



**THE REVOLUTIONARY GOVERNMENT OF ZANZIBAR  
MINISTRY OF HEALTH**

**IFB No: SMZ/HO3/G/EP-ICT/2021/2022/01**

**CONTRACT FOR SUPPLY OF LOT 4: THE HEALTH COMMODITIES TO THE  
DISTRICT HOSPITAL AT MWERA-PONGWE AND KITOGANI**

**BETWEEN**

**MINISTRY OF HEALTH SOCIAL  
ZANZIBAR  
P.O.BOX 236**

**AND**

**LAB EQUIP LIMITED  
P.O.BOX 20254**

....., 2022

**FORM OF CONTRACT**

Form of Contract

THIS AGREEMENT is made the 29 day of JUNE, 2022

Between the **MINISTRY OF HEALTH** of P.O. Box 236, Mnazi Mmoja Zanzibar (hereinafter called "the Purchaser") of one part,

And **LAB EQUIP LIMITED**, a company incorporated under the laws of Zanzibar with Registration No. .... and Principal Place of business is Dar es salaam, , whose address is P.O.Box ....., Dar es salaam Tanzania (hereinafter called "the Supplier") on the other part:

WHEREAS, the Purchaser invited the Supplier viz., **SMZ/HO3/G/EP-ICT/2021/2022/01**, to supply **Lot 4: Health Commodities of the District Hospital at Mwera Pongwe and Kitogani** (herein called the "goods"),

AND WHEREAS, the Supplier has accepted to supply the same for the Contract price of **Tshs 1,364,068,000/- (Tanzania Shillings One Billion, Three Hundred and Sixty-Four Milion and Sixty-Eight Only) - VAT Inclusive** (Hereinafter called "the Contract Price") upon the terms and conditions appears herein this Contract.

**NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement.
  - i. The Form of Contract;
  - ii. The Letter of Notification of Award;
  - iii. The Letter of Acceptance;
  - iv. The Bid Form
  - v. The General Conditions of Contract;
  - vi. The Special Conditions of Contract;
  - vii. The Specification (including Schedule of Requirements and Technical Specifications);
  - viii. The Price Schedule
  - ix. Manufacturer Authorization Form; and
  - x. Power of Attorney.

In the event of any inconsistency between the documents, these documents shall prevail over all other Contract documents.

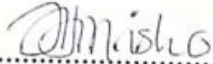
3. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the goods and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the goods, the Contract Price or such other sum as may become payable under the provisions of the Contract, at the time and in the manner prescribed by the Contract.
5. The Contract Sum is Tshs 1,364,068,000/- (Tanzania shillings One Billion, Three Hundred and Sixty-Four Milion and Sixty-Eight Only) – VAT Inclusive.
6. The payment agreed under this Contract shall be made through SUPPLIER's Bank stated below:

Bank Name: NMB PLC  
Bank Address: OHIO STREET BRANCH  
Account Name: LAB EQUIP LTD  
Account Number: 24110001065  
Branch Name: OHIO BRANCH  
Branch Code: 241  
Currency: TSHS  
Swift code: NMBTETZ

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in accordance with Laws of Zanzibar on the day, month and year indicated above.

For and on behalf of the Purchaser

Witness prepared by the Purchaser

  
.....  
DR. FATMA H. MRISHO,  
PRINCIPAL SECRETARY,  
MINISTRY OF HEALTH,  
ZANZIBAR.




OFFICIAL STAMP


Name: SHUFAA NASSOR ALI  
.....  
Position: STATE ATTORNEY  
.....  
Signature: 

For and on behalf of the Supplier

Witness prepared by the Supplier

Signature:   
.....  
Name: Ahmed Ali  
.....  
Position: Branch Manager  
.....

LAB EQUIP LTD.  
P.O. Box 20254  
Dar Es Salaam  
Tel. 2117579, Fax 2113062

Signature:   
.....  
Name: Fatma  
.....  
Position: Assistant  
.....

