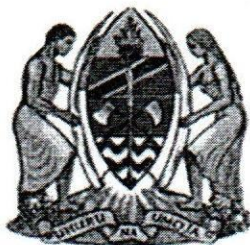


UNITED REPUBLIC OF TANZANIA



MINISTRY OF HEALTH.

NJOMBE REGIONAL REFERRAL HOSPITAL

Contract No. ME/007/18821/2021-2022/W/05

for

For construction of One staff House

March, 2022

This Agreement, made the day of November, 2021 between Medical Officer Incharge of Njombe Regional Referral Hospital of P. O Box 1044, Njombe (hereinafter called "the Employer") and Stephano Michael Maduka of P. O Box 131 Njombe (hereinafter called "the Local Fundi") of the other part.


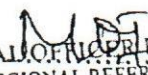
Whereas the Employer is desirous that the Local Fundi execute construction of One staff House with contract number ME/007/18821/2021-2022/W/05 (hereinafter called "the Works") and the Employer has accepted the Tender by the Local Fundi for the execution and completion of such works and the remedying of any defects therein in the sum of Twenty Eight Million Eight Hundred and Two Thousands One Hundred Tanzanian Shillings only (28,802,100/=) VAT inclusive (hereinafter called "Contract Price").

Now this Agreement witnesses as follows:

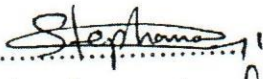
1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to, and they shall be deemed to form and be read and construed as part of this Agreement.
2. In consideration of the payments to be made by the Employer to the Local Fundi as hereinafter mentioned, the Local Fundi hereby covenants with the Employer to execute and complete the Works and remedy any defects therein in conformity in all respects with the provisions of the Contract.
3. The Employer hereby covenants to pay the Local Fundi in consideration of the execution and completion of the Works and the remedying of defects wherein the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.
4. **The following documents form part of this Contract**
 - Form of agreement
 - Letter of Acceptance
 - Priced schedule
 - General Conditions of Contract
 - Special Conditions of Contract
 - Drawings

In Witness whereof the parties thereto have caused this Agreement to be executed the day and year first before written.

For Purchaser:


Signature: 
Name: WINFRED P KYAMBILE
Designation:  ALL OFFICER IN CHARGE
NJOMBE REGIONAL REFERRAL HOSPITAL
Date: 25 MARCH 2022

For Local Fundi:


Signature: 
Name: Stephano Madulca
Designation: CIVIL ENGINEER (LOCAL FUNDI)
Date: 25/03/2022

In the presence of witnesses

For Purchaser:

Signature: 
Name: GODFREY NCHIYA
Designation: HHS
Date: 25/03/2022

For Local Fundi

Signature: 
Name: ANDREW THAAESI
Designation: Fundi MSAI21
Date: 25/03/2022

LETTER OF ACCEPTANCE

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF HEALTH

NJOMBE REGIONAL
Address : HEALTH
Phone No. +25526-2782912
Fax Na. +225 – 262782914
Email: njomberrh@afya.go.tz
In reply please quote:
Ref. NJBRRH/TB/01/18



Njombe Regional Referral Hospital,
P.O.BOX 1044,
NJOMBE.

Date: 24/03/2022

To: Stephano Michael Maduka
P. O BOX 131,
Njombe

LETTER OF ACCEPTANCE

This is to notify you that your bills of Quantities for construction of One Staff House at Njombe RRH for the Contract Price of Twenty Eight Million Eight Hundred and Two Thousands One Hundred Tanzanian Shillings only (28,802,100/=) VAT inclusive has been accepted.

We hereby confirm Regional Administrative Secretary (RAS) of Njombe Region to be the appointing authority, to appoint the Adjudicator in case of any arisen disputes in accordance with GCC 25.1.

You have to reply in writing this acceptance letter within three working days from the date of this letter.

A handwritten signature in black ink, appearing to read 'W. Kyambile'.

Winfred Kyambile
Medical Officer Incharge
Njombe Regional Referral Hospital

MEDICAL OFFICER INCHARGE
NJOMBE REGIONAL REFERRAL HOSPITAL
P. O. Box 1044
NJOMBE

PRICED SCHEDULE

NJOMBE REFERRAL HOSPITAL

LABOUR CHARGE ONLY FOR CONSTRUCTION OF PROPOSED STAFF HOUSE

ITEM	DESCRIPTION	UNIT	QTY	RATE	AMOUNT
	1.0 - SUB STRUCTURE				
	General Activities				
1	Site clearance	m ²	260	1,000	260,000
2	Setting out	Item	1	750,000	750,000
3	Foundation excavation	m ³	273	3,000	819,000
4	Levelling	Item	1	580,000	580,000
5	Backfilling of selected materials	m ²	427	3,200	1,366,400
6	150mm thick, hardcores laying	m ²	244	3,490	851,560
7	Sand blinding and DPM placing/covering	Item	1	200,000	200,000
	Walling				
8	230mm thick block walling	m ²	3695	550	2,032,250.00
	Concrete works				
9	50mm concrete blinding for strip foundation	m ³	12.5	36,000	450,000.00
10	Mass concrete for strip foundation	m ³	41.4	36,000	1,490,400.00
11	Reinforced concrete for oversite	m ³	66	36,000	2,376,000.00
	Reinforcements				
12	Ground beams reinforcements	Kg	4071	300	1,221,300.00
13	BRC mesh for Oversite concrete slab	Item	1	840,000	840,000.00
	Formwork				
14	Formwork for ground beams	m ²	81	6,500	526,500.00
	Jumla ndogo ya kunyanyua msingi				13,763,410.00
	2.0 Kunyanyua jengo (Super-structure)				
1	Ujenzi wa tofali za kuta na uwekaji DPC	m ²	8,188	550	4,503,400
	Kufunga mbao katika:				
3	Nguzo mlalo	m	384	500	191,760
	Kusuka nondo katika:				
3	Nguzo mlalo	m	384	500	192,000
	Kumwaga zege katika:				
4	Nguzo mlalo	m ³	9.2	36,000	331,200
5	Umwagiliaji wa maji	Days	28	7,500	210,000
	Jumla ndogo kunyanyua jengo				5,428,360

	Kuezeza (Roof structure and covering)				
6	Kupiga kenchi	m ²	281	1,000	281,000
7	Kupiga bati	m ²	501	2,000	1,002,000
8	Kufunga gata	m	87	1,500	130,500
9	Kupiga fascia board	m	74	1,200	88,800
	Jumla ndogo kuezeka				1,502,300
	Milango na Madirisha				
10	Kufitisha fremu za milango	Na	21	25,000	525,000
11	Kufitisha grill za madirisha	Na	22	15,000	330,000
	Jumla ndogo Milango na Madirisha				855,000
	Umaliziaji (Finishing)				
	Upigaji wa lipu				
12	Nje na ndani ya jengo	m ²	1,631	1,800	2,935,800
	Sakafu na kuta				
13	Uwekaji wa sakafu ya kupokea vigae (beds)	m ²	431.0	1,500	646,500
14	Uwekaji wa vigae pamoja na grauti katika sakafu (floor tiles) -	m ²	431.0	6,000	2,586,000
15	Uwekaji wa vigae katika kuta na upakaji gramu	m ²	76	6,000	456,000
	Kujenga ramp	No	2	50,000	100,000
	Dari:				
16	Ufungaji wa mbao za dari (Branding)	m ²	431.0	1,500	646,500
17	Uwekaji wa dari na mikanda ya gypsum	m ²	431.0	1,500	646,500
18	Uwekaji wa dari ya pvc kuzunguka nyumba kwa nje	m ²	41	1,500	61,500
	Jumla ndogo umaliziaji(finishing)				8,078,800
	Rangi na Mapambo (Painting & Decoration)				
	Kupaka rangi mikono mitatu pamoja na skimming katika:				
19	Kuta za nje na ndani	m ²	1,231	2,000	2,462,000
20	Dari	m ²	431.0	2,000	862,000
21	Fascia board	m ²	13	2,000	26,000
	Kupaka rangi mikono mitatu katika:				
22	Msingi wa nyumba	m ²	26	2,000	52,000
23	Grill za milango na madirisha	No	12	1,500	18,000
	Jumla ndogo Rangi na mapambo				3,420,000

