



**REQUEST FOR PROPOSAL TO UNDERTAKE STUDIES ON THE SHIRE-ZAMBEZI WATERWAYS PROJECT**

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## ABBREVIATIONS AND ACROYNMS

AU                      African Union

BOT	Build Operate Transfer
CCL	COMESA Carriers License
COMESA	Common Market for Eastern and Southern Africa
DFI	Development Finance Institution
EAC	East African Community
EC	European Commission
EU	European Union
GCC	General Conditions of Contract
HRTC	Harmonised Road Transit Charges
ICT	Information and Communications Technology
IFI's	International Financial Institutions
IGAD	Inter-Governmental Authority on Development
IOC	Indian Ocean Commission
ITB	Instructions to Bidders
MDGs	Millenium Development Goals
MIS	Management Information System
MTLSF	Medium to Long Term Strategic Framework
NEPAD	New Partnership for Africa's Development
PAC	Project Advisory Committee
PF	Project Finance Facility
PPP	Public Private Partnership
RFP	Request for Proposal
REC	Regional Economic Community
RIO	Regional Integration Organisation
RIP	Regional Indicative Programme
ROI	Return on Investment
RSP	Regional Strategic Paper
SADC	Southern Africa Development Community
SATCC	Southern Africa Transport and Communications Commission
SCC	Special Conditions of Contract
SDI	Spatial Development Initiative
STAP	Short Term Action Plan
TCS/PIP	Transport and Communications Strategy/Priority Investment Programme
TOR	Terms of Reference
UNECA	United Nations Economic Commission for Africa
USD	United States Dollar
WB	World Bank
WTO	World Trade Organisation
RISP	Regional Indicative Support Programme
DBSA	Development Bank of Southern Africa
RSDP	Road Sector Development Program
RICTSP	Regional Information Communication Support Program
SSATP	Sub-Saharan African Transport Policy

## **1. PREFACE**

This Request For Proposal ( RFP) and bid document is to serve as a joint invitation by the Common Market for Eastern and Southern Africa(COMESA) and the Southern Africa Development Community (SADC) to prospective bidders to respond to the Tender to Undertake Studies on the Shire-Zambezi Waterways.

The document contains relevant information, including but not limited to, Tender Notice, Instruction to Bidders, Bid Data Sheet, Request for Proposal, Terms of Reference, Conditions of Contract and various Sample Forms for the Tender, which serve as a guide to prospective bidders.

## **2. TENDER NOTICE**

The Common Market for Eastern and Southern Africa (COMESA) has received funding from the European Commission under 9<sup>th</sup> EDF Resources for the Regional Integration Support Programme (RISP). The funds are being disbursed through the Contribution Agreement between COMESA and the European Commission..

The Common Market for Eastern and Southern Africa (COMESA) and Southern Africa Development Community (SADC) intend to apply part of these funds for eligible payment under the RISP for the provision of Services to undertake Studies on the Shire-Zambezi Waterway.

Bids are hereby invited for the provision of Services for the studies and works to be undertaken under this project

- (i) This Invitation is open to African Caribbean Pacific Group of States (ACP) and members of the European Union. Bidders are encouraged to partner with firms and experts from the participating member states.
- (ii) All Bids must be submitted 27<sup>th</sup> May, 2008 on or before 12.00 Hours Central African Standard Time. The bids will be opened on 29<sup>th</sup> May 2008 by the Bids Evaluation Committee, composed of representatives from the three Member States, SADC and COMESA. Opening of bids will be conducted in the presence of bidders or their representatives who wish to attend. The opening ceremony will take place at the SADC Secretariat Headquarters, in Gaborone , Botswana

- (iii) Completed Bid Documents shall be enclosed in a sealed envelope clearly marked with Tender Name and Number, submitted to the address below;

The Secretary General, Common Market for Eastern and Southern Africa  
COMESA Secretariat, Ben Bella Road,  
P.O. Box 30051,  
Lusaka, Zambia,

or

The Executive Secretary, SADC Secretariat  
SADC House, Government Enclave,  
Khama Crescent  
P/Bag 0095 Gaborone, Botswana