OFFICIAL STAMP

**THE LETTER OF NOTIFICATION OF AWARD**

**LETTER OF ACCEPTANCE**

**THE GENERAL CONDITIONS OF CONTRACT**



## **General Conditions of Contract**

- 1. Definitions**      1.1 In this Contract, the following terms shall be interpreted as indicated:
- a) “The Contract” means the agreement entered into between the Purchaser and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - b) “Completion” means the fulfillment of the related services by the Supplier in accordance with the terms and conditions set forth in the contract
  - c) “The Contract Price” means the price payable to the Supplier as specified under the Contract, subject to such additions and adjustment here to or deduction there from as may be made pursuant to the contract for the full and proper performance of its contractual obligations.
  - d) “Delivery” means the transfer of the goods from the supplier equipment, machinery, and /or other materials, which the Supplier is required to supply to the Purchaser under Contract.
  - f) “The Related Services” means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training, initial maintenance and other such obligations of the Supplier covered under the Contract.
  - g) “GCC” means the General Conditions of Contract

contained in this section.

- h) “SCC” means the Special Conditions of Contract.
- i) “The Purchaser” means the entity purchasing the Goods and related service, as specified in the **SCC**.
- j) “The Supplier” means the individual private or government entity or a combination of the above whose Bid to perform the contract has been accepted by the Purchaser and is named as such in the Contract Agreement.
- k) “The Project Site” where applicable, means the place or places named in SCC.
- l) “Day” means calendar day.
- m) "Effective Date" means the date on which this Contract becomes effective pursuant to GCC.
- n) "Eligible Country" means the countries and territories eligible for participation in procurements financed by the specified institution.
- o) “End User" means the organization(s) where the goods will be used, as **named in the SCC**.
- p) “Origin” means the place where the Goods were mined, grown, or produced or from which the Services are supplied. Goods are produced when, through manufacturing, processing, or substantial and major assembly of components, a commercially recognized new produce results that is substantially different in basic characteristics or in purpose or utility from its components.
- q) “Force Majeure” means an event beyond the control of the Supplier and not involving the Purchaser’s fault or negligence and not foreseeable. Such events may include, but are not restricted to, acts of the Purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

2. **Application** 2.1 These General Conditions shall apply to the extent that provisions of other parts of the Contract do not supersede them.
3. **Governing Language** 3.1 The Contract as well as all correspondence and documents relating to the contract exchanged by the Supplier and the Purchaser shall be written in the language **specified in SCC**. Subject to GCC Clause 3.1, the version of the Contract written in the specified language shall govern its interpretation.
4. **Applicable Law** 4.1 The contract shall be governed and interpreted in accordance with the laws of Zanzibar, unless otherwise **specified in SCC**.
5. **Country of Origin** 5.1 The origin of Goods and Services is distinct from the nationality of the Supplier.
6. **Standards** 6.1 The Goods supplied under this Contract shall conform to the standards mentioned in the Technical Specifications, and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods' country of origin. Such standards shall be the latest issued by the concerned institution.
7. **Use of Contract Documents and Information; Inspection and Audit** 7.1 The Supplier shall not, without the Purchaser's prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Supplier in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 7.2 The Supplier shall not, without the Purchaser's prior written consent, make use of any document or information enumerated in GCC Clause 7.1 except for purposes of performing the Contract.
- 7.3 Any document, other than the Contract itself, enumerated in GCC Clause 7.1 shall remain the property of the Purchaser and shall be returned (all copies) to the Purchaser on completion of the Supplier's performance under the Contract if so required by the Purchaser.

- 7.4 The Supplier shall permit the Revolutionary Government of Zanzibar or / and donor agencies involved in financing the project to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Revolutionary Government of Zanzibar or / and the appropriate donor agencies, if so required by the Revolutionary Government of Zanzibar or / and the appropriate donor agencies.
- 8. Patent and Copyrights**
- 8.1 The Supplier shall indemnify the Purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof in Zanzibar.
- 8.2 The patent right in all drawings, documents, and other materials containing data and information furnished to the Purchaser by the Supplier herein shall remain vested in the supplier, or, if they are furnished to the Purchaser directly, or through the Supplier by any third party, including suppliers of materials, the patent right in such materials shall remain vested in such third party.
- 9. Performance Security**
- 9.1 If required, within thirty (30) days of receipt of the notification of Contract award, the successful Bidder shall furnish to the Purchaser the performance security in the amount **specified in SCC**.
- 9.2 The proceeds of the Performance Security shall be payable to the Purchaser as compensation for any loss resulting from the Supplier's failure to complete its obligations under the Contract.
- 9.3 The Performance Security shall be denominated in the currency of the Contract, or in a freely convertible currency acceptable to the Purchaser and shall be in a form of Bank Guarantee or any other form indicated in SCC.
- 9.4 The performance security will be discharged by the Purchaser and returned to the Supplier not later than thirty (30) days following the date of completion of the Supplier's performance obligations under the Contract, including any warranty obligations, unless otherwise **specified in SCC**.