GENERAL SAMMARY					
	Kunyanyua msingi wa jengo (Sub-structure)				13,763,410.00
	Kunyanyua jengo (Super-structure)				5,428,360
	Kuezeka (Roof structure and covering)				1,502,300
	Milango na madirisha				855,000
	Umaliziaji (Finishing)				8,078,800
	Rangi na Mapambo (Painting & Decoration)				3,420,000
	Jumla ndogo				33,047,870
	Ongeza gharama za ufungaji wa huduma za katika jengo				
1	umeme				
	First fix, second fix and third fix	item	1	1,200,000	1,200,000
2	maji safi na maji taka				
	First fix and finishing	item	1	800,000	800,000
3	Manholes 10Nr., Septic tank (1Nr.) & soakaway pit (1Nr.)	item	1	1,500,000	1,500,000
	Jumla ndogo ya services				3,500,000
	JUMLA KUU				36,547,870

NJOMBE REFERRAL HOSPITAL

LABOUR CHARGE ONLY FOR CONSTRUCTION OF PROPOSED STAFF HOUSE

ITEM	DESCRIPTION	UNIT	QTY	RATE	AMOUNT	NEGOTIATED AMOUNT
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	Reinforcements					
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	Kumwaga zege katika:					
4	Nguzo mlalo	m ³	9.2	36,000	331,200	
5	Umwagiliaji wa maji	Days	28	7,500	210,000	
	Jumla ndogo kunyanyua jengo				5,428,360	
	Kuezeka (Roof structure and covering)					
6	Kupiga kenchi	m ²	281	1,000	281,000	
7	Kupiga bati	m ²	501	2,000	1,002,000	
8	Kufunga gata	m	87	1,500	130,500	
9	Kupiga fascia board	m	74	1,200	88,800	
	Jumla ndogo kuezeka				1,502,300	
	Milango na Madirisha					
10	Kufitisha fremu za milango	Na	21	25,000	525,000	
11	Kufitisha grill za madirisha	Na	22	15,000	330,000	
	Jumla ndogo Milango na Madirisha				855,000	
	Umalizaaji (Finishing)					
	Upigaji wa lipu					

12	Nje na ndani ya jengo	m ²	1,631	1,800	2,935,800	
	Sakafu na kuta					
13	Uwekaji wa sakafu ya kupokea vigae (beds)	m ²	431.0	1,500	646,500	
14	Uwekaji wa vigae pamoja na grauti katika sakafu (floor tiles) -	m ²	431.0	6,000	2,586,000	
15	Uwekaji wa vigae katika kuta na upakaji grom	m ²	76	6,000	456,000	
	Kujenga ramp	No	2	50,000	100,000	
	Dari:					
16	Ufungaji wa mbao za dari (Branding)	m ²	431.0	1,500	646,500	
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	Jumla ndogo umaliziaji(finishing)				8,078,800	
	Rangi na Mapambo (Painting & Decoration)					
	Kupaka rangi mikono mitatu pamoja na skimming katika:					
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	Kupaka rangi mikono mitatu katika:					
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23	Grill za milango na madirisha	No	12	1,500	18,000	
	Jumla ndogo Rangi na mapambo				3,420,000	
	GENERAL SAMMARY					
	Kunyanyua msingi wa jengo (Sub-structure)				13,763,410.00	11,917,640
	Kunyanyua jengo (Super-structure)				5,428,360	3,928,360
	Kuezeka (Roof structure and covering)				1,502,300	1,302,300
	Milango na madirisha				855,000	855,000
	Umaliziaji (Finishing)				8,078,800	6,078,800
	Rangi na Mapambo (Painting & Decoration)				3,420,000	2,420,000
	Jumla ndogo				33,047,870	26,502,100
	Ongeza gharama za ufungaji wa huduma za katika jengo					
1	umeme					
	First fix, second fix and third fix	item	1	1,200,000	1,200,000	
2	maji safi na maji taka					
	First fix and finishing	item	1	800,000	800,000	
3	Manholes 10Nr., Septic tank (1Nr.) & soakaway pit (1Nr.)	item	1	1,500,000	1,500,000	
	Jumla ndogo ya services				3,500,000	2,300,000
	JUMLA KUU				36,547,870	28,802,100

GENERAL CONDITIONS OF CONTRACT

Table of Clauses

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A. General

1. Definition

The following words and expressions shall have the meanings hereby assigned to them:

The **Adjudicator** is the person appointed by the appointing Authority specified in the Special Conditions of Contract (SCC), to resolve contractual disputes in the first instance, and as provided for in **GCC 31 and 32** hereunder.

The **Arbitrator** is the person appointed to resolve contractual disputes, and as provided for in **GCC 32** hereunder.

Bill of Quantities means the priced and completed Bill of Quantities forming part of the Tender.

Compensation Events are those events provided for in GCC 55.

The **Completion Date** is the date of completion of the Works as certified by the Project Manager, in accordance with **GCC 21.1**

The **Commencement Date** is the date when the Local Fundi shall commence execution of the Works as specified in the **Notice of Contract Commencement**. The Commencement Date may be revised by the Project Manager in consultation with the employer by issuing an extension of time.

The **Contract** is the Contract entered between the Employer and the Local Fundi to execute, complete, and maintain the Works. It consists of the documents listed in **GCC 2.3** below.

The **Local Fundi** is a person whether natural or legal whose Tender to carry out the Works has been accepted by the Employer.

The **Local Fundi's Tender** is the completed tendering document submitted by the Local Fundi to the Employer.

The **Contract Price** is the price stated in the Letter of Acceptance and thereafter as adjusted in accordance with the provisions of the Contract.

Days are calendar days; **Months** are calendar months.

Dayworks are varied work inputs subject to payment on a time basis for the Local Fundi's employees and Equipment, in addition to payments for associated Materials and Plant.

A **Defect** is any part of the Works not completed in accordance with the Contract.

The **Defects Liability Certificate** is the certificate issued by Project Manager upon correction of defects by the Local Fundi.

The **Defects Liability Period** is the period named in the **SCC** and calculated from the Completion Date.

Drawings means the drawings of the works, as included in the contract and any additional or modified drawings issued by (or on behalf of) the Employer in accordance with the contract.

Effective Contract date is the date shown in the notice of Contract Commencement issued by the Employer upon fulfillment of the conditions precedent stipulated in Clause 3 of the GCC.

The **Employer** is the person named as employer in the **SCC** and the legal successors in title to this person.

Equipment is the Local Fundi's machinery and vehicles brought to the Site to execute the Works.

Force Majeure means an unforeseeable event which is beyond reasonable control of either Party and which makes a Party's performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances.

For the purposes of this Contract, "Force Majeure" means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable, and its origin is not due to negligence or lack of care on the part of a Party, and which makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be

considered impossible in the circumstances; and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood, epidemics, or other adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the power of the Party invoking Force Majeure to prevent), confiscation.

The **Intended Completion Date** is the date on which it is intended that the Local Fundi shall complete the Works. The Intended Completion Date is specified in the **SCC**. The Intended Completion Date may be revised only by the Project Manager by issuing an extension of time or an acceleration order.

Materials are all supplies, including consumables, used by the Local Fundi for execution of the Works.

Plant is any integral part of the Works that shall have a mechanical, electrical, chemical, or biological function.

The **Project Manager** is the person named in the **SCC** (or any other competent person appointed by the Employer and notified to the Local Fundi, to act in replacement of the Project Manager) who is responsible for supervising the execution of the Works and administering the Contract.

The **Site** is the area where works are to be executed as specified in the **SCC**.

Site Investigation Reports are factual and interpretative reports about the surface and subsurface conditions at the Site that were included in the Tendering documents as indicated in the **SCC**.

Specification means the Specification of the Works included in the Contract and any modification or addition made or approved by the Project Manager.

The **Start Date** is given in the **SCC**. It is the latest date when the Local Fundi shall commence execution of the Works. It does not necessarily coincide with any of the Site Possession Dates.

