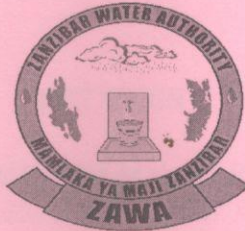


**ZANZIBAR WATER AUTHORITY  
(ZAWA)**



**CONTRACT**

**FOR**

**SUPPLYING OF PIPES AND IT'S FITTINGS**

**BETWEEN**

**ZANZIBAR WATER AUTHORITY (ZAWA)**

**AND**

**SIMBA PIPE INDUSTRIES LTD.**

**CONTRACT NUMBER: SMZ/NO.104/G/ICB/2020-2021/02**

**Drawn by:  
Zanzibar Water Authority  
(ZAWA)**

**June, 2021**



## Form of Contract

### CONTRACT FOR SUPPLYING OF PIPES AND IT'S FITTINGS BETWEEN ZANZIBAR WATER AUTHORITY (ZAWA) AND SIMBA PIPE INDUSTRIES LTD.

THIS contract is made and entered at Zanzibar Water Authority offices (ZAWA) on 20<sup>th</sup> day of July 2021.

#### BETWEEN

ZANZIBAR WATER AUTHORITY (ZAWA) of Malawi Road, Msikiti Mablou Zanzibar P.O. BOX 460 Zanzibar Tel/Fax: +255242231151. Email: info@zawa.go.tz hereinafter called the **PURCHASER** of the one part.

#### AND

M/S SIMBA PIPES INDUSTRIES LTD a company incorporated under the law of Tanzania with its registered office at **Migeyo Road, Changombe Industrial Area**, P.O.BOX 46259, Dar - es- Salaam Tanzania hereinafter called the **SUPPLIER** of the second part.

THAT, the expression of SUPPLIER of the one part and the PURCHASER for the other part, shall unless repugnant to the context or meaning thereof, be deemed to include his heirs, executors, administrators, legal representatives and assigns.

THAT, the PURCHASER is willing to have a contract to purchase pipes and it's fittings for the use of Zanzibar Water Offices of Unguja from the supplier and now has agreed with the supplier after the acceptance of her Contract price **for Tanzania shillings One Billion, Two hundred eighty five million, One hundred seventeen thousand, Three hundred and sixty seven with seventy cents only (TZS 1,285,117,367.70)** including 18% VAT, on the conditions and terms stipulated herein for lot 1 Unguja.

#### And

**Tanzania Shillings Five hundred Eighty two million, Fifteen thousand, Five hundred and ninety seven with eighty eight Only (TZS 582,015,597.88)** including 18% VAT, on the conditions and terms stipulated herein for lot 2 Pemba.

AND THAT, the SUPPLIER free from any encumbrances accepts to have a contract to supply the said Pipes and its Fittings to the Purchaser for the consideration of the total of value of **One Billion, Eight hundred sixty seven million, One hundred and thirty two thousand, Nine hundred and sixty five with fifty eight cents only (TZS 1,867,132,965.58)** including 18% VAT for lot 1 and lot 2, on the conditions and terms stipulated herein.

The Supplier has assured that has sufficient skills required experience and capacity to carry out supply of pipes and its fittings according to Schedule of Requirements of this Contract.

**NOW THE PARTIES AGREED AS FOLLOWS: -**

**The obligation of the supplier**

1. To supply all pipes and it's fittings with the quality, materials and quantities as described in the schedule of requirements attached herein in the appendix III which form part in this contract.
2. To supply all pipes and it's fittings to the ZAWA head office situated at Mablou Zanzibar and ZAWA office at Machomane Pemba.
3. To bear the cost of purchasing, transportation and any other expenses of all purchasing goods until to the destination area of the Purchaser.
4. To supply all goods with good faith, reasonable, honest, prudent, all due diligence, knowledge, efficiency, and professional and in case due to her negligence has caused damage, defect or inefficiency to the purchaser; the supplier shall be liable for such defect, damage or inefficiency to the Purchaser.

**The obligation of the Client**

5. To inform the supplier through delivery acceptance letter if he received and accept the goods or not after inspection within twenty one days (21) days from the date of delivery.
6. To pay the supplier the total price as agreed in the contract.
7. Buyer will be obligated to pay duties and Vat amount on both Mainland and Zanzibar.
8. Any penalties occurring due to delays in port clearing of any Duties and Vat payment done by Procurement entities will be obligated by Purchaser.