**10. Inspections and Test**

- 10.1 The Supplier shall at its own expense and at no cost to the Purchaser carry out all such tests and/or inspections of the Goods and Related Services as are specified in the **SCC**.
- 10.2 The inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery, and/or at the Goods' final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Purchaser.
- 10.3 The Purchaser or its designated representative shall be entitled to attend the tests and/or inspections referred to in GCC sub-Clause 10.2, provided that the Purchaser bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.
- 10.4 Should any inspected or tested Goods fail to conform to the Specifications, the Purchaser may reject the Goods, and the Supplier shall replace the rejected Goods to meet specification requirements free of cost to the Purchaser.
- 10.5 The Purchaser's right to inspect, test and, where necessary, reject Goods after the Goods' arrival in the Purchaser's country shall in no way be limited or eared by reason of the Goods having previously been inspected, tested, and passed by the Purchaser or its representative prior to the Goods' shipment from the country of origin.
- 10.6 Whenever the Supplier is ready to carry out any such test and inspection, it shall give a reasonable advance notice, including the place and time, to the Purchaser. The Supplier shall obtain from any relevant third party or manufacturer any necessary permission or consent to enable the Purchaser or its designated representative to attend the test and/or inspection.

10.7 : Purchaser may require the Supplier to carry out any test and/or inspection not required by the Contract but deemed necessary to verify that the characteristics and performance of the Goods comply with the technical specifications codes and standards under the Contract, provided that the Supplier's reasonable costs and expenses incurred in the carrying out of such test and/or inspection shall be added to the Contract Price. Further, if such test and/or inspection impedes the progress of manufacturing and/or the Supplier's performance of its other obligations under the Contract, due allowance will be made in respect of the Delivery Dates and Completion Dates and the other obligations so affected.

10.8 Supplier shall provide the Purchaser with a report of the results of any such test and/or inspection.

10.9 Purchaser may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Purchaser, and shall repeat the test and/or inspection, at no cost to the Purchaser, upon giving a notice pursuant to GCC sub-Clause 10.6.

10.1 The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Purchaser or its representative, nor the issue of any report pursuant to GCC sub-Clause 10.8, shall release the Supplier from any warranties or other obligations under the Contract.

**11. Packing and Documents**

11.1 The supplier shall provide such packing of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the Contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing case size and weights shall take into consideration, where appropriate, the remoteness of the Goods final destination and the absence of heavy handling facilities at all points in transit.

- 11.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract, including additional requirements, if any, **specified in SCC**, and in any subsequent instructions ordered by the Purchaser.
- 12. Delivery and Documents**
- 12.1 The Supplier in accordance with the terms specified in the Schedule of Requirements shall make delivery of the Goods. The details of shipping and / or other documents to be furnished by the Supplier are **specified in SCC**.
- 12.2 For purposes of the Contract, “EXW”, “CIF”, “CIP,” and other trade terms used to describe the obligations of the parties shall have the meanings assigned to them by the current edition of INCOTERMS published by the International Chamber of Commerce, Paris.
- 12.3 Documents to be submitted by the Supplier are **specified in SCC**.
- 13. Insurance**
- 13.1 The Goods supplied under the Contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery in the manner **specified in the SCC**.
- 14. Transportation**
- 14.1 Unless otherwise specified in the **SCC**, responsibility for arranging transportation of the Goods shall be in accordance with the specified INCOTERMS
- 15. Incidental Services**
- 15.1 The Supplier may be required to provide any or all of the following services, including additional services, if any, **specified in SCC**:
- a) Performance or supervision of on-site assembly and/or start-up of the supplied Goods;
  - b) Furnishing of tools required for assembly and/or maintenance of the supplied Goods;
  - c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods;
  - d) Performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time

agreed by the parties, provided that this service shall not relieve the Supplier of any warranty obligations under this Contract; and

- e) Training of the Purchaser's personnel, at the Supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied Goods.