A **SubLocal Fundi** is a person whether natural or legal who has a Contract with the Local Fundi to carry out a part of the work in the Contract, which includes work on the Site.

Temporary Works are works designed, constructed, installed, and removed by the Local Fundi that are needed for construction or installation of the Works.

A **Variation** is an instruction given by the Project Manager in consultation with the Employer, that varies the Works.

The **Works** are what the Contract requires the Local Fundi to construct, install, and turn over to the Employer, as defined in the **SCC**.

2. Interpretation

- 2.1 In interpreting these Conditions of Contract headings and marginal notes are used for convenience only and shall not affect their interpretations unless specifically stated; references to singular include the plural and vice versa; and masculine include the feminine. Words have their ordinary meaning under the language of the Contract unless specifically defined.
- 2.2 If sectional completion is specified in the **SCC**, references in the Conditions of Contract to the Works, the Completion Date, and the Intended Completion Date apply to any Section of the Works (other than references to the Completion Date and Intended Completion Date for the whole of the Works).
- 2.3 The documents forming the Contract shall be interpreted in the following order of priority:
- (1) Form of Agreement,
 - (2) Special Conditions of Contract,
 - (3) General Conditions of Contract,
 - (4) Letter of Acceptance,
 - (5) Certificate of Contract Commencement,
 - (6) Specifications,
 - (7) Drawings,
 - (8) Bill of Quantities,
 - (9) Local Fundi's Tender, and
 - (10) Any other document listed in the Special Conditions of Contract as forming part of the Contract.

<p>3. Conditions Precedent</p>	<p>3.1 Having signed the Contract, it shall come into effect on the date on which the following conditions have been satisfied:-</p> <ul style="list-style-type: none"> a) Submission of performance Security in the form specified in the SCC; and b) Furnishing of Unconditional Advance Payment Guarantee. <p>3.2 If the Conditions precedent stipulated on GCC 3.1 is not met by the date specified in the SCC this contract shall not come into effect;</p> <p>3.3 If the Employer is satisfied that each of the conditions precedent in this contract has been satisfied (except to the extent waved by him, but subject to such conditions as he shall impose in respect of such waiver)he shall promptly issue to the Local Fundi a certificate of Contract commencement, which shall confirm the start date.</p>
<p>4. Language and Law</p>	<p>4.1 The language of the Contract and the law governing the Contract are stated in the SCC.</p>
<p>5. Confidentiality</p>	<p>5.1 The Service Providers, their SubLocal Fundis, and the Personnel of either of them shall not disclose any proprietary or confidential information relating to the Project, the Services, this Contract, or the Employer's business or operations without the prior written consent of the Employer.</p>
<p>6. Project Manager's role</p>	<p>6.1 Except where otherwise specifically stated, the Project Manager will supervise execution of the contract between the Employer and the Local Fundi. The Project Manager shall have no authority to amend the contract.</p>
<p>7. Delegation</p>	<p>7.1 The Project Manager may upon prior consent of the employer and after notifying the Local Fundi, delegate any of his duties and responsibilities to other people except to the Adjudicator, and may cancel any delegation after notifying the Local Fundi.</p>

<p>8. Communications</p>		<p>8.1 Communications between the Parties to the Contract shall be effective only when in writing whether in hard or electronic form that provides record of the content of the communication. A notice shall be effective only when it is delivered at the address specified in the SCC.</p>
<p>9. Subcontracting</p>		<p>9.1 The Local Fundi may subcontract with the approval of the Project Manager, subject to consultation with the Employer. Subcontracting shall not alter the Local Fundi's obligations.</p>
<p>10. Assignment</p>		<p>10.1 The Local Fundi shall not assign, transfer, pledge or make other disposition of this Contract or any part thereof, or any of the Local Fundi's rights, claims or obligations under this Contract except with the prior written consent of the Employer.</p>
<p>11. Liability of Joint Venture</p>		<p>11.1 If the Local Fundi constitutes a joint venture, consortium or other unincorporated grouping of two or more persons:</p> <ul style="list-style-type: none"> (a) These persons shall be jointly and severally liable to the Employer for the performance of the Contract; (b) These person shall notify the Employer of their leader who shall have the authority to bind the Local Fundi and each of these persons; and (c) The Local Fundi shall not alter its composition or legal status without the prior consent of the Employer.
<p>12. Other Local Fundis</p>		<p>12.1 The Local Fundi shall cooperate and share the Site with other Local Fundis, public authorities, utilities, and the Employer between the dates given in the Schedule of Other Local Fundis, as referred to in the SCC. The Local Fundi shall also provide facilities and services for them as described in the Schedule. The Employer may modify the Schedule of Other Local Fundis, and shall notify the Local Fundi of any such modification</p>

13. Personnel	<p>13.1 The Local Fundi shall employ the key personnel named in the Schedule of Key Personnel, as referred to in the SCC, to carry out the functions stated in the Schedule or other personnel approved by the Project Manager. The Project Manager will approve any proposed replacement of key personnel only if their relevant qualifications and abilities are substantially equal to or better than those of the personnel listed in the Schedule.</p> <p>13.2 If the Project Manager asks the Local Fundi to remove a person who is a member of the Local Fundi's staff or work force, stating the reasons for, the Local Fundi shall ensure that the person leaves the Site within seven days and has no further connection with the work in the Contract.</p>
14. Employer's and Local Fundi's Risks	<p>14.1 The Employer carries the risks which this Contract states are Employer's risks, and the Local Fundi carries the risks which this Contract states are Local Fundi's risks.</p>

15. Employer's Risks

15.1 From the Start Date until the Defects Correction Certificate has been issued, the following are Employer's risks:

- (a) The risk of personal injury, death, or loss of or damage to property (excluding the Works, Plant, Materials, and Equipment), which are due to
 - (i) use or occupation of the Site for the purpose of the Works, which is the unavoidable result of the Works or
 - (ii) negligence, breach of statutory duty, or interference with any legal right by the Employer or by any person employed by or contracted to him except the Local Fundi.
- (b) The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Employer or in the Employer's design,

15.2 From the Completion Date until the Defects Correction Certificate has been issued, the risk of loss of or damage to the Works, Plant, and Materials is an Employer's risk except loss or damage due to

- (i) a Defect which existed on the Completion Date,
- (ii) an event occurring before the Completion Date, which was not itself an Employer's risk, or
- (ii) the activities of the Local Fundi on the Site after the Completion Date.

16. Local Fundi's Risks

16.1 From the Starting Date until the Defects Correction Certificate has been issued, the risks of personal injury, death, and loss of or damage to property (including, without limitation, the Works, Plant, Materials, and Equipment) which are not Employer's risks are Local Fundi's risks.

17. Insurance

17.1 The Local Fundi shall provide, in the joint names of the Employer and the Local Fundi, insurance cover from the Start Date to the end of the Defects Liability Period, in the amounts and deductibles stated in the **SCC** for the following events which are due to the Local Fundi's risks:

- (a) loss of or damage to the Works, Plant, and Materials;
- (b) loss of or damage to Equipment;
- (c) loss of or damage to property (except the Works, Plant, Materials, and Equipment) in connection with the Contract; and
- (d) personal injury or death.

17.2 Policies and certificates for insurance shall be delivered by the Local Fundi to the Project Manager for the Project Manager's approval before the Start Date. All such insurance shall provide for compensation to be payable in the types and proportions of currencies required to rectify the loss or damage incurred.

17.3 If the Local Fundi does not provide any of the policies and certificates required, the Employer may effect the insurance which the Local Fundi should have provided and recover the premiums the Employer has paid from payments otherwise due to the Local Fundi or, if no payment is due, the payment of the premiums shall be a debt due.

17.4 Alterations to the terms of insurance shall not be made without the approval of the Project Manager.

17.5 Both parties shall comply with any conditions of the insurance policies.

18. Site Investigation Reports

18.1 The Local Fundi shall, in executing the contract, rely on Site Investigation Reports referred to in the **SCC** and any supplemented information available to the Local Fundi.

