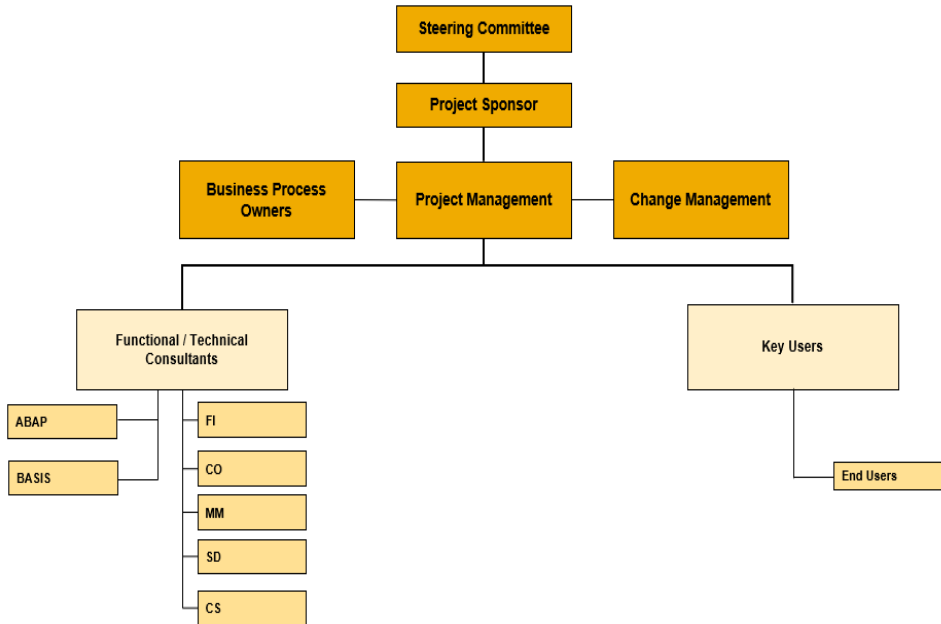
Factors that might have a negative impact on the project if not managed properly are:

- Data Migration
- Hardware
- Logistics
- Project stakeholders' availability

## 9. Implementation Strategy

SAP Activate Methodology for SAP S/4 Hana on premise

## 10. Project Organization



## 11. Acceptance Criteria

Commercially reasonable efforts to review and accept (or reject) specific milestone activities and deliverables defined in scope statement within (3) business days upon formal receipt of deliverable else it will be considered approved if no action were taken after the 3 days.

CARGAS shall either: (a) notify CIC of its acceptance of the Deliverable ("Notice of Acceptance "); or (b) provide CIC with notice of any defects, shortfalls or omissions that cause the Deliverable not to be in substantial accordance with applicable requirements, after the resubmit CARGAS shall have a new Acceptance Period of 2 business days to review the Deliverable to determine whether the defects listed has cured.

Project managers will confirm completion of each deliverable by means of a written acceptance form

## 12. Schedule Milestones

Milestone description	Date
<b>CARGAS S4HANA Implementation</b>	Thursday, September 22, 2022
<b>Prepare</b>	Tuesday, October 4, 2022
<b>Explore</b>	Monday, October 10, 2022
<b>Realize</b>	Thursday, November 10, 2022
<b>Deploy</b>	Thursday, January 5, 2023
<b>Run</b>	Wednesday, February 1, 2023

## Acceptance of the SCOPE STATEMENT

### Customer Project Manager

<b>Name</b>	Mr. Abdelmoneim El-Farra
<b>Date</b>	
<b>Signature</b>	

### CIC Project Manager

<b>Name</b>	Mr. Ahmed Hamdy
<b>Date</b>	
<b>Signature</b>	