

THE UNITED REPUBLIC OF TANZANIA

MINISTRY OF WORKS, TRANSPORT AND COMMUNICATION



CONSTRUCTION OF DODOMA CITY OUTER DUAL CARRIAGEWAY RING ROAD (112.3 KM) TO BITUMEN STANDARD, LOT 1: NALA – VEYULA – MTUMBA – IHUMWA DRY PORT (52.3 KM)

TENDER NO. AE/001/2019-20/HQ/W/01

Clarification No. 1 to the Bidding Documents

Date: 24th October 2019

Clarification No. 1 to the Bidding Documents is issued in accordance with Clause 7 of the Instructions to Tenderers (ITT)

QUESTION NO. 1:

Can the Bid Security be a Bank Guarantee issued by Bank of China?

Response to Question No. 1

A Bid Security (Bank Guarantee) can be issued by any reputable Bank located in any eligible country, like China.

QUESTION NO. 2:

Please clarify whether a Bid Security can be issued by a reputable Bank from an eligible Country without the need of having a corresponding Bank in Tanzania.

Response to Question No. 2

A Bank in an eligible country issuing a Bid Security (Bank Guarantee) does not need to have a corresponding Bank in Tanzania. Moreover, a Bid Security issued by a Bank from a foreign country need not be submitted through any Bank in Tanzania.

QUESTION NO. 3:

In order to comply with the requirements of the Issuing Bank, we wish to rephrase the fourth paragraph of the Form of Bid Security (Bank Guarantee) to read:

“This guarantee will expire upon the earlier of: (a) if the Applicant is the successful Bidder, upon our receipt of copies of the contract signed by the Applicant and the performance security issued to you upon the instruction of the Bidder; and (b) if the Applicant is not the successful Bidder, upon the earlier of (i) our receipt of a copy of your notification to the Applicant of the name of the successful Bidder; or (ii) twenty-eight days after the expiration of the Bid Validity Period, or (c) on April 8, 2020.”

(A copy of the Form of Bid Security is attached for ease of reference)

Response to Question No. 3

There are only 2 scenarios for a Bidder, i. e. he is **either** successful, in which case requirement (a) will apply, **or** is not successful, in which case requirement (b) will apply. The proposed additional wording “upon the earlier of” is therefore not acceptable.

Bidders are allowed to replace the words “twenty-eight days after the expiration of the Bid Validity Period” with a specific date, if they wish. However, the date to be inserted must be 148 days from the deadline of submission of tenders, taking into account any extension of the tender submission deadline.

QUESTION NO. 4:

Section 1, Instructions to Bidders, Clause 19.5: It is considered that the return of bid security of unsuccessful Bidders should be a time bound event, but the Clause does not provide an exact time frame. In view of this, we request for the Clause to be re-casted as follows: “If a bid security is specified pursuant to ITB 19.1, the bid security of unsuccessful Bidders shall be returned within 28 days of declaration of Successful Bidder”.

Response to Question No. 4

The request to amend Clause 19.5 is not acceptable.

QUESTION NO. 5:

Section 1, Instructions to Bidders, Clause 19.6: It is considered that the return of bid security of the successful Bidder should be a time bound event, but the Clause does not provide an exact time frame. In view of this, we request for the Clause to be re-casted as follows: “The bid security of the successful Bidder shall be returned within twenty-eight (28) days of the receipt of notification of the award from the Employer (as successful Bidder shall furnish the performance security in accordance with the conditions of the contract). It is to be noted that this is in line with Clause 38.1 related to Performance Security.

Response to Question No. 5

The request to amend Clause 19.6 is not acceptable.

QUESTION NO. 6:

Clause 38.1 of Section 1, Instructions to Bidders and PC 4.2.1 of Section VIII, Particular Conditions provide that a foreign institution providing a bond shall have a correspondent financial institution located in the Employer’s Country. It is considered that this condition puts additional burden on project cost in terms of fees paid to correspondent financial institution located in the Employer’s Country. It saves Clients money.

Response to Question No. 6

The query is not clear.