19. Queries about Implementation of Contract

19.1 The Project Manager will clarify queries on all contractual matters.

<p>20. Local Fundi to execute the Works</p>		<p>20.1 The Local Fundi shall execute and install the Works in accordance with the Terms and Conditions of Contract.</p>
<p>21. Commencement and Completion of the Works</p>		<p>21.1 The Local Fundi may commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Works Programme submitted by the Local Fundi, as updated with the approval of the Project Manager, and complete them by the Intended Completion Date.</p>
<p>22. Approval by the Project Manager</p>		<p>22.1 The Local Fundi shall submit Specifications and Drawings showing the proposed Temporary Works to the Project Manager, who is to approve them if they comply with the Specifications and Drawings.</p> <p>22.2 The Local Fundi shall be responsible for design of Temporary Works.</p> <p>22.3 The Project Manager's approval shall not alter the Local Fundi's responsibility for design of the Temporary Works.</p> <p>22.4 The Local Fundi shall obtain approval of third parties to the design of the Temporary Works, where required.</p> <p>22.5 All Drawings prepared by the Local Fundi for the execution of the temporary or permanent Works, are subject to prior approval by the Project Manager before their use.</p>
<p>23. Protection of the Environment</p>		<p>23.1 The Local Fundi shall take all reasonable steps to protect the environment and to limit damage and nuisance to people and property resulting from pollution, noise and other results of his operations.</p>
		<p>23.2 The Local Fundi shall ensure that emissions, surface discharges and effluent from his activities shall not exceed limits prescribed in relevant environmental laws.</p>

<p>24. Labour Laws</p>		<p>24.1 The Local Fundi shall comply with all the relevant labour laws applicable in the Country, including laws relating to workers employment, working hours, health, safety, welfare, immigration and shall allow them all their legal rights.</p> <p>24.2 The Local Fundi shall require his employees to obey all applicable laws, including those concerning safety at work.</p>
<p>25. Taxes and Duties</p>		<p>25.1 The Local Fundi, Sub-Local Fundis and Personnel shall pay such taxes, duties, fees and other impositions as may be levied under the Laws of Tanzania unless otherwise stated in the SCC.</p>
<p>26 Health and Safety</p>		<p>26.1 The Local Fundi shall at all times take all reasonable precautions to maintain the health and safety of his personnel and the public as per the governing occupational, health and safety laws.</p>
		<p>26.2 The Local Fundi shall ensure that first aid facilities are available at all times at the site and that suitable arrangements are made for all necessary welfare and hygiene requirements and for the prevention of epidemics.</p> <p>26.3 The Local Fundi shall notify the Employer details of any accident as soon as practicable after its occurrence. The Local Fundi shall maintain records and make reports concerning health, safety, and welfare of persons, and damage to the property, as the Employer may reasonably require.</p> <p>26.4 The Local Fundi shall conduct an HIV-Aids awareness programme, and shall take other such measures as specified in the SCC to reduce the risk of transfer of HIV virus between and among Local Fundi personnel, the Employers Staff and the surrounding community.</p>

<p>27 Discoveries</p>		<p>27.1 Anything of historical or other interest or of significant value unexpectedly discovered on, in, or under the land at the Site shall be the property of the Employer. The Local Fundi shall notify the Project Manager of such discoveries and carry out the Project Manager's instructions for dealing with them.</p>
<p>28 Possession of the Site</p>		<p>28.1 The Employer may give possession of whole or parts of the Site to the Local Fundi as stated in the SCC. If possession is not given by the date stated in the SCC, the Employer will be deemed to have delayed the start of the relevant activities, and this may be a Compensation Event.</p>
<p>29 Access to the Site</p>		<p>29.1 The Local Fundi shall allow the Project Manager and any person authorized by the Project Manager access to the Site and to any place where work in connection with the Contract is being carried out or is intended to be carried out.</p>
<p>30 Instructions, Inspections and Audits</p>		<p>30.1 The Local Fundi shall comply with instructions given by the Project Manager in writing on any matter related to the contract which comply with the applicable laws where the Site is located.</p> <p>30.2 The Local Fundi shall permit the Government of the United Republic of Tanzania to inspect the Local Fundi's accounts and records relating to the performance of the Local Fundi and to have them audited by auditors appointed by the Government of the United Republic of Tanzania, if so required by the Government of the United Republic of Tanzania</p>
<p>31 Disputes Resolution</p>		<p>31.1 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 twenty eight (28) 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.</p>

32 Procedure for disputes

32.1 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.

32.2 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.

32.3 The arbitration shall be conducted in accordance with the arbitration procedure published by the institution named and in the place shown in the **SCC**.

<p>33 Fees and Costs of Adjudicator</p>		<p>33.1 The rate of the Adjudicator's fee and administrative costs of adjudication 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.</p>
<p>34 Replacement of Adjudicator</p>		<p>34.1 Should the Adjudicator resign or die, or should the Employer and the Local Fundi agree that the Adjudicator is not functioning in accordance with the provisions of the Contract; a new Adjudicator will be appointed by the Appointing Authority.</p>
<p>35 Security of the Site</p>		<p>35.1 Unless otherwise stated in the SCC,</p> <ul style="list-style-type: none"> (a) the Local Fundi shall be responsible for keeping unauthorised persons off the site, and (b) authorised persons shall be limited to the Local Fundi's and Employer's personnel, and to any other personnel and other Local Fundi notified to the Local Fundi by the Project Manager or Employer.
		<p>B. Time Control</p>
<p>36 Programme</p>		<p>36.1 Within the time stated in the SCC, the Local Fundi shall submit to the Project Manager for approval of a Work Programme showing the method(s), arrangements, order, and timing for all the activities of the Works.</p>
		<p>36.2 The Local Fundi shall submit to the Project Manager for approval an updated Works Program at intervals not longer than the period stated in the SCC. If the Local Fundi does not submit an updated Works Program within this period, the Project Manager may withhold the amount stated in the SCC from the next payment certificate and continue to withhold this amount until the next payment after the date on which the overdue Program has been submitted.</p>

		<p>36.3 An update of the Works Program shall be a program showing the actual progress achieved on each activity and the effect of the progress achieved on the timing of the remaining work, including any changes to the sequence of the activities.</p>
		<p>36.4 The Project Manager’s approval of the Programme shall not alter the Local Fundi’s obligations. The Local Fundi may revise the Programme and submit it to the Project Manager again at any time. A revised Programme shall show the effect of Variations and Compensation Events</p>
<p>37 Extension of the Intended Completion Date</p>		<p>37.1 The Employer may extend the Intended Completion Date if a Compensation Event occurs or a Variation is issued which makes it impossible for Completion to be achieved by the Intended Completion Date without the Local Fundi taking steps to accelerate the remaining work, which would cause the Local Fundi to incur additional cost.</p>
		<p>37.2 The Employer shall, within twenty one (21) days of receipt of application for extension of the Intended Completion Date by the Local Fundi, decide whether or not to grant the extension. The application by the Local Fundi shall be granted only when supported by full information of a compensation event(s) or variation.</p>
		<p>37.3 In the event the Local Fundi has not issued an early warning notice of a delay or has failed to cooperate in dealing with a delay, such a delay or failure may be a ground for not granting the extension of the Intended Completion Date</p>

<p>38 Acceleration</p>	<p>38.1 When the Employer wants the Local Fundi to finish the works before the Intended Completion Date, the Project Manager will obtain priced proposals for achieving the necessary acceleration from the Local Fundi. If the Employer accepts the said proposals, the Intended Completion Date will be adjusted accordingly and confirmed by both the Employer and the Local Fundi.</p> <p>38.2 In the event that the Local Fundi's priced proposals for an acceleration of the Works are accepted by the Employer, they shall be incorporated in the Contract Price and treated as a Variation.</p>
<p>39 Delays Ordered by the Project Manager</p>	<p>39.1 The Project Manager may instruct the Local Fundi to delay the start or progress of any activity within the Works</p> <p>39.2 During such suspension, the Local Fundi shall protect, store and secure such part or the Works against any deterioration, loss or damage.</p> <p>39.3 The Project Manager may also notify the cause for the suspension.</p>
<p>40 Management Meetings</p>	<p>40.1 Either the Project Manager or the Local Fundi may require the other to attend a management meeting. The business of a management meeting shall be to review the plans for remaining work and to deal with matters raised in accordance with the early warning procedure.</p> <p>40.2 The Project Manager shall record the business of management meetings and provide copies of the record to those attending the meeting and to the Employer. The responsibility of the parties for actions to be taken shall be decided by the Project Manager either at the management meeting or after the management meeting and stated in writing to all who attended the meeting.</p>

41 Early Warning Notice

41.1 The Local Fundi shall warn the Project Manager at the earliest opportunity of specific likely future event(s) or circumstance(s) that may adversely affect the quality of the Works, increase the Contract Price or delay the execution of the Works. Upon receipt of the said Notice, the Project Manager may require the Local Fundi to provide an estimate of the expected effect of the future event(s) or circumstance(s) on the Contract Price and Intended Completion Date or Completion Date as the case may be. The estimate shall be provided by the Local Fundi as soon as reasonably possible.