15.2 Prices charged by the Supplier for incidental services, if not included in the Contract Price for the Goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.

## 16. Spare Parts

16.1 As **specified in SCC**, the Supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Supplier, such spare parts as the Purchaser may decide to purchase from the Supplier, this decision shall not relieve the Supplier of any warranty obligations under the Contract;

## 17. Warranty

17.1 The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the Contract. The Supplier further warrants that all Goods supplied under this Contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the Purchaser's specifications) or from any act or omission of the Supplier that may develop under normal use of the supplied Goods in the conditions prevailing in Zanzibar.

17.2 This warranty shall remain valid for a period specified in the **SCC** after the Goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the Contract, or for a period specified in the **SCC** after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless **specified otherwise in SCC**.



- 17.3 The Purchaser shall promptly notify the Supplier in writing of any claims arising under this warranty.
- 17.4 Upon receipt of such notice, the Supplier shall, within the period **specified in SCC** and with all reasonable speed, repair or replace the defective Goods or parts thereof, without costs to the Purchaser.
- 17.5 If the Supplier, having been notified, fails to remedy the defect(s) within the period **specified in SCC**, the Purchaser may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Purchaser may have against the Supplier under the Contract.

## **18. Payment**

- 18.1 The Contract Price, including any Advance Payments, if applicable, shall be paid as specified in the **SCC**.
- 18.2 The Supplier's request for payment shall be made to the Purchaser in writing, accompanied by invoices describing, as appropriate, the Goods delivered and Related Services performed, and by the documents submitted pursuant to GCC Clause 12 and upon fulfillment of all other obligations stipulated in the Contract.
- 18.3 Payments shall be made promptly by the Purchaser, but in no case later than thirty (30) days after submission of an invoice or request for payment by the Supplier, and after the Purchaser has accepted it.
- 18.4 The currencies in which payments shall be made to the Supplier under this Contract shall be those in which the bid price is expressed.
- 18.5 In the event that the Purchaser fails to pay the Supplier any payment by its due date or within the period set forth in the **SCC**, the Purchaser shall pay to the Supplier interest on the amount of such delayed payment at the rate shown in the **SCC**, for the period of delay until payment has been made in full, whether before or after judgment or arbitration award.
- 18.6 The Contract Price, including any Advance Payments, if applicable, shall be paid as specified in the **SCC**.

- 19. Prices**
- 19.1 The contract price shall be as specified in the Contract Agreement subject to any additions and adjustments thereto or deductions there from, as may be made pursuant to the Contract.
- 19.2 Prices charged by the Supplier for Goods delivered and Services performed under the Contract shall not vary from the prices quoted by the Supplier in its Bid, with the exception of any price adjustments **authorized in SCC** or in the Purchaser's request for Bid validity extension, as the case may be.
- 20. Change Orders**
- 20.1 The Purchaser may at any time, by a written order given to the Supplier pursuant to GCC Clause 21, make changes within the general scope of the Contract in any one or more of the following:
- a) Drawings, designs, or specifications, where Goods to be furnished under the Contract are to be specifically manufactured for the Purchaser;
  - b) The method of shipment or packing;
  - c) The place of delivery; and/or
  - d) The Services to be provided by the Supplier.
- 20.2 If any such change causes an increase or decrease in the cost of, or the time required for, the Supplier's performance of any provisions under the Contract an equitable adjustment shall be made in the Contract Price or delivery schedule, or both, and the Contract shall accordingly be amended.
- 20.3 Prices to be charged by the supplier for any related services that might be needed but which were not included in the Contract shall be agreed upon in advance by the Parties and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.
- 21. Contract Amendments**
- 21.1 Subject to GCC Clause 20, no variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties.

- 22. Assignment** 22.1 Neither the Purchaser nor the Supplier shall assign, in whole or in part, obligations under this Contract, except with the prior written consent of the other party.
- 23. Subcontracts** 23.1 The Supplier shall notify the Purchaser in writing of all subcontracts awarded under this contract if not already specified in the Bid. Such notification, in the original Bid or later, shall not relieve the Supplier from any liability or obligation under the contract.
- 23.2 Subcontracts must comply with the provision of GCC Clause 4.
- 24. Delays in the Supplier's Performance** 24.1 Delivery of the Goods and performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Purchaser in the Schedule of Requirements.
- 24.2 If at any time during performance of the Contract, the Supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the Goods and performance of Services, the Supplier shall promptly notify the Purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, the Purchaser shall evaluate the situation and may at its discretion extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of Contract.
- 24.3 Except as provided under GCC Clause 27, a delay by the Supplier in the performance of its delivery obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 25, unless an extension of time is agreed upon pursuant to GCC Clause 24.2 without the application of liquidated damages.