QUESTION NO. 7:

Referring to Section II. Bid Data Sheet Clause 15.1 (a) it is stipulated as follows: “The unit rates and the prices shall be quoted by the bidder in the Bill of Quantities entirely in Tanzanian Shillings (TZS), further referred to as “the local currency”. It is requested that the unit rates and prices be quoted entirely in USD (United States Dollars) so as to provide a clear idea of rate and prices to International bidders and to avoid currency conversion risk.

Response to Question No. 7

The request is not acceptable. Rates and the prices shall be quoted by the bidder in the Bill of Quantities entirely in Tanzanian Shillings (TZS) only.

QUESTION NO. 8:

According to Section II, Bid Data Sheet, Clause 19.1, “The Bidder shall furnish a bid security, in the amount of TZS 3,500,000,000 (Tanzania Shillings Three Billion Five Hundred Million Only) or its equivalent in a free convertible currency. It is requested that the Bid security be in USD, and that the

amount to be USD 1,000,000, so that financial institutions can lower their fees also for the Bid Security.

Response to Question No. 8

The request is not acceptable. Bidders shall furnish a bid security, in the amount of TZS 3,500,000,000 (Tanzania Shillings Three Billion Five Hundred Million Only) or its equivalent in a freely convertible currency.

QUESTION NO. 9:

Clause 4.2.1 of Section VIII, Particular Conditions specifies that that the performance security will be 10% of the Accepted Contract Amount. In view of the large magnitude of the project, it is requested that the amount of performance security be changed to 5% instead of 10%.

Response to Question No. 9

The request is not acceptable.

QUESTION NO. 10:

Clause 8.7.1 & 14.15.1(b) of Section VIII, Particular Conditions specifies Delay damages for the Works at 0.05% of the Contract price per day, in the currencies and proportions in which the Contract Price is payable. In view of the large magnitude of the project, it is requested that the amount be changed to 0.02% instead of 0.05%.

Response to Question No. 10

The request is not acceptable.

QUESTION NO. 11:

Clause 8.7.1 of Section VIII, Particular Conditions specifies maximum amount of Delay damages of 10% of the Final Contract Sum. In view of the large magnitude of the project, it is requested that the amount be changed to 5% instead of 10%.

Response to Question No. 11

The request is not acceptable.

QUESTION NO. 12:

Section VIII, Particular Conditions: Clause 10.1.2 specifies that the Employer will accept Taking Over any substantially completed continuous road section with all structures and Road Furniture completed having minimum length of 25 Km. As the project is 52.3 Km, it is requested to change the minimum length from 25 Km to 26.15 Km.

Response to Question No. 12

We have reviewed the request and the GC 10.1.2 and observe that the Particular Condition Clause 10.1.2 was inadvertently inserted. The GC 10.1.2 adequately addresses the taking over of Sections. In view of this the Particular Condition Clause 10.1.2 is deleted.

QUESTION NO. 13:

Section VIII, Particular Conditions: Clause 14.2.1 on Advance Payment: The Clause is silent about Interest of advance payment. It is requested to mention that the advance payment is interest free.

Response to Question No. 13

It is mentioned in the respective GC 14.2.1 that the advance is interest free.

QUESTION NO. 14:

Section VIII, Particular Conditions: Clause 14.3.2: The Clause stipulates that retention is 10% of each payment certificate. Given the large magnitude of the project and duration, 39 months, it is requested that retention be 5% instead of 10%, and that the retention shall not be withheld in case the Contractor provides irrevocable bank guarantee.

Response to Question No. 14

The request is not acceptable.

QUESTION NO. 15:

Section VIII, Particular Conditions Clause 18.2.4(d): In order to lower the burden of indirect costs and fees we request the Maximum amount of deductibles for insurance of the Employer's risks be revised as follows:

Loss or damage to works, plant and materials: Amount be revised from TZS 5,000,000,000 to USD 1,000,000 (about TZS 2,300,000,000)

Loss or damage to equipment: Amount be revised from TZS 1,500,000,000 to USD 500,000 (about TZS 1,150,000,000)

Loss or damage to property in connection with contract: Amount be revised from TZS 5,000,000,000 to USD 1,000,000 (about TZS 2,300,000,000)

Response to Question No. 15

The request is not acceptable.