41.2 The Local Fundi shall cooperate with the Project Manager in making and considering proposals for how the effect of such an event(s) or circumstance(s) can be avoided or reduced by anyone involved in the Works and in carrying out any resulting Instruction of the Project Manager.

C. Quality Control

<p>42 Identifying Defects</p>		<p>42.1 The Project Manager shall check the Local Fundi's work and notify the Local Fundi of any Defects that are found. Such checking shall not affect the Local Fundi's responsibilities.</p> <p>42.2 The Project Manager may instruct the Local Fundi to search for a Defect and to uncover and test any work that the Project Manager considers may have a Defect.</p>
<p>43 Tests</p>		<p>43.1 The Project Manager may instruct the Local Fundi to carry out a test not specified in the Specification to check whether any work has a Defect and in the event the test shows that it does, the Local Fundi shall pay for the test and any samples thereof. If there is no Defect, the test shall be a Compensation Event.</p>
<p>44 Correction of Defects</p>		<p>44.1 The Project Manager shall give notice to the Local Fundi of any Defects before the end of the Defects Liability Period stated in the SCC, which begins from the Completion date.</p> <p>44.2 Every time notice of a Defect is given, the Local Fundi shall correct the notified Defects within the period of time specified in the Project Manager's notice.</p> <p>44.3 If the Local Fundi has not corrected a defect within the time specified in the Employer's notice, a penalty for lack of performance will be paid by the Local Fundi. The amount to be paid will be calculated as a percentage of the cost of having the defect correct, assessed as described in GCC 46.1.</p>
<p>45 Extension of Defect Liability Period</p>		<p>45.1 The Defects Liability Period may be extended by the Project Manager for as long as Defects remain to be corrected.</p>
<p>46 Uncorrected Defects</p>		<p>46.1 In the event the Local Fundi has not corrected a Defect(s) within the time specified in the Project Manager's notice, the Project Manager will assess the cost of having the Defect corrected, including any other related cost(s) and the Local Fundi will pay the said cost.</p>

D. Cost Control

47 Bill of Quantities

- 47.1 The Bill of Quantities shall contain items for the construction, installation, testing, and commissioning work to be done by the Local Fundi.
- 47.2 The Bill of Quantities is used to calculate the Contract Price. The Local Fundi shall be paid for the quantity of the work done at the rate in the Bill of Quantities for each item.

48 Changes in the Quantities

- 48.1 If the final quantity of the work done differs from the quantity in the Bill of Quantities for the particular item by more than 25 percent, provided the change exceeds 1 percent of the Initial Contract Price, the Project Manager shall adjust the rate to allow for the change.
- 48.2 The Project Manager shall not adjust rates from changes in quantities if thereby the Initial Contract Price is exceeded by more than 15 percent, except with the prior approval of the Employer.
- 48.3 If requested by the Project Manager, the Local Fundi shall provide the Project Manager with a detailed cost breakdown of any rate in the Bill of Quantities.

49 Variations

- 49.1 All Variations shall be included in updated Work Programmes produced by the Local Fundi.

<p>50 Payments for Variations</p>	<p>50.1 The Local Fundi shall provide the Project Manager with a quotation for carrying out the Variation when requested to do so by the Project Manager. The Project Manager shall assess the quotation, which shall be given within seven days of the request or within any longer period stated by the Project Manager and before the Variation is ordered.</p> <p>50.2 If the work in the Variation corresponds with an item description in the Bill of Quantities and if, in the opinion of the Project Manager, the quantity of work is above the limit stated in Sub-Clause 48.1 or the timing of its execution do not cause the cost per unit of quantity to change, the rate in the Bill of Quantities shall be used to calculate the value of the Variation. If the cost per unit of quantity changes, or if the nature or timing of the work in the Variation does not correspond with items in the Bill of Quantities, the quotation by the Local Fundi shall be in the form of new rates for the relevant items of work.</p> <p>50.3 If the Local Fundi's quotation is unreasonable, the Project Manager may order the Variation and make a change to the Contract Price, which shall be based on the Project Manager's own forecast of the effects of the Variation on the Local Fundi's costs.</p> <p>50.4 If the Project Manager decides that the urgency of varying the work would prevent a quotation being given and considered without delaying the work, no quotation shall be given and the Variation shall be treated as a Compensation Event.</p> <p>50.5 The Local Fundi shall not be entitled to additional payment for costs that could have been avoided by giving early warning Notice.</p>
<p>51 Cash Flow Forecasts</p>	<p>51.1 When the Works Programme is updated, the Local Fundi shall provide the Project Manager with an updated cash flow forecast. The cash flow forecast shall include different currencies, as defined in the Contract, converted as necessary using the Contract exchange rates.</p>

**52 Payment
Certificates**

- 52.1 The Local Fundi shall submit to the Project Manager monthly statements of the estimated value of the work executed less the cumulative amount certified previously.
- 52.2 The Project Manager shall check the Local Fundi's monthly statement and certify the amount to be paid to the Local Fundi within twenty eight (28) days of receipt of the certificate from the Local Fundi.
- 52.3 The value of work executed shall be determined by the Project Manager.
- 52.4 The value of work executed shall comprise the value of the quantities of the items in the Bill of Quantities completed.
- 52.5 The value of work executed shall include the valuation of Variations and Compensation Events.
- 52.6 The Project Manager may exclude any item certified in a previous certificate or reduce the proportion of any item previously certified in any certificate in the light of later information.
- 52.7 The Project Manager shall not be bound to certify any payment, if the net amount, after all retentions and deductions would be less than minimum amount of Interim Payment Certificate stated in the **SCC**.

53 Payments

53.1 Payments shall be adjusted for deductions for advance payments and retention. The Employer shall pay the Local Fundi the amounts certified by the Project Manager within 28 days of the date of each certificate. If the Employer makes a late payment, the Local Fundi shall be paid interest on the late payment in the next payment. Interest shall be calculated from the date by which the payment should have been made up to the date when the late payment is made at the prevailing rate of interest issued by the Bank of Tanzania on the date of Contract signature for each of the currencies in which payments are made.

53.2 If an amount certified is increased in a later certificate or as a result of an award by the Adjudicator or an Arbitrator, the Local Fundi shall be paid interest upon the delayed payment as set out in this clause. Interest shall be calculated from the date upon which the increased amount would have been certified in the absence of dispute.

53.3 Unless otherwise stated, all payments and deductions will be paid or charged in the proportions of currencies comprising the Contract Price.

53.4 Items of the Works for which no rate or price has been entered in will not be paid for by the Employer and shall be deemed covered by other rates and prices in the Contract.