- 25. Liquidated Damages** 25.1 Subject to GCC Clause 27, if the Supplier fails to deliver any or all of the Goods or to perform the Services within the period(s) specified in the Contract, the Purchaser shall, without prejudice to its other remedies under the Contract, deduct from the Contract Price, as liquidated damages, a sum equivalent to the percentage **specified in SCC** of the delivered price of the delayed Goods or unperformed Services for each week or part thereof of delay until actual delivery or performance, up to a maximum deduction of the percentage **specified in SCC**. Once the maximum is reached, the Purchaser may consider termination of the Contract pursuant to GCC Clause 26.
- 26. Termination for Default** 26.1 The Purchaser or the Supplier, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the concerned party may terminate the Contract if the other party causes a fundamental breach of the Contract.
- 26.2 Fundamental breaches of Contract shall include, but shall not be limited to the following:
- a) the Supplier fails to deliver any or all of the Goods within the period(s) specified in the Contract, or within any extension thereof granted by the Purchaser pursuant to GCC Clause 24;
  - b) the supplier has abandoned or repudiated the contract.
  - c) The Purchaser or the Supplier is made bankrupt or goes into liquidation other than for a reconstruction or amalgamation;
  - d) a payment is not paid by the Purchaser to the Supplier within 84 days of the due date for payment;
  - e) the Purchaser gives Notice that goods delivered with a defect is a fundamental breach of Contract and the Supplier fails to correct it within a reasonable period of time determined by the Purchaser; and
  - f) the supplier, in the judgment of the Purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

For the purpose of this clause:

“Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution and includes, inter alia, bribery and extortion or coercion which involves threats of injury to person, property or reputation, and

“fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Purchaser, and includes collusive practices among Bidders (prior to or after Bid submission)

26.4 In the event the Purchaser terminates the Contract in whole or in part, pursuant to GCC Clause 26.1, the Purchaser may procure, upon such terms and in such manner, as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Purchaser for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of the Contract to the extent not terminated.

**27. Force  
Majeure**

27.1 Notwithstanding the provisions of GCC Clauses 24, 25, and 26, the Supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure. Such events may include, but are not restricted to, acts of the Purchaser in its sovereign capacity, wars, fires, floods, epidemics, quarantine, restrictions, acts of terrorists and freight embargoes.

27.2 If a Force Majeure situation arises, the Supplier shall promptly notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

- 28. Termination for Insolvency** 28.1 The Purchaser may at any time terminate the Contract by giving written notice to the Supplier if the Supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy that has accrued or will accrue thereafter to the Purchaser.
- 29. Termination for Convenience** 29.1 The Purchaser, by written notice sent to the Supplier, may terminate the contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the Purchaser's convenience, the Contract is terminated, and the date upon which such termination becomes effective.
- 29.2 The Purchaser shall accept the Goods that are complete and ready for shipment within thirty (30) days after the Supplier's receipt of notice of termination at the Contract terms and price. For the remaining Goods, the Purchaser may decide:
- a) To have any portion completed and delivered at the Contract terms and prices; and / or
  - b) To cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and Services and for materials and parts previously procured by the Supplier.
- 30. Disputes** 30.1 In the event of any dispute arising out of this contract, either party shall issue a notice of dispute to settle the dispute amicably. The parties hereto shall, within thirty (30) days from the notice date, use their best efforts to settle the dispute amicably through mutual consultations and negotiation. Any unsolved dispute may be referred by either party to an adjudicator nominated by the appointing Authority specified in **SCC**.
- 30.2 After the dispute has been referred to the adjudicator, within 30 days, or within such other period as may be proposed by the Parties, the Adjudicator shall give its decision. The rendered decision shall be binding to the Parties.