**Mode of payment**

9. That, the payment shall be made on installments, the first installment of advance payment shall be 15% and after that, the Supplier shall deliver the goods similar to 40%, the second installments of 25% shall be paid and after that, supplier deliver the goods of 60% and the remaining of 60% of the contract price shall be paid after inspection within twenty one days (21) days from the date of delivery.
10. The payment should be done through Standard Chartered Bank Tanzania Limited  
Account Name: SIMBA PIPE INDUSTRIES LTD TZS Account Number : 01-020-223414-01 Swift Code: SCBLTZTXXXX Bank Code: 67-05-83 1st Floor,  
International House Property, Garden Avenue/ Shaaban Robert  
P.O.BOX 9011, Dar es Salaam, Tanzania.

**Duration of the delivery**

11. That, the pipes and it's fittings will be delivered within one month after signing of the contract subject to timely payment as agreed to clause no. 9.



**Duration of the contract**

12. That, this contract shall commence when both parties have signed the contract and shall expire upon completion of the warranty period.

**Acknowledgment**

13. Each party acknowledges that had an adequate opportunity to read this agreement, to consider it, and to consult with the attorneys if desired.

**Documents**

14. The following documents shall be deemed to form and construed and make part of this contract;

- 1. Form of Contract
- 2. General conditions of the contract
- 3. Special conditions of the contact
- 4. Schedule of requirements
- 5. Form of tender
- 6. Notification of award
- 7. Minutes of Negotiation
- 8. Power of Attorney
- 9. Pressure certificate
- 10. Certificate of International Standard Organizational (ISO)
- 11. Manufactures Authorization Form

IN WITNESS WHEREOF and acknowledging acceptance of this agreement, the parties herein have affixed their signature hereto.

**SIGNED and DELIVERED** by the  
Director General Zanzibar Water  
Authority on behalf of the **PURCHASER**  
this 20/ July/2021  
In the presence of

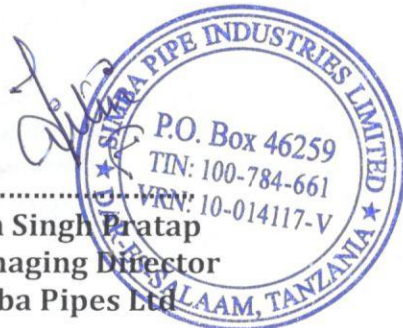
Name Khadija Matame  
Position Lawyer  
Signature [Signature]

**SIGNED and DELIVERED** by the  
Managing Director Simba Pipes Ltd  
Authorized on behalf of the **SUPPLIER**  
this 20/July/2021 In the Presence of

Name BEATRICE CHARLES  
Position: SALES MANAGER  
Signature [Signature]



.....  
**Dr. Salha Mohammed Kassim**  
Director General  
Zanzibar Water Authority



.....  
**Jitin Singh Pratap**  
Managing Director  
Simba Pipes Ltd

## APPENDIX I

### General Conditions of Contract (GCC)

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 named in SCC.
  - j) "The Supplier" means the individual private or government entity or a combination of the above whose Tender to perform the contract has been accepted by the Purchaser and is named as such in the Contract Agreement, and includes the legal successors or permitted assigns of the supplier.
  - 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 Clause
- 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 or situation beyond the control of the Supplier and not involving the Supplier's fault or negligence and not foreseeable, is unavoidable, and is not due to negligence or lack of care on the part of the Supplier.

- |    |   |     |   |
|----|---|-----|---|
| 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 all correspondence and documents relating to the contract exchanged by the Supplier and the Purchaser shall be written in the language <b>specified in SCC</b> . 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 <b>specified in SCC</b> .  |
| 5. | Country of Origin   | 5.1 | The origin of Goods and Services is distinct from the nationality of the Supplier unless otherwise specified in the SCC.  |
| 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 by the Government of Zanzibar | 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 Within thirty (30) days of receipt of the notification of Contract award, the successful Tenderer 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 one of the following forms:
- a) A bank guarantee, an irrevocable letter of credit issued by a reputable bank, or an insurance bond issued by a reputable insurance firm located in Zanzibar/Tanzania or abroad, acceptable to the Purchaser, in the form provided in the Tendering documents or another form acceptable to the Purchaser; or
- b) A cashier's or certified check.