- (iv) The Bid Announcement will also be made simultaneously in all the three Member States, using appropriate means, including public media and government notices;
- (v) All prospective bidders must submit their full contact addresses using the address above upon payment of the Bid fee;
- (vi) All Bids must be accompanied by a Bid Security of US Dollars 7,500, enclosed in the Technical Proposal envelope;
- (vii) Bids submitted shall remain valid for One Hundred and Twenty days (120) from the closing date;
- (viii) The Bid Evaluation Committee is NOT bound to accept the lowest bid or any other bid and reserves the right to wholly or partially reject or accept any bid;
- (ix) Bids which are received after closing time shall not be accepted;
- (x) Bids which are incomplete, unsigned or submitted by facsimile or electronically, will be declared non-responsive;

### 3. BID DATA SHEET

(i)	Tender Number	COMSESA/SADC INFRA 1/2008
(ii)	Method of Selection	International Competitive Bidding
(iii)	Technical Proposal requested	Yes
(iv)	Financial Proposal requested	Yes
(v)	Name and Description of the Assignment	Tender to Undertake Studies on the Shire-Zambezi Waterway
(vi)	Contact Persons	Mr. Amos Marawa Director of Infrastructure Development COMESA Secretariat, P.O. Box 30051, Lusaka, Zambia Tel. 260 1229725. Fax. 260 1 225107 Email: amarawa@comesa.int Website: <a href="http://www.comesa.int">www.comesa.int</a> <b>or</b> Mr. Remmy Makumbe Director of Infrastructure and Services SADC Secretariat <u>P/Bag 0095 Gaborone, Botswana</u> Tel. <u>+267 3951863</u> , Fax. <u>+267 3924099</u> Email: rmakumbe@sadc.int Website: <a href="http://www.sadc.int">www.sadc.int</a>
(viii)	Client to provide the following	1. Office space 2. Telephone Line
(ix)	Language of Bid	English or Portuguese
(x)	Date and Place of Pre-Tender Meeting.	
(xi)	Bid validity Period	120 days from closing date
(xii)	Number of Copies to be submitted	(i) 1 Original plus 5 Copies of the Technical Proposal (ii) 1 Original plus 5 Copies of the Financial Proposal
(xiii)	Bid Security	US\$ 7500.00
(xiv)	Currency of the Bids	US Dollars

(xv)	Currency Conversion	Not Applicable
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#### **4. BACKGROUND**

The Shire-Zambezi River Waterway is composed of the Shire River in Malawi and Mozambique and Zambezi River in Zambia, Zimbabwe and Mozambique. The Zambezi River is the second largest river in Africa in terms of annual water discharge and its basin comprises an area of 1.2 million square kilometres covering Angola, Botswana, Congo DR, Malawi, Mozambique, Zambia and Zimbabwe. The Shire is a tributary of the Zambezi and originates from Lake Malawi/Niassa.

The Shire-Zambezi Waterways was used as a transport waterway by explorers and missionaries to Malawi a century and a half ago. During that time, the port of call in Malawi was in Nsanje District formerly known as Port Herald along the Shire River. As recently as 1970, Mawtam Ltd operated a barge service transporting molasses from Chiromo in Malawi to Chinde on the coast of the Indian Ocean in Mozambique.

At continental level, the New Partnership for Africa's Development (NEPAD) has identified infrastructure development as one of the major pillars for economic growth and poverty reduction in Africa.

The importance accorded to infrastructure in the NEPAD agenda reflects the promotion of regional integration in Africa to overcome the problem of lack of economies of scale and to reduce Africa's economic marginalization.

At regional level, the Southern African Development Community (SADC) and the Common Market for Eastern and Southern Africa (COMESA) are implementing a number of programs aiming at enhancing interconnectivity and promoting integration through trade and investment. SADC has particularly recognized Spatial Development Initiatives (SDIs) as an effective way of unlocking the wealth of the region.

The SDIs which are becoming a building block in the implementation of NEPAD and Millennium Development Goals (MDGs) involve independent groups of countries that have inherent potential for economic and social development but which are not fully integrated through transport infrastructure and services.

The Shire-Zambezi initiative has been adopted as Priority Project both by SADC and COMESA Ministers responsible for Transport at various fora.

The Ministers have urged that priority be given to undertaking the required studies in order to integrate the Shire- Zambezi Waterway with the surface

transport networks in the region and with the maritime regime of the Indian Ocean.

This is an important project in order to provide a direct water transport system for proposed harbours and ports among others such as Luangwa in Zambia, Nsanje port in Malawi and other ports along the waterway to the port of Chinde at the mouth of Zambezi on the Indian Ocean or to Beira in Mozambique. An extension from Nsanje upstream to Chikwawa would add another 165 km to the waterway, for smaller transportation units.