- 30.3 If either Party is dissatisfied with the Adjudicator's decision may, within days specified in the **SCC** refer the dispute for arbitration. If either party within the period mentioned in the **SCC** has not referred the matter for arbitration the decision shall become final and binding to the Parties.
- 31. Procedure for Disputes**
- 31.1 The arbitration shall be conducted in accordance with the arbitration procedure published by the institution named and in the place shown in the **SCC**.
- 31.2 The rate of the Adjudicator's fee and administrative costs of adjudication indicated in the **SCC** shall be borne equally by the Parties. The rates and costs shall be in accordance with the rules of the Appointing Authority. In conducting adjudication to its finality each party shall bear its incurred costs and expenses.
- 32. Replacement of Adjudicator**
- 32.1 Should the Adjudicator resign or unable to perform his duties, or should the Purchaser and the Supplier agree that the Adjudicator is not functioning in accordance with the provisions of the Contract a new Adjudicator will be jointly appointed by the Purchaser and the Supplier. In case of disagreement between the Purchaser and the Supplier, within 30 days, the Adjudicator shall be designated by the Appointing Authority designated in the **SCC** at the request of either party, within 14 days of receipt of such request.
- 33. Limitation of Liability**
- 33.1 Except in cases of criminal negligence or willful conduct, and in the case of infringement pursuant to GCC Clause 8,
- a) The supplier shall not be liable to the Purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the Supplier to pay liquidated damages to the Purchaser; and
  - b) The aggregate liability of the Supplier to the Purchaser, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment or to any obligation of the Supplier to indemnify the Purchaser with respect to patent infringement.

- 34. Notices**
- 34.1 Any notice given by one party to the other pursuant to this Contract shall be sent to the other party in writing and confirmed in writing to the other party's address **specified in SCC**. The term "in writing" means communicated in written form with proof of receipt.
- 34.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.
- 35. Taxes and Duties**
- 35.1 A Supplier shall be entirely responsible for all taxes and levies imposed outside Zanzibar.
- 35.2 If any tax exemptions, reductions, allowances or privileges may be available to the Supplier in Zanzibar, the Purchaser shall use its best efforts to enable the Supplier to benefit from any such tax savings to the maximum allowable extent.

## **SPECIAL CONDITIONS OF CONTRACT**



### Special Conditions of Contract

The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions of Contract. The corresponding clause number of the GCC is indicated in parentheses.

<b>GCC Clause Number</b>	<b>Amendments of, and Supplements to, Clauses in the General Conditions of Contract</b>
<b>Definitions (GCC Clause 1)</b>	
1.1(i)	The Purchaser is: <b>Ministry of Health.</b>
1.1(j)	The Supplier is: <b>LABEQUIP LIMITED</b> of Dar es salaam Tanzania of P.O. Box 20254
1.1(k)	<b>The Project site:</b>  For the goods ordered to be delivered in <b>Panga Tupu District Hopital Unguja</b> , the Project site shall be: <b>Panga Tupu District Hopital Unguja:</b>  For the goods ordered to be delivered in <b>Kivunge District Hopital</b>

	<p><b>Unguja</b>, the Project site shall be: <b>Panga Tupu District Hopital Unguja</b>:</p> <p>For the goods ordered to be delivered in <b>Panga Tupu District Hopital Unguja</b>, the Project site shall be: <b>Panga Tupu District Hopital Unguja</b></p>
<p><b>Governing Language (GCC Clause 3)</b></p>	
3.1	The Governing Language shall be <b>English</b>
<p><b>Applicable Law (GCC Clause 4)</b></p>	
4.1	The Applicable Law shall be: Laws of <b>Zanzibar</b> .
<p><b>Country of Origin (GCC Clause 5)</b></p>	
5.1	Countries of Origin are China, Maharashtra, Korea,
<p><b>Performance Security (GCC Clause 9)</b></p>	
9.1	The amount of performance security, as a percentage of the Contract Price, shall be: Ten (10) percent of the Contract Price
9.3	Discharge of the Performance Security shall have denominated in Tanzania and shall be in the form of Unconditional Bank Guarantee.
<p><b>Inspections and Tests (GCC Clause 10)</b></p>	
10.1	The inspections and tests shall be: Quality and quantity inspection shall be carried out prior to shipment of Goods by the manufacturer(s) at the supplier's own expense and responsibility in terms of the items specified in the specifications. The supplier shall submit the inspection certificate issued by himself that should be attached with the certificate(s) of the manufacturer(s) to the Purchaser in order to ensure that the goods are manufactured in compliance with the contract.