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 Purchaser or its representative shall have the right to inspect and /or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Purchaser. SCC and the Technical Specifications shall specify what inspections and tests the Purchaser shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.

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 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.

10.4 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.

10.5 Nothing in GCC Clause 10 shall in any way release the supplier from any warranty or other obligations under this Contract.

## 11. Packing

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, "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 Where the Supplier is required under Contract to deliver the Goods FOB, transport of the Goods, up to and including the point of putting the Goods on board the vessel at the specified port of loading, shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price. Where the Supplier is required under the Contract to deliver the Goods FCA, transport of the Goods and delivery into the custody of the carrier at the place named by the Purchaser or other agreed point shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.
- 14.2 Where the Supplier is required under Contract to deliver the Goods CIF, transport of the Goods to the port of destination or such other named place of destination in Zanzibar, as shall be specified in the Contract, shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.
- 14.3 Where the Supplier is required under the Contract to transport the Goods to a specified place of destination within Zanzibar, defined as the Project Site, transport to such place of destination in Zanzibar, including insurance and storage, as shall be specified in the Contract, shall be arranged by the Supplier, and related costs shall be included in the Contract Price.
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;

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: N/A

- a) Such spare parts as the Purchaser may elect to purchase from the Supplier, provided that this election shall not relieve the Supplier of any warranty obligations under the Contract; and
- b) In the event of termination of production of the spare parts:
  - i) advance notification to the Purchaser of the pending termination, in sufficient time to permit the Purchaser to procure needed requirements; and
  - ii) following such termination, furnishing at no cost to the Purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

## 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, 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 other than, where applicable, the cost of inland delivery of the repaired or replaced Goods or parts from EXW or the port or place of entry to entry to the final destination.
- 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 method and conditions of payment to be made to the Supplier under this Contract shall be **specified in SCC**.
- 18.2 The Supplier's request(s) for payment shall be made to the Purchaser in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and Services performed, and by documents submitted pursuant to GCC Clause 12, and upon fulfillment of other obligations stipulated in the Contract.
- 18.3 The Purchaser shall make payments promptly, within sixty (60) days after submission of an invoice or claim by the Supplier. If the Purchaser makes a late payment, the Supplier shall be paid interest on the late 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 rate as **specified in the SCC**.
- 18.4 The currency or currencies in which payment is made to the Supplier under this Contract shall be **specified in SCC** subject to the following general principle: *payment will be made in the currency or currencies in which the payment has been requested in the Supplier's Tender.*
- 18.5 All payments shall be made in the currency or currencies specified in the **SCC** pursuant to GCC Clause 18.4

## 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 Tender, with the exception of any price adjustments **authorized in SCC** or in the Purchaser's request for Tender 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.
  - e) Increase or decrease of the required items by the purchaser
- 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. Any claims by the Supplier for adjustment under this clause must be asserted within thirty (30) days from the date of the Supplier's receipt of the Purchaser's change order.
- 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 Tender. Such notification, in the original Tender 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 5.
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, with or without liquidated damages, 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 30 days' 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; or
- b) the Supplier fails to perform any other obligation(s) under the Contract;
- c) the supplier has abandoned or repudiated the contract.
- d) The Purchaser or the Supplier is made bankrupt or goes into liquidation other than for a reconstruction or amalgamation;
- e) a payment is not paid by the Purchaser to the Supplier within 84 days of the due date for payment;
- f) 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