54 Currencies

54.1 The currency of payment shall be stated in the **SCC**.

54.2 Where payments are to be made in currencies other than the Tanzania Shillings, the exchange rates to be used for calculating such amounts shall be the Bank of Tanzania exchange rate prevailing on the date of contract signature

**55 Compensation
Events**

55.1 The following shall be Compensation Events:

- (a) The Employer does not give access to a part of the Site by the Site Possession Date as per **GCC 28.1**.
- (b) The Employer modifies the Schedule of Other Local Fundis in a way that affects the work of the Local Fundi under the Contract.
- (c) The Project Manager orders a delay or does not issue Drawings, Specifications, or instructions required for execution of the Works on time.
- (d) The Project Manager instructs the Local Fundi to uncover or to carry out additional tests upon work, which is then found to have no Defects.
- (e) The Project Manager unreasonably does not approve a subcontract to be let.
- (f) Ground conditions are substantially more adverse than could reasonably have been assumed before issuance of the Letter of Acceptance from the information issued to tenderers (including the Site Investigation Reports), from information available publicly and from a visual inspection of the Site.
- (g) The Project Manager gives an instruction for dealing with an unforeseen condition, caused by the Employer, or additional work required for safety or other reasons.
- (h) Other Local Fundis, public authorities, utilities, or the Employer does not work within the dates and other constraints stated in the Contract, and they cause delay or extra cost to the Local Fundi.
- (i) The advance payment is delayed.
- (j) The effects on the Local Fundi of any of the Employer's Risks.
- (k) The Project Manager unreasonably delays issuing a Certificate of Completion.

		(1) Other Compensation Events described in the Contract or determined by the Project Manager shall apply.
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	<p>55.2 If a Compensation Event would cause additional cost or would prevent the work being completed before the Intended Completion Date, the Contract Price shall be increased and/or the Intended Completion Date shall be extended. The Project Manager shall, upon consultation with Employer, decide whether and by how much the Contract Price shall be increased and whether and by how much the Intended Completion Date shall be extended.</p> <p>55.3 As soon as information demonstrating the effect of each Compensation Event upon the Local Fundi's forecast cost has been provided by the Local Fundi, it shall be assessed by the Project Manager, if agreed by the Employer, the Contract Price may be adjusted accordingly. If the Local Fundi's forecast is deemed unreasonable, the Project Manager in consultation with Employer shall adjust the Contract Price based on the Project Manager's own forecast.</p> <p>55.4 The Local Fundi shall not be entitled to compensation to the extent that the Employer's interests are adversely affected by the Local Fundi's not having given early warning or not having cooperated with the Project Manager.</p>
<p>56 Effect of Changes in Tax Laws</p>	<p>56.1 The Project Manager shall adjust the Contract Price if taxes, duties, and other levies are changed between the date 28 days before the submission of tenders for the Contract and the date of the last Completion certificate. The adjustment shall be the change in the amount of tax payable by the Local Fundi, provided such changes are not already reflected in the Contract Price or are a result of GCC 50.</p> <p>56.2 In the event that the Laws Governing Taxes, Duties and other levies have changed between the signature date and the last completion certificate thereby affecting the Contract Price, the Employer and the Local Fundi, shall mutually adjust the contract price accordingly.</p>
<p>57 Price Adjustment</p>	<p>57.1 If applicable and stated in SCC, the amounts payable to the Local Fundi, pursuant to GCC 53.1 may be adjusted in respect of the rise or fall in the cost of labor, Local Fundi's Equipment, Plant, materials, and other inputs to the Works, by applying to such amounts the formulae prescribed in this clause.</p>

57.2 To the extent that full compensation for any rise in costs to the Local Fundi is not covered by the provisions of this or other clauses in the Contract, the unit rates and prices included in the Contract shall be deemed to include amounts to cover the contingency of such other rise of costs.

57.3 The adjustment to be applied to amount payable to the Local Fundi as certified in Payment Certificates shall be determined formulae for each of the currencies in which the Contract Price is payable. No adjustment is to be applied to work valued on the basis of Cost or current prices. The formulae shall be as follows;

$$P_n = a + b \frac{L_n - L_o}{L_o} + c \frac{M_n - M_o}{M_o} + d \frac{E_n - E_o}{E_o} + etc.$$

where;

P_n is a price adjustment factor to be applied to the amount in each specific currency for the payment of the work carried out in the subject month, where such variations and daywork are not otherwise subject to adjustment;

a is a constant, specified in the **Appendix to Tender**, representing the nonadjustable portion in contractual payments;

b, c, d, etc., are weightings or coefficients representing the estimated proportion of each cost element (labor, materials, equipment usage, etc.) in the Works or sections thereof, net of Provisional Sums, as specified in the **Appendix to Tender**; the sum of a, b, c, d, etc., shall be one;

L_n, M_n, E_n, etc., are the current cost indices or reference prices of the cost elements in the specific currency of origin for month "**n**," determined pursuant to Sub-**Clause 57.5**, applicable to each cost element; and

L_o, M_o, E_o, etc., are the base cost indices or reference prices corresponding to the above cost elements at the date specified in Sub-**Clause 57.5**

	<p>The value of net work done, certified by the Project Manager, in any monthly Interim or Final Certificate as payable by the Employer to the Local Fundi before deduction of any retention money shall be increased or decreased by an amount of 'F'.</p>
	<p>where;</p> <p>The effective value Pc of work done which is to be subjected to increase or decrease shall be the difference between:</p> <p>(i) the amount which, in the opinion of the Project Manager, is due to the Local Fundi under Clause 45 (before deduction of retention money and before deducting sums previously paid on account) less:</p> <ul style="list-style-type: none"> • any amount for payment or repayment of any advance payment; • any amount for materials on site (if any); • any amounts for nominated sub-Local Fundis (if any) • any amounts for any other items based on actual cost or current prices; or • any sums for increase or decreases in the Contract Price paid under this Sub-Clause <p style="text-align: center;">and</p> <p>(ii) the amount calculated in accordance with (i) above of this Sub-clause and included in the last preceding statement.</p>
	<p>57.4 The sources of indices shall be those listed in the Appendix to Tender, as approved by the Engineer. Indices shall be appropriate for their purpose and shall relate to the Local Fundi's proposed source of supply of inputs on the basis of which his Contract Price and expected foreign currency requirements shall have been computed. As the proposed basis for price adjustment, the Local Fundi shall have submitted with his tender the tabulation of Weightings and Source of Indices in the Appendix to Tender, which shall be subject to approval by the Engineer.</p>

57.5 The base cost indices or prices shall be those prevailing on the day 28 days prior to the latest date for submission of tenders. Current indices or prices shall be those prevailing on the day 28 days prior to the last day of the period to which a particular Interim Payment Certificate is related. If at any time the current indices are not available, provisional indices as determined by the Engineer will be used, subject to subsequent correction of the amounts paid to the Local Fundi when the current indices become available.

57.6 If the Local Fundi fails to complete the Works within the time for completion prescribed under **GCC 21.1** adjustment of prices thereafter until the date of completion of the Works shall be made using either the indices or prices relating to the prescribed time for completion, or the current indices or prices, whichever is more favorable to the Employer, provided that if an extension of time is granted pursuant to **GCC 37.1** the above provision shall apply only to adjustments made after the expiry of such extension of time.

57.7 The weightings for each of the factors of cost given in the **Appendix to Tender** shall be adjusted if, in the opinion of the Engineer, they have been rendered unreasonable, unbalanced, or inapplicable as a result of varied or additional work already executed or instructed under **GCC 49** or for any other reason.

58 Retention

- 58.1 The Employer shall retain from each payment due to the Local Fundi the proportion stated in the **SCC**. The total amount of retention shall not exceed the amount specified in the **SCC**.
- 58.2 On completion of the whole of the Works, half the total amount retained shall be repaid to the Local Fundi and the other half when the Defects Liability Period has passed and the Project Manager has certified that all Defects notified by the Project Manager to the Local Fundi before the end of this period have been corrected.
- 58.3 On completion of the whole Works, the Local Fundi may substitute retention money with an "on demand" or unconditional Bank guarantee.

59 Liquidated Damages

59.1 The Local Fundi shall pay liquidated damages to the Employer at the rate per day stated in the **SCC** for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the maximum amount of performance security specified in the **SCC**. The Employer may deduct liquidated damages from payments due to the Local Fundi. Payment of liquidated damages shall not affect the Local Fundi's liabilities.