<b>Packing (GCC Clause 11)</b>	
11.2	The Goods shall be packed properly in accordance with standard export packing.
<b>Delivery and Documents (GCC Clause 12)</b>	
12.1	<p><b>For Goods supplied from abroad:</b></p> <p>Upon shipment, the Supplier shall notify the Purchaser and the Insurance Company by cable the full details of the shipment, including Contract number, description of Goods, quantity, the vessel, the bill of lading number and date, port of loading, date of shipment, port of discharge, etc. The Supplier shall mail the following documents to the Procuring and Disposing Entity, with a copy to the Insurance Company:</p> <ul style="list-style-type: none"> <li>(i.)Details of Shipping and other Documents to be furnished by the Supplier are One original plus four copies of the Supplier's invoice showing Goods' description, quantity, unit price, and total amount;</li> <li>(ii.)original and four copies of the negotiable, clean, on-board bill of lading marked "freight prepaid" and four copies of nonnegotiable bill of lading;</li> <li>(iii.)One original plus four copies of the packing list identifying contents of each package;</li> <li>(iv.)Insurance certificate ;</li> <li>(v.)Manufacturer's or Supplier's warranty certificate;</li> <li>(vi.)inspection certificate, issued by the nominated inspection agency, and the Supplier's factory inspection report; and</li> <li>(vii.)certificate of country of origin issued by the chamber of commerce and industry or equivalent authority in the country of origin in duplicate.</li> <li>(viii.)A negotiable bill of lading, a non-negotiable sea way bill, an airway bill, a railway consignment note, a road consignment note, insurance certificate, Manufacturer's or Supplier's warranty certificate, inspection certificate issued by nominated inspection</li> </ul>

	<p>agency, Supplier's factory shipping details.</p> <p>The above documents shall be received by the Purchaser at least one week before arrival of the Goods at the port or place of arrival and, if not received, the Supplier will be responsible for any consequent expenses.</p>
	<p>Delivery Period of the goods shall be within the <b>Three (3) months</b> after signing the Contract.</p>
12.3	<p><b>For Goods from within Zanzibar:</b></p> <p>Upon delivery of the Goods to the transporter, the Supplier shall notify the Purchaser and mail the following documents to the Procuring and Disposing Entity:</p> <ul style="list-style-type: none"> <li>(i.) one original plus four copies of the Supplier's invoice showing Goods' description, quantity, unit price, and total amount;</li> <li>(ii.) delivery note, ship receipt, or truck receipt;</li> <li>(iii.) Manufacturer's or Supplier's warranty certificate;</li> <li>(iv.) inspection certificate issued by the nominated inspection agency, and the Supplier's factory inspection report; and</li> </ul> <p>certificate of country of origin issued by the Zanzibar Chamber of Commerce, Industry and Agriculture or equivalent authority in the country of origin in duplicate</p> <p>The Purchaser shall receive the above documents before arrival of the Goods and, if not received, the Supplier will be responsible for any consequent expenses.</p>
<p><b>Insurance (GCC Clause 13)</b></p>	
13.1	<p>The Insurance shall be in an amount equal to 110 percent of the CIP value of the Goods from "warehouse" to "warehouse" on "All Risks" basis, including War Risks and Strikes. Goods supplied under the Contract shall be fully insured by Zanzibar Insurance Co-operation (ZIC).</p>
<p><b>Incidental Services (GCC Clause 15)</b></p>	
15.1	<p>Incidental services to be provided are:</p>