- g) the supplier, in the judgment of the Purchaser, has engaged in corrupt or fraudulent practices in competing for or in exacting 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 Tenderers (prior to or after Tender 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 or revolutions, 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 elect:
- 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 If any dispute or difference of any kind whatsoever shall arise between the Purchaser and the Supplier in connection with or arising out of the Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 30.2 If after thirty days, the parties have failed to resolve their dispute or difference by such mutual consultation, and then either the Purchaser or the Supplier may give notice for arbitration. N/A
- 30.3 If the either party believes that a decision taken by the other was wrongly taken, the decision shall be referred to the Arbitration within 14 days of the notification of the decision. N/A
31. **Procedure for Disputes**
- 31.1 The Arbitration shall stated in the SCC give a decision in writing within 28 days of receipt of a notification of a dispute. N/A
- 31.2 The Arbitrator shall be paid by the hour at the rate specified in the SCC, together with reimbursable expenses of the types specified in the SCC, and the cost shall be divided equally between the Purchaser and the Supplier, whatever decision is reached by the Arbitrator. Either party may refer a decision to an Arbitrator within 28 days of the written decision. If neither party refers the dispute to arbitration within the above 28 days, the Arbitrator's decision will be final and binding. N/A
- 31.3 The arbitration shall be conducted in accordance with the arbitration procedure published by the institution named and in the place shown in the SCC. N/A
32. **Replacement of Arbitrator**
- 32.1 Should the Arbitrator resign or die, or should the Purchaser and the Supplier agree that the Arbitrator is not functioning in accordance with the provisions of the Contract a new Arbitrator will be jointly appointed by the Purchaser and the Supplier. In case of disagreement between the Purchaser and the Supplier, within 30 days, the Arbitrator 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. N/A

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. N/A
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 or by cable, telex, or facsimile 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 foreign Supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the 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.
- 35.3 A local Supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted Goods to the Purchaser.



## APPENDIX II

### 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. The corresponding clause number of the GCC is indicated in parentheses.

SCC Clause Number	GCC Clause Number	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
<b>Definitions (GCC Clause 1)</b>		
1.	1.1(i)	The Purchaser is: <b>Zanzibar Water Authority</b>
2.	1.1(j)	The Supplier is: <b>Simba Pipes Ltd</b>
3.	1.1(k)	The Project site is: <b>Zanzibar Water Authority.</b>
<b>Governing Language (GCC Clause 3)</b>		
4.	3.1	The Governing Language shall be <b>English</b>
<b>Applicable Law (GCC Clause 4)</b>		
5.	4.1	The Applicable Law shall be <b>Laws of the Zanzibar</b>
<b>Country of Origin (GCC Clause 5)</b>		
6.	5.1	Country of Origin is <b>Tanzania</b>
<b>Performance Security (GCC Clause 9)</b>		
7.	9.1	The amount of performance security, as a percentage of the Contract Prices shall be <b>15% of the Contract Price in form of Unconditional bank guarantee.</b>
8.	9.4	After delivery and acceptance of the Goods, the performance security shall be reduced to ten (10) percent of the Contract Price to cover the Supplier's warranty obligations in accordance with Clause GCC 17.2
<b>Inspections and Tests (GCC Clause 10)</b>		
9.	10.1	Inspection and tests prior to shipment of Goods and at final acceptance are as follows:  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 him that should be attached with the certificate(s) of the manufacturer(s) to the Procuring and

		Disposing Entity in order to ensure that the goods are manufactured in compliance with the contract.
	<b>Packing (GCC Clause 11)</b>	
10.	11.2	<p>The following SCC shall supplement GCC Clause 11.2:</p> <p>The Goods shall be packed properly in accordance with standard export packing specified by the Procuring and Disposing Entity in the Technical Specification.</p>
	<b>Delivery and Documents (GCC Clause 12)</b>	
11.	12.1	<p><b>For Goods supplied from abroad:</b></p> <p>Upon shipment, the Supplier shall notify the Procuring and Disposing Entity 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 Entity, with a copy to the Insurance Company:</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.) 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> </ul> <p>The above documents shall be received by the Procuring and Disposing Entity 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><i>[Other similar documents should be listed, depending upon the Incoterm retained.]N/A</i></p>



12.	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 Procuring and Disposing Entity 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> <li>(v.) 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.</li> </ul> <p>The Procuring and Disposing Entity shall receive the above documents before arrival of the Goods and, if not received, the Supplier will be responsible for any consequent expenses.</p>
<b>Insurance (GCC Clause 13)</b>		
13.	13.1	The Insurance shall be in an amount equal to 10 percent of the CIF or CIP value of the Goods from "warehouse" to "warehouse" on "All Risks" basis, including War Risks and Strikes .
<b>Incidental Services (GCC Clause 15)</b>		
14.	15.1	<p>Incidental services to be provided are:</p> <p>[Selected services covered under GCC Clause 15 and/or other should be specified with the desired features. The price quoted in the Tender price or agreed with the selected Supplier shall be included in the Contract Price.]</p> <p>N/A</p>
<b>Spare Parts (GCC Clause 16)</b>		
15.	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>
<b>Warranty (GCC Clause 17)</b>		
16.	17.2	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