QUESTION NO. 16:

Section VIII, Particular Conditions Clause 18.3.2: In order to lower the burden of indirect costs and fees it is proposed that the insurance limit be lowered and the number of events be capped. Hence we request the provision for Minimum amount of third-party insurance be changed from: "TShs 100,000,000 per occurrence, with the number of occurrences unlimited" to "USD 250,000, with the number of occurrences limited to 10".

Response to Question No. 16

The request is not acceptable.

QUESTION NO. 17:

Section VIII, Particular Conditions Clause 20.6.1(a): It is requested that the place of International Arbitration be changed from Dar es Salaam to either Dubai or London.

Response to Question No. 17

The place of International Arbitration is hereby changed from Dar es Salaam to Pretoria, South Africa.

QUESTION NO. 18:

Section VIII, Particular Conditions Clause 13.5.1(b)(ii): Please clarify the 7.5 % of Provisional Sum

Response to Question No. 18

According to General Condition (GC) 13.5.1(b)(ii), the 7.5% inserted in the Particular Conditions will be applied to the actual amount paid to a nominated sub-contractor to represent the Contractor's overheads and profit. For consistency between the General Condition Clause and the Particular Condition Clause, the "7.5 % of Provisional Sum" shown against the Particular Condition 13.5.1(b)(ii) is amended to read "7.5%".

QUESTION NO. 19:

Section IV: Bill of Quantities, Series 1000; General 14.01 Houses for the Engineer, Items (a) to (d): Please provide detailed requirements of Type I, Type II and Type III houses and Multiple Living Accommodation including furnishing and equipment.

Response to Question No. 19

For detailed requirements of Type I, Type II and Type III houses and Multiple Living Accommodation including furnishing and equipment, Bidders should refer Sub-Clause 1403 (b) Furniture and Equipment, of the Standard Specifications.

Each Type I; II and III house should in addition be provided with the following: a 32" Flat screen colour TV and a satellite decoder/dish, a washing machine, tumbler dryer and a food processor.

Following the explanation above, the wording of "**Clause SS.1403 Houses for the Engineer**" of the Special Specifications is recasted as follows:

"SS.1403 HOUSES FOR THE ENGINEER

In clarification to what is provided in Article 1403 (a) of the Standard Specifications, upon completion of the Contract, the houses, furniture, equipment and services shall revert to the Employer."

QUESTION NO. 20:

Section IV: Bill of Quantities, Series 1000; General 14.01 Houses for the Engineer, Items (f) to (i) on "Maintain and pay all rents and municipal services..." As Contractor is providing houses and office to Employer we do not understand the requirement to pay rent. Or are there any services provided by Utilities providers which come on rental basis?. Kindly clarify on payment of rent of owned houses.

Response to Question No. 20

As the houses will be owned, payment of rents will not apply. However, services such as water supply, waste disposal, electricity, etc will be paid to the services providers.

QUESTION NO. 21:

Section IV: Bill of Quantities, Series 1000 – General, Pay Item 14.03: Please confirm whether "Wash House" is a laundry room. Also provide requirement details.

Response to Question No. 21

Yes. Please refer Drawing No. T00-IMN/DS/Y41 and Clause 1405 of the Standard Specification for more details.

QUESTION NO. 22:

Section IV Bidding Forms Schedule of Adjustment Data: It is stipulated that a Bidder should provide the "Name of Index" and title of authoritative publication and provide supplementary information showing the indices available during the 12 months prior to tender submission. We request the Employer to suggest "Name of Index" and title of authoritative publication, so as to keep all Bidders at par.

Response to Question No. 22

The designated source of index for local inputs such as Local Labour; Cement and Fuel is the National Construction Council (NCC), Email: info@ncc.go.tz Website: <http://www.ncc.go.tz>

Authorities for indices for Equipment, Bitumen, Steel and Expatriate Labour. include:

US Bureau of Labour Statistics - <http://data.bls.gov> and

BCIS - <http://service.bcis.co.uk/bcisonline>

However, Bidders are required to obtain by themselves the indices published by recognized authorities from where the respective inputs for the project are to be sourced.