59.2 If the Intended Completion Date is extended after liquidated damages have been paid, the Project Manager shall correct any overpayment of liquidated damages by the Local Fundi by adjusting the next payment certificate. The Local Fundi shall be paid interest on the overpayment, calculated from the date of payment to the date of repayment, at the rates specified in **GCC 53.1**

59.3 Where the Project Manager, after assessment of work progress, upon satisfaction that the Local Fundi will not complete the works within the contract period, may issue a notice to the Local Fundi requiring the payment of liquidated damages pursuant to **GCC 59.1**

59.4 If the Local Fundi has not corrected a defects within the time specified in the Employer's notice, the Employer will assess the cost of having the defect corrected, the Local Fundi will pay this amount, and a penalty for lack of performance calculated as described in **GCC 46.1**

60 Bonus

60.1 The Local Fundi shall be paid a Bonus calculated at the rate per calendar day stated in the **SCC** for each day (less any days for which the Local Fundi is paid for acceleration) that the Completion is earlier than the Intended Completion Date. The Project Manager shall certify that the Works are complete, although they may not be due to be complete.

61 Advance Payment

61.1 The Employer shall make advance payment to the Local Fundi of the amounts stated in the **SCC** by the date stated in the **SCC**, against provision by the Local Fundi of an Unconditional Bank Guarantee in a form and by a bank acceptable to the Employer in amounts and currencies equal to the advance payment. The Guarantee shall remain effective until the advance payment has been repaid, but the amount of the Guarantee shall be progressively reduced by the amounts repaid by the Local Fundi. Interest will not be charged on the advance payment.

61.2 The Local Fundi is to use the advance payment only to pay for Equipment, Plant, Materials, and mobilization expenses required specifically for execution of the Contract. The Local Fundi shall demonstrate that advance payment has been used in this way by supplying copies of invoices or other documents to the Project Manager.

61.3 The advance payment shall be repaid by deducting proportionate amounts from payments otherwise due to the Local Fundi, following the schedule of completed percentages of the Works on a payment basis. No account shall be taken of the advance payment or its repayment in assessing valuations of work done, Variations, price adjustments, Compensation Events, Bonuses, or Liquidated Damages.

62 Performance Securities

62.1 The Performance Security shall be provided to the Employer no later than the date specified in the Letter of Acceptance and shall be issued in an amount stated in the **SCC** and form and by a bank or surety acceptable to the Employer, and denominated in the types and proportions of the currencies in which the Contract Price is payable. The Performance Security shall be valid until a date 28 days from the date of issue of the Certificate of Completion in the case of a Bank Guarantee, and until one year from the date of issue of the Completion Certificate in the case of a Performance Bond.

		<p>62.2 Where circumstances necessitate the amendment of the contract after signature, and such amendment is effected, the Employer shall require the Local Fundi to provide additional Performance Security to cover for any cumulative increase of more than ten percent of the Initial Contract Price.</p>
<p>63 Dayworks</p>		<p>63.1 If applicable, the Dayworks rates in the Local Fundi's Tender shall be used for small additional amounts of work only when the Project Manager has given written instructions in advance for additional work to be paid for in that way.</p> <p>63.2 All work to be paid for as Dayworks shall be recorded by the Local Fundi on forms approved by the Project Manager. Each completed form shall be verified and signed by the Project Manager within two days of the work being done.</p> <p>63.3 The Local Fundi shall be paid for Dayworks subject to obtaining signed Dayworks forms.</p>
<p>64 Cost of Repairs</p>		<p>64.1 Loss or damage to the Works or Materials to be incorporated in the Works between the Start Date and the end of the Defects Correction periods shall be remedied by the Local Fundi at the Local Fundi's cost if the loss or damage arises from the Local Fundi's acts or omissions.</p>
		<p style="text-align: center;">E. Discharge of the Contract</p>

<p>65 Completion Certificate</p>		<p>65.1 The Local Fundi shall request the Project Manager to issue a certificate of Completion of the Works, and the Project Manager will so issue upon satisfaction that the work is completed.</p>
<p>66 Site Hand Over</p>		<p>66.1 When the Certificate of Completion is issued by the Project Manager, the Local Fundi shall handover the site and the works to the Employer within time specified in the SCC</p>
<p>67 Final Account</p>		<p>67.1 Upon the expiry of the defect liability period, the Local Fundi shall supply the Project Manager with a detailed account of the total amount that the Local Fundi considers payable under the Contract. The Project Manager shall, within fifty six (56) days, verify the account and, upon satisfaction, certify any final payment due to the Local Fundi and thereafter issue a defect liability certificate.</p> <p>67.2 In the event the Project Manager is not satisfied with the Account submitted by the Local Fundi pursuant to sub-Clause 67.1, shall within 56 days issue a schedule of correction. If the final account remains unsatisfactory after it has been re-submitted, the Project Manager shall, upon consultation with the Employer, decide on the amount payable to the Local Fundi and issue a payment certificate.</p>
<p>68 Operating and Maintenance Manuals</p>		<p>68.1 The Local Fundi shall supply to the Employer the "as built" Drawings and/or operating and maintenance manuals and any other related documents by the handover period stipulated in the SCC pursuant to GCC 66</p> <p>68.2 If the Local Fundi does not supply the Drawings and/or manuals stated in GCC 68.1 by the dates specified pursuant to clause 66 of the GCC, or they do not receive the Project Manager's approval, the Project Manager shall withhold the amount stated in the SCC from payments due to the Local Fundi.</p>

69 Termination

69.1 The Employer or the Local Fundi may terminate the Contract if the other party causes a fundamental breach of the Contract.

69.2 Fundamental breaches of Contract shall include, but shall not be limited to, the following:

- (a) the Local Fundi stops work for 28 days when no stoppage of work is shown on the current Works Programme and the stoppage has not been authorized by the Project Manager;
- (b) the Project Manager instructs the Local Fundi in writing to delay the Works progress, and the instruction is not withdrawn in writing within 28 days
- (c) Local Fundi's failure to submit performance security within the time stipulated in the SCC;
- (d) the Employer or the Local Fundi is declared bankrupt or goes into liquidation other than for a reconstruction or amalgamation;
- (e) a payment certified by the Project Manager is not paid by the Employer to the Local Fundi after 84 days from the date of the Project Manager's certificate;
- (f) Failure of the Local Fundi to correct the defect after lapse of time specified in the notice to correct defects issued by the Project Manager.;
- (g) where the Local Fundi fails to furnish and maintain the required Site Security pursuant to **GCC 35**; and
- (h) The Local Fundi does not maintain security which is required; and
- (i) the Local Fundi has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as defined in the **SCC**.

- (j) if the Employer determines, based on the reasonable evidence, that the Local Fundi has engaged in corrupt, coercive, collusive, obstructive or fraudulent practices in competing for or in executing the Contract.

For the purpose of this paragraph:

“corrupt practice means the offering, giving receiving or soliciting of anything of value to influence the action of a public officer in the procurement process or contract execution;

“coercive practice” means impairing or harming, or threatening to impair or harm directly or indirectly, any party or the property of the party for the purpose of influencing improperly the action or that party in connection with public procurement or in furtherance of corrupt practice or fraudulent practice;

collusive practices” means impairing or harming, or threatening to impair or harm directly or indirectly, any part or the property of the Party for the purpose of influencing improperly the action or a part or in connection with public procurement or government contracting or in furtherance of a corrupt practice or a Fraudulent Practice

“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 Employer and includes collusive practices among tenderers, prior to or after submission designed to establish tender prices at artificial non-competitive levels and to deprive the employer of the benefits of free and open competition;

“obstructive practice” means acts intended to materially impede access to required information in exercising a duty under this Contract;

69.3 When either party to the Contract gives notice of a Fundamental breach of Contract to the other Party for a cause other than those listed under

		<p>Sub-Clause 69.2 above, the Project Manager shall decide whether the said breach is fundamental or not.</p> <p>69.4 Notwithstanding the above, the Employer may terminate the Contract for convenience.</p> <p>69.5 If the Contract is terminated, the Local Fundi shall stop work immediately, make the Site safe and secure, and leave the Site as soon as reasonably possible.</p>
<p>70 Payment upon Termination</p>		<p>70.1 If the Contract is terminated because of a fundamental breach of Contract by the Local Fundi, the Project Manager shall issue a certificate for the value of the work done and Materials ordered less advance payments received up to the date of the issue of the certificate and less the percentage to apply to the value of the work not completed as specified in the SCC. Additional Liquidated Damages shall not apply. If the total amount due to the Employer exceeds any payment due to the Local Fundi, the difference shall be a debt payable to the Employer.</p>
		<p>70.2 If the Contract is terminated for the Employer's convenience or because of a fundamental breach of Contract by the Employer, the Project Manager shall issue a certificate for the value of the work done, Materials ordered, the reasonable cost of removal of Equipment, repatriation of the Local Fundi's personnel employed solely on the Works, and the Local Fundi's costs of protecting and securing the Works, and less advance payments received up to the date of the certificate.</p>