		<p>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:</p> <p>(a) Order Supplier to 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,</p> <p><b>And</b></p> <p>(b) Order Supplier to pay liquidated damages to the Procuring and Disposing Entity 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 equivalent to the amount of ten percent of the contract value.</p>
17.	17.4 & 17.5	The period for correction of defects in the warranty period is seven (7) days from the date of installation.
<b>Payment (GCC Clause 18)</b>		
18.	18.1	<p>The method and conditions of payment to be made to the Supplier under this Contract shall be as follows:</p> <ul style="list-style-type: none"> <li>The advance payment will be 15% of contract amount after request in writing and the supplier should submit the Unconditional Bank Guarantee for advance payment.</li> <li>The remaining balance after receiving, inspection and acceptable of consignment to ten (10) percent of the Contract Price to cover the Supplier's warranty obligations in accordance with Clause GCC 17.2.</li> </ul>
19.	18.2	Rate to be used for paying the Supplier's interest on the late payment made by Purchaser shall be N/A
<b>Prices (GCC Clause 19)</b>		
20.	19.1	<p>Prices shall be adjusted in accordance with provisions in the Attachment to SCC.</p> <p>[To be inserted <b>only</b> if price is subject to adjustment.] N/A</p>
<b>Liquidated Damages (GCC Clause 25)</b>		
21.	25.1	<p>Applicable rate: 0.2 per cent per day of undelivered materials/good's value.</p> <p>Maximum deduction: is equal to the performance security.</p>



	<b>Procedure for Disputes (GCC Clause 31)</b>	
22.	31.1	The Arbitrator shall be <b>Zanzibar Commercial Court</b>
23.	31.2	Rate of the Arbitrator fees shall be N/A
24.	31.3	Arbitration institution shall be N/A Place for carrying out Arbitration <b>Zanzibar Commercial Court</b>
25..	32.1	Appointing Authority for the Arbitrator N/A
	<b>Notices (GCC Clause 34)</b>	
26.	34.1	<p><b>Procuring and Disposing Entity's address for notice purposes:</b></p> <p><b>Director General</b>  <b>Zanzibar Water Authority</b>  <b>P O Box 460</b>  <b>Zanzibar</b>  <b>Malawi Road, Msikiti Mabuluu,</b></p> <p><b>Supplier's address for notice purposes:.</b></p> <p><b>Sales Maager</b>  <b>Simba Pipes Ltd</b>  <b>P.O.BOX 46259</b>  <b>Migeyo Road, Changombe Industrial Area,</b>  <b>Dar es salaam</b>  <b>Tanzania.</b></p>

**APPENDIX III  
Schedule of Requirements**

**LOT 1: SCHEDULE OF REQUIREMENT – TECHNICAL SPECIFICATIONS.**

Schedule of requirements for Water Pipes and It's fittings Unguja - Lot 1						
Item	Description of Goods	Units	Quantity	Rate	Amount	Warra nty Period
1	6" HD-PE Pipe, PN10	Metre	15,000			
2	4" HD-PE Pipe, PN10	Metre	20,000			
3	3" HD-PE Pipe, PN10	Metre	6,000			
4	2" HD-PE Pipe, PN10	Metre	5,000			
5	1.5" HD-PE Pipe, PN10	Metre	45,000			
6	1.25" HD-PE Pipe, PN10	Metre	45,000			
7	1" HD-PE Pipe, PN10	Metre	45,000			
8	3/4" HD-PE Pipe, PN10	Metre	45,000			
9	6" HD-PE Stub flange adaptor PN12	PCs	30			
10	6" Steel flat/loose flange	PCs	30			
11	6"x4" HD-PE reducer plain, PN12	PCs	20			
12	6" HD-PE bend plain 90° PN12	PCs	10			
13	6" HD-PE bend plain 45° PN12	PCs	10			
14	6"x2" HD-PE Saddle clamp, PN12	PCs	10			
15	6" DI Flanged Gate Valve	PCs	15			
16	6" Rubber gasket	PCs	30			
17	4" uPVC bend plain 90° PN16	PCs	20			
18	4" uPVC flanged socket PN16	PCs	20			
19	4" uPVC flanged spigot PN16	PCs	20			
20	4" HD-PE Stub flange adaptor PN12	PCs	70			
21	4" Steel flat/loose flange	PCs	70			
22	4" HD-PE bend plain 90° PN12	PCs	20			
23	4" HD-PE bend plain 45° PN12	PCs	20			
24	4"x3" HD-PE reducer plain, PN12	PCs	20			
25	4"x2" HD-PE reducer plain, PN12	PCs	20			
26	2" HD-PE coupling joint, PN12	PCs	20			