QUESTION NO. 23:

Section III, Evaluation and Qualification Criteria 2.4.2 b-2 Experience in Key Activities, for both lots: It is requested that the requirement "(ii) 150,000 m³ Cement Stabilized sub base course in any 1 year" be changed to "ii 150,000 m³ Cement Stabilized / Crushed Aggregate sub base course in any 1 year"

Response to Question No. 23

The request is not acceptable, since the project has specified cement as the chemical stabilizing agent. Hence, the requirement remains unchanged, i.e. "(ii) 150,000 m³ Cement Stabilized sub base course in any 1 year".

QUESTION NO. 24:

Section III, Evaluation and Qualification Criteria, Chapter 2.6 – Equipment: The list of equipment includes Item No. 23 with the particulars below:

No.	Equipment Type and Characteristics	Minimum Capacity	Min. No. Required
23	Concrete mixer	60 m ³ /hour	3

It seems to us that Item 23, should be concrete mixer trucks, and therefore, the capacity should be expressed in m³ and not in m³/h. Please clarify.

Response to Question No. 24

We concur with the observation that the particulars of Item 23 are wrong. The particulars are hereby replaced with those shown below:

No.	Equipment Type and Characteristics	Minimum Capacity	Min. No. Required
23	Concrete truck mixer	6 m ³	3

QUESTION NO. 25:

We kindly request you to provide us with the data of the actual terrain in one of the following formats; Digital Terrain Model (DTM) or Cloud Point or Line Levels.

Response to Question No. 25

We are not in position to provide the requested information. Bidders should rely on the issued documents for preparation of tenders.

QUESTION NO. 26:

Referring to the Bidding Document Volume 1, page no. 29 (Tender Data Sheet) the project name is written as **Construction of Dodoma City Outer Dual Carriageway Ring Road (112.3 km) to Bitumen Standard, Lot 1: Nala - Veyula - Mtumba – Ihumwa Dry Port Section (52.3 Km)**. However, on page 52 (Letter of Bid) the project name is written as **Construction of Dodoma City Outer Dual Carriageway Ring Road (112.3 km) to Bitumen Standard, Lot 1: Nala - Veyula - Mtumba – Ihumwa Dry Port (52.3 Km)**, Please clarify which one is correct.

Response to Question No. 26

Both names are correct, and can be interchangeably used.

QUESTION NO. 27

Please confirm the following: (i) Can the amount of Bid Security (Bank Guarantee) be in Euro? (ii) The exchange rate to be used.

Response to Question No. 27

(i) Yes, it is confirmed. The amount of Euro should be the equivalent amount of Tanzania Shillings 3,500,000,000.

(ii) The exchange rate to be used is the Bank of Tanzania (BOT) selling rate ruling on 28 days before the deadline for Bids submission.

QUESTION NO. 28

Please confirm if the Bid Security (Bank Guarantee) can be issued by an Italian Bank located in Italy.

Response to Question No. 28

A Bid Security can be issued by any reputable Bank located in any eligible country, which includes Italy.

QUESTION NO. 29

Our Italian Bank has proposed some minor changes to the Form of Bid Security (Bank Guarantee). Please confirm that the changes are acceptable.

Response to Question No. 29

*We have taken note of minor changes proposed by an Italian Firm vide their letter dated 08 October 2019. However, we wish to inform that the only changes allowed in the Bid Security are those explained in our response to **Question No. 3** above. No additional amendments are allowed.*

QUESTION NO. 30

We request for clarification of G3 materials under Item 36.01 (c) of the Bill of Quantities.

Response to Question No. 30

The question is not clear. However, Bidders may wish to refer to the Bidding Document, Section VI (2A), Standard Specifications, Clause 3601 and 3602 for the G3 material specifications.

QUESTION NO. 31

Section IV: Bill of Quantities, Series 1000 – General, Pay Item 14.05 (b): The quantity of months provided (78) to operate and maintain four wheel drive station wagon will exceed the contract period including the defects liability period which amounts to 51 months – refer particular conditions Clause 1.1.3.3 and 1.1.3.7. Kindly clarify.