71 Property		71.1 All Materials on the Site, Plant, Equipment, Temporary Works, and Works shall be deemed to be the property of the Employer if the contract is terminated for fundamental breach by the Local Fundi,
72 Suspension of Financing		72.1 In the event that the source of financing is suspended to the Employer, from which part of the payments to the Local Fundi are being made: (a) The Employer shall notify the Local Fundi of such suspension within seven (7) days of having received the financing agency's suspension notice. (b) After the Notice has been issued and within fourteen (14) days, the Parties shall mutually agree on the future events of the Contract

73 Force Majeure

- 73.1 Neither Party shall have any liability or be deemed to be in breach of the Contract for any delay or other failure in performance of its obligations under the Contract, if such delay or failure is a result of an event of Force Majeure.
- 73.2 For purpose of this clause, "Force Majeure" means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable, and its origin is not due to negligence or lack of care on the part of a Party, and which makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood, epidemics, or other adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the power of the Party invoking Force Majeure to prevent
- 73.3 If a Party (hereinafter referred to as "the Affected Party") is or will be prevented from performing its substantial obligation under the contract by Force Majeure, it shall give a Notice to the other Party giving full particulars of the event and circumstance of Force Majeure and the reasons for the event of Force Majeure preventing the Affected Party from, or delay the Affected Party from performing its obligations under the Contract. The Notice shall be given within fourteen days after the Affected Party becomes aware, or should have become aware, of the relevant event or circumstances constituting Force Majeure;
- 73.4 The Affected Party shall use reasonable efforts to mitigate the effects of the event of Force Majeure and shall endeavour to minimise any delay in the performance of the contract as a result of Force Majeure;
- 73.5 The Affected Party shall give Notice to the other Party when it ceases to be affected by the Force Majeure; and

	<p>73.6 Upon completion of the event of Force Majeure and issuance Notice pursuant to GCC 73.3 the Affected Party must, as soon as reasonably practicable recommends the performance of its obligations under the contract. Where the Affected Party is the Local Fundi, the Local Fundi must provide a revised Work Program rescheduling the Works to minimise the effect of the prevention or delay caused by the event of Force Majeure.</p>
<p>74 Release from Performance</p>	<p>74.1 In the event the Affected Party have used all reasonable efforts to mitigate the effect of the event of force Majeure and minimize any delay in the performance of the contract as result of force Majeure, but the effect of force Majeure still subsist, the Project Manager upon written consent of the employer shall certify that the Contract has been frustrated.</p> <p>Upon certification by the Project Manager pursuant to GCC 74.1 the Local Fundi shall make the site safe and stop work as quickly as possible after receiving the certificate and shall be paid for all Works carried out.</p>

SPECIAL CONDITIONS OF CONTRACT

Special Conditions of Contract (SCC)

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. Except where otherwise indicated, all Special Conditions of Contract should be filled in by the Employer prior to issuance of the Tendering Documents. Schedules and reports to be provided by Employer should be annexed.

SCC Clause	GCC Clause	Description
1	1.1	<p style="text-align: center;">A. General</p> <p>The Employer is Medical Officer Incharge, Njombe RRH, P. O Box 1044 Njombe.</p> <p>The Adjudicator is <i>RAS Njombe</i>.</p> <p>The Defects Liability Period is 180 days.</p> <p>The Project Manager is Clark of works employed by the MoH.</p> <p>The Works consist of Construction of one staff house</p> <p>The Start Date shall be seven days after contract signing.</p> <p>The Intended Completion Date for the whole of the Works shall be <i>45 days after contract start date</i>.</p> <p>The Site is located at Njombe RRH at Mgodechi street along Njombe - Makete Road</p>
2.	2.2	Indicate whether sectional completion is <i>not specified</i> .
3.	2.3(10)	List other documents that form part of the contract if any: a)..... b)..... c).....
4.	4.1	The language of the Contract documents is English. The law that applies to the Contract is the Laws of Tanzania.
5	8.1	Address for communication Employer's..... <i>[insert address]</i>

		Local Fundi's.....[insert address]
6.	12.1	Include the Schedule of Other Local Fundis, if any. [give list of other Local Fundis] N/A
7.	13.1	Include the Schedule of Key Personnel. 1. Site foreman 2. Civil Engineer
8.	17.1	The minimum insurance covers shall be: (a) loss of or damage to the Works, Plant, and Materials 3,000,000 (b) loss of or damage to Equipment 3,000,000 (c) loss of or damage to property (except the Works, Plant, Materials, and Equipment) in connection with the Contract 3,000,000 and (d) personal injury or death 1,000,000.
9.	18.1	Site Investigation Reports available to the Tenderer are: a)..... b)..... c).....
	25.1	Unless otherwise state tax payment status.....
10.	26.4	The other measures include: a. Minimizing the number of migrant workers employed on the project and household in the site camp b. Providing access to voluntary counseling and testing (VCT) c. Providing psychological support and health care including prevention and treatment of opportunistic infections for workers infected and affected, as well as their families d. Providing condoms (male and female) to workers
11.	28.1	The Site Possession Date shall be <i>seven days after contract signing</i> .
12.	32.2	If either Party is dissatisfied with the Adjudicator's decision may, refer the dispute for arbitration within 60 days

13	31.1	Appointing Authority for the Adjudicator: RAS
14.	32.3	Arbitration will take place at RAS's Office in accordance with rules and regulations published by TIA <i>using Tanzania rules and regulations</i>
15.	35.1	Otherwise state [<i>insert the responsible person for security of the site</i>]

B. Time Control

16.	36.1	The Local Fundi shall Submit a Programme for the Works within three days of delivery of the Letter of Acceptance.
17.	36.2	The period between Programme updates is <i>seven</i> days.
18.	36.2	The amount to be withheld by the Project Manager in the case the Local Fundi does not submit an updated programme is: 5,000,000.

C. Quality Control

19.	44.1	The Defects Liability Period is <i>180</i> days.
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D. Cost Control

20	52.7	Minimum Amount of Interim Payment Certificate will be 10m
21	54.1	The currency of payment shall be Tanzanian shillings
22.	57	The contract " <i>is not</i> " subject to price adjustment.
23.	58.1	The amount of retention is 5% of value of works of Interim Payment Certificate'.
		Limit of retention will be 10% of contract price.

24.	59.1	The amount of liquidated damages is 1%
		The maximum amount of liquidated damages must be equivalent to the amount of the performance security [<i>state the amount</i>].
25.	60.1	The bonus for early completion is [<i>state the amount</i>].N/A
26.	61.1	The amount of advance payment shall be per cent of the contract sum payable by [<i>insert date</i>]. N/A
		Monthly Recovery of Advance Payment: 5percent of amount of Interim Payment Certificate.
27.	62.1	The Performance Security shall be: [<i>insert the percent or amount</i>]

Note: a minimum amount equivalent to 10 to 15 percent of the contract price.

28

66.1

Local Fundi shall handover the site and the works to the Employer within by 28 days after completion

E. Discharge of the Contract

29.

68.1

As built drawings shall be supplied by the Local Fundi by 28 days after completion

Operating manual shall be supplied by the Local Fundi by 28 days after completion

30.

68.2

The amount to be withheld by the Project Manager in the case the Local Fundi does not submit as built drawings is: 5,000,000.

The amount to be withheld by the Project Manager in the case the Local Fundi does not submit operating manual is: 5,000,000.

31.

69.2 (i)

Number of days for which the maximum amount of liquidated damages can be paid is 180 days.

32.

70.1

The percentage to apply to the value of the work not completed, representing the Employer's additional cost for completing the Works, is 10%