27	12x100mm Bolt, nut & washer	PCs	4,000			
28	12x75mm Bolt, nut & washer	PCs	3,000			
29	4" Steel flanged pipe, L=3m	PCs	20			
30	4" DI flanged Gate Valve	PCs	35			
31	4" DI flanged duck foot bend 90°	PCs	20			
32	4"x4" DI flanged tee 90°	PCs	30			
33	4" Steel threaded flange	PCs	30			
34	4" Rubber gasket	PCs	60			
35	9" Cutting disk	PCs	30			
36	6"x4" HD-PE tee plain 90°, PN12	PCs	20			
37	4"x4" HD-PE tee plain 90°, PN12	PCs	20			
38	4"x2" HD-PE Saddle clamp, PN12	PCs	20			
39	2" GS Nipple	PCs	50			
40	2" GS Socket	PCs	30			
41	2" Stop cock, Sanwa	PCs	30			
42	2" Air Valve with threads	PCs	30			
43	Thread seal tape (20m x19mm x0.2mm)	PCs	350			
	Subtotal					
	VAT (15%)					
	Total Amount					

**LOT: 2 SCHEDULE OF REQUIREMENTS**

Schedule of requirements for Water Pipes and it's fittings Pemba - Lot 2						
Item	Description of Goods	Units	Quantity	Rate	Amount	Warranty Period
1	6" HD-PE Pipe, PN10	m	12,500			
2	4" HD-PE Pipe, PN10	m	6,000			
3	3" HD-PE Pipe, PN10	m	4,500			
4	2" HD-PE Pipe, PN10	m	3,500			
5	6" HD-PE Equal Tee plain PN12	pcs	4			
6	6" HD-PE Stub flanged adaptor PN12	pcs	7			
7	6" Steel flat/loose flange PN12	pcs	7			
8	4" HD-PE Stub flanged adaptor PN12	pcs	9			
9	4" Steel flat/loose flange PN12	pcs	9			
10	6" Flanged Sluice Valve PN12	pcs	6			
11	4" Flanged Sluice Valve PN12	pcs	2			
12	6"x4" HD-PE reducer plain PN12	pcs	2			
13	6"x4" Tapper CI PN12	pcs	2			
14	6" Blind flange PN12	pcs	2			
15	4" Blind flange PN12	pcs	2			
16	6" Equal Tee CI flanged PN12	pcs	1			
17	6" Adopter Flanged PVC PN12	pcs	4			
18	8"x4" HD-PE Reducing Tee PN12	pcs	1			
19	4"x3" HD-PE reducer plain, PN12	pcs	4			
20	4"x2" HD-PE reducer plain, PN12	pcs	6			
21	3"x2" HD-PE reducer plain, PN12	pcs	3			
22	2" threaded Air Valve	pcs	8			
23	6"x2" HD-PE Saddle clamp, PN12	pcs	6			
24	4"x2" HD-PE Saddle clamp, PN12	pcs	2			
25	2" GS Nipple	pcs	8			
26	2" GS Socket	pcs	8			
27	Thread seal tape (20m x19mm x0.2mm)	pcs	120			
28	6" Rubber gaskets	pcs	30			
29	4" Rubber gaskets	pcs	30			



30	12x100mm Bolts, nuts & washers	pcs	150			
31	12x75mm Bolts, nuts & washers	pcs	150			
	Sub Total					
	VAT (15%)					
	Amount					

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