Response to Question No. 31

The quantity of Pay Item 14.05(b) of 78 veh-months is the product of the no. of vehicles i.e. 2 vehicles and the construction period i.e. 39 months during which they will be in operation. The period of operation and maintenance of the 2 vehicles does not include the defects liability period.

QUESTION NO. 32

(i) The Pre-Tender Meeting was held on 2nd October 2019. However, to-date we have not received the minutes of the Pre-tender meeting including answers to clarifications raised, In view of this we request the Employer to consider an extension of the Bid Submission deadline for at least two weeks in order to enable Bidders accommodate clarifications to queries raised in the preparation of tenders and sufficient time to prepare tender documents for submission.

(ii) Please clarify whether we can submit the Bid Security from a Foreign Bank.

Response to Question No. 32

(i) The minutes of the Pre-tender meeting have been issued to prospective Bidders vide our letter dated 21st October 2019. We are sorry for the delay in issuing the minutes, which was caused by circumstances which were out of our control. Regarding the request for extension of the submission deadline, the reasons are not strong enough to justify an extension. Moreover, the procurement process needs to be expedited so as to meet the Loan Agreement and avert reallocation of project finances.

(ii) Tender Security issued by a Foreign Bank or Local Bank is acceptable.

QUESTION NO. 33

Please provide Drawings for BOQ Item 22.17(a) Manholes.

Response to Question No. 33

We are sorry for the missing drawing. A drawing showing details of manholes and service ducts is issued with this Clarification No. 1 in electronic version – pdf format.

QUESTION NO. 34

Please provide Drawings for BOQ Item 22.23 Service Duct.

Response to Question No. 34

Refer response to Question No. 34 above.

QUESTION NO. 35

Is it allowed to dig boreholes within the scope of the project and the camp?

Response to Question No. 35

Yes. However, prior approval of the Water Authorities and the Engineer must be obtained before digging the boreholes.

QUESTION NO. 36

Regarding BOQ Item 22.03(iv): 2/1200 mm diameter pipe culvert:

(i) Is it double 1200 pipe culverts?

(ii) Is the length measured according to single pipe culvert length or double pipe culvert length?

Response to Question No. 36

(i) Yes.

(ii) *The length is measured according to double pipe culvert length.*

QUESTION NO. 37

Please provide the Geological report for the project.

Response to Question No. 37

We do not have a Geological report for the project. Instead, we have the Geotechnical report for five bridges to be constructed along the Project Road. An electronic version of the report in pdf format is issued to all prospective Bidders for reference, in case any of the Bidders is interested.

QUESTION NO. 38

Please provide format of Power of Attorney

Response to Question No. 38

*A sample Form of Power of Attorney is attached herewith as **Appendix 1 of Clarification No. 1**. Bidders are allowed to adopt the sample form or any other suitable form that they prefer. **However, Power of Attorney must be notarized.***

QUESTION NO. 39

According to experience, the quantities of the BOQ Items below do not match.

Pay Item: 42.02(a) Asphalt concrete surfacing (PG70-10 performance grade bitumen, aggregate max size 19 mm) (SP19, 50mm compacted thickness): 40,700 cu.m. and

Pay Item: 42.02(b) Bitumen PG 70-10 Performance Grade for Asphalt Concrete Surfacing: 2,136 t

Kindly revisit the Item quantities.

Response to Question No. 39

*We have noted the anomaly and rectified the same. The quantity for the Pay Item 42.02(a) is revised from 40,700 cu.m to 37,010 cu.m, and for Pay Item 42.02(b) is revised from 2,136 tonne to 4,555 tonne. Bidders should replace the affected BOQ Page with that attached herewith as **Appendix 2 of Clarification No. 1**.*

The description of Pay Item 42.02(a) is also corrected to read:

“Asphalt concrete, SP 12.5 in 50mm thickness using PG70-10 Performance Grade Bitumen.”