	<ul style="list-style-type: none"> <li>(i) Performance or supervision of on-site assembly and/or start-up of the supplied Goods;</li> <li>(ii) Furnishing of tools required for assembly and/or maintenance of the supplied Goods</li> <li>(iii) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods;</li> <li>(iv) Performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time agreed by the parties, provided that this service shall not relieve the Supplier of any warranty obligations under this Contract; and</li> <li>(v) Training of the Purchaser's personnel, at the Supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied Goods.</li> </ul>
<p><b>Spare Parts (GCC Clause 16)</b></p>	
16.1	<p>Additional spare parts requirements are:</p> <p>Supplier shall carry sufficient inventories to assure ex-stock supply of consumable spares for the Goods. Other spare parts and components shall be supplied as promptly as possible, but in any case within six (6) months of placing the order and opening the letter of credit.</p>
<p><b>Warranty (GCC Clause 17)</b></p>	
17.2	<p>GCC 17.2—In partial modification of the provisions, the warranty period shall be <b>12 months</b> from date of acceptance of the Goods. The Supplier shall, in addition, comply with the performance and/or consumption guarantees specified under the Contract. If, for reasons attributable to the Supplier, these guarantees are not attained in whole or in part, the Purchaser shall, at its discretion, order the Supplier either:</p> <ul style="list-style-type: none"> <li>(a) make such changes, modifications, and/or additions to the Goods or any part thereof as may be necessary in order to attain the contractual guarantees specified in the Contract at its own cost and expense and to carry out further performance tests in accordance with SCC 4,</li> <li>(b) pay liquidated damages to the Purchaser with respect to the failure to meet the contractual guarantees. The rate of these liquidated damages shall be 0.20 per cent per day of undelivered materials /goods value up to the sum</li> </ul>

	equivalent to the amount of ten percent of the Contract value.
17.4 & 17.5	The period for correction of defects in the warranty period is: <b>Within One Week</b>
<b>Payment (GCC Clause 18)</b>	
18.6	<p><b>Payment for Goods supplied from abroad:</b></p> <p>Payment shall be made in: <b>Tanzania Shilling in the following manner.</b></p> <ul style="list-style-type: none"> <li>(i) <b>Advance Payment: 20 Percent</b> of the Contract Price shall be paid within thirty (30) days of signing of the Contract, and upon submission of claim and a bank guarantee for equivalent amount valid until the Goods are delivered and in the form provided in the Bidding documents or another form acceptable to the Procuring and Disposing Entity.</li> <li>(ii) <b>On Shipment: 50 percent</b> of the Contract Price of the Goods shipped shall be paid through irrevocable confirmed letter of credit opened in favor of the Supplier in a bank in its country.</li> <li>(iii) <b>After installation, commissioning, test and Incidental services, and acceptance: 28 Percent</b> of the Contract Price of the Contract Price of Goods received shall be paid within thirty (30) days of receipt of the Goods upon submission of claim supported by the acceptance certificate issued by the Purchaser.</li> <li>(iv) <b>After warrant Period: 2 Percent</b> of Contract Price of price shall be paid once after completion of warrant period.</li> </ul>
<b>Prices (GCC Clause 19)</b>	
19.1	Prices shall be adjusted in accordance with provisions in the Attachment to SCC. <b>Not Applicable</b>

<b>Liquidated Damages (GCC Clause 25)</b>	
25.1	<p>Applicable rate: 0.1 of undelivered materials/good's value.</p> <p>The maximum amount of liquidated damages shall be: <b>10 percent of the contract amount</b></p>
<b>Procedure for Disputes (GCC Clause 31)</b>	
30.1	Any Dispute, controversy or claim arising out of or relating to this Contract shall be settled amicably. Failure of it, the matter shall be sent to the <b>Zanzibar Commercial Court</b> .
30.3	<b>Duration of the Contract</b>
	This Contract shall be valid for a period of <b>THREE (3) years</b> from the date of signing of this Contract as agreed by both parties.
<b>Notices (GCC Clause 34)</b>	
34.1	<p>—Purchaser's address for notice purposes:</p> <p>Purchaser's address for notice purposes:</p> <p style="text-align: center;"><b>PRINCIPAL SECRETARY MINISTRY OF HEALTH, SOCIAL WELFARE, EDERLY, GENDER AND CHILDREN, P. O. BOX 236, ZANZIBAR</b></p> <p>—Supplier's address for notice purposes:</p> <p style="text-align: center;"><b>MANAGING DIRECTOR, LABEQUIP LIMITED, P.O.BOX ....., DAR ES SALAAM, TANZANIA.</b></p>

**THE SPECIFICATION (INCLUDING SCHEDULE OF REQUIREMENTS AND  
TECHNICAL SPECIFICATIONS**



**THE PRICE SCHEDULES OF THE COMMODITY**

**MANUFACTURER AUTHORIZATION FORM**

**POWER OF ATTORNEY**