Form of Bid Security (Bank Guarantee)

_____ [Bank's Name, and Address of Issuing Branch or Office]

Beneficiary:

The Chief Executive,
Tanzania National Roads Agency (TANROADS),
P. O. Box 11364,
Dar es Salaam

(Hereinafter referred to as The Employer)

Date: _____

BID GUARANTEE No.: _____

We have been informed that _____ [name of the Bidder] (hereinafter called "the Applicant") has submitted to you its bid dated _____ (hereinafter called "the Bid") for the execution of _____ [name of contract] under Invitation for Bids No. _____ ("the IFB").

Furthermore, we understand that, according to your conditions, bids must be supported by a bid guarantee.

At the request of the Applicant, we _____ [name of Bank] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of _____ [*amount in figures*] (_____) [*amount in words*] upon receipt by us of your first demand in writing accompanied by a written statement stating that the Applicant is in breach of its obligation(s) under the bid conditions, because the Applicant:

- (a) _____ has withdrawn its Bid during the period of bid validity specified by the Applicant in the Form of Bid; or
- (b) _____ having been notified of the acceptance of its Bid by the Beneficiary during the period of bid validity or any extension thereto provided by the Applicant, (i) fails or refuses to execute the Contract Form, if required, or (ii) fails or refuses to furnish the performance security, in accordance with **ITB 38**.

This guarantee will expire: (a) if the Applicant is the successful Bidder, upon our receipt of copies of the contract signed by the Applicant and the performance security issued to you upon the instruction of the Bidder; and (b) if the Applicant is not the successful Bidder, upon the earlier of (i) our receipt of a copy of your notification to the Applicant of the name of the successful Bidder; or (ii) twenty-eight days after the expiration of the Bid Validity Period.

Consequently, any demand for payment under this guarantee must be received by us at the office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758.

[Signature]

Note: All italicized text is for use in preparing this form and shall be deleted from the final product.

Appendix 1 of Clarification No. 1

Power of Attorney

TO ALL IT MAY CONCERN

THAT BY THIS POWER OF ATTORNEY given on the *[insert date, month and year]*, WE the undersigned *[insert name of the company/donor]* of *[insert address of the company/donor]*, by virtue of authority conferred to us by the Board Resolution No.....ofday of*[insert year]*, do hereby ordain nominate and appoint *[insert name of donee]* of *[insert address of the donee]* to be our true lawful Attorney and Agent, with full power and authority, for us and in our names, and for our accounts and benefits, to do any, or all of the following acts, in the execution of tender No. *[insert tender number]* that is to say;

To act for the company and do any other thing or things incidental for *[insert tender Number]* of *[insert description of procurement]* for the *[insert name of the procuring entity]*;

AND provided always that this Power of Attorney shall not revoke or in any manner affect any future power of attorney given to any other person or persons for such other power or powers shall remain and be of the same force and affect as if this deed has not been executed.

AND we hereby undertake to ratify everything, which our Attorney or any substitute or substitutes or agent or agents appointed by him under this power on his behalf herein before contained shall do or purport to do in virtue of this Power of Attorney.

SEALED with the common seal of the said *[insert name of the company]* and delivered in the presence of us this *[insert date]* day of *[insert month]* *[insert year]*.

IN WITNESS whereof we have signed this deed on this *[insert date]* day of *[insert month]* *[insert year]* at *[insert region]* for and on behalf of *[insert name of the company]*
.....

SEALED with the Common Seal of
[insert name of the donor/coy]
This *[insert date, month and year]* }

.....
SEAL OF DONOR

Seal affixed in the presence of:

- | | |
|--------------------|-----------------|
| 1. Name:..... | 2. Name: |
| Signature..... | Signature |
| Designation: | Designation |
| | |

BEFORE ME:

.....
COMMISSIONER FOR OATHS

Acknowledgement

I [*insert name of donee*] doth hereby acknowledge and accept to be Attorney of the said [*insert name of the company/donor*] under the terms and conditions contained in this POWER OF ATTORNEY and I promise to perform and discharge my duties as the lawfully appointed Attorney faithfully and honestly.

SIGNED and DELIVERED by the said
[*insert name of donee*] Identified to me
by [*insert name*]
The latter known to me personally
This [*insert date, month and year*],

.....
DONEE

BEFORE ME

.....
COMMISSIONER FOR OATHS

Appendix 2 of Clarification No. 1