The following table shows the various river distances on the key segments of the Shire-Zambezi Waterways:

Basic Facts on the Waterways Segments

Waterway Segment	Lengths in Malawi (kilometers)	Lengths in Mozambique (km)	Lengths in Zambia(Km)	Total length (km)
Shire River from Nsanje downstream to confluence with Zambezi	31 km	93	N/A	124
Zambezi River from Zumbo to Shire confluence	N/A	689	N/A	689
Zambezi River From Shire confluence to mouth Chinde/Zambezi mouth	NA	201	N/A	201
Indian Ocean Coastal zone from Chinde Port to Beira Port	NA	Approx. 250 km	NA	250
Chavuma to Mongu	NA	NA	277	277
Mongu to Kalabo	NA	NA	59	59
Mongu to Sesheke	NA	NA	335	335
Sesheke to Livingstone	NA	NA	180	180
Livingstone to Batoka Gorge	NA	NA	230	230
Batoka to Devils Gorge	N/A	N/A	70	70
Devils Gorge to Kariba Dam	N/A	N/A	100	100

Kariba Dam to Maputa Gorge	N/A	N/A	300	300
Maputa Gorge to Luangwa	N/A	N/A	200	200
Total Length of the Waterway				3015

## **5. TERMS OF REFERENCE FOR THE STUDY**

### **5.1 OBJECTIVES OF THE PROJECT**

#### **(i) Overall Objectives**

The overall objective of the project is to reduce the cost of transport for countries sharing the Zambezi River Basin namely: Malawi, Mozambique and Zambia by opening up the Shire and Zambezi Rivers for navigation up to the Indian ocean through the port of Chinde.

The objective of this assignment is to make a detailed assessment on safe navigation on the Shire River in Malawi and Zambezi River in Zambia and Mozambique up to the port of Chinde in order to demonstrate its technical, economic, social and environmental viability.

#### **(ii) Specific Objectives**

The specific objectives as stipulated in Article 6 of the MOU entered into by the Republic of Malawi, the Republic of Mozambique and the Republic of Zambia include the following:

- a) Undertake a detailed survey of the project area by collecting data on the hydrographical and hydrological systems to the most possible extent and to prepare detailed technical planning parameters on the basis of the results of the field surveys and laboratory works conducted;
- b) Investigate the traffic options on the existing transport corridors and assess their potentials and limitations to service the traffic demands of Malawi and Zambia, taking into consideration possible development of domestic and regional traffic;
- c) Demonstrate the technical, economic, social, ecological, and environmental viabilities of the Shire-Zambezi Waterways, and Zambezi River in Zambia in line with the proposed project; and
- d) The study shall provide the Governments of the three countries with recommendations on strategies to be applied, and measures to be undertaken in order to develop and coordinate the use of the waterway to achieve the objectives, in an ecologically, environmentally, and economically sustainable manner, and provide transport alternative solutions depending on realistic alternative scenarios.

It is recommended that the Consultant should take note of previous studies and their recommendations.

## **5.2 SCOPE OF THE STUDY**

The study will be done in accordance with the provisions of Article 6 of the MOU which demands a full feasibility study for the waterway project. For each of the components of the studies specific Terms of Reference will be drawn. The following are the components of the studies in accordance with the MOU:-

### **(a) Hydrographic and Hydrological Surveys**

The study will undertake hydrographic and hydrologic survey which will indicate and guide the determination of the navigability of the waterway.

The results of this study shall guide the further implementation of the other component studies.

### **(b) Total Project Cost Analysis**

This study shall entail the assessment of volumes and costs for deepening and widening the waterway as proposed in the project, determination of the frequency and level of future interventions to maintain the river channels navigable as well as installation of equipment and other supporting facilities.

The study shall further undertake a Cost-Benefit Analysis of developing the waterway for the 3 countries.

### **(c) Alternative Transport Routes Analysis**

The study shall investigate the traffic options on the existing transport corridors, and assess their potentials and limitations to service the traffic demands of Malawi, Mozambique and Zambia, taking into consideration possible development of domestic and regional traffic.

### **(d) Full Market Analysis**

This study shall conduct a comparative analysis of the technical, financial, and socio-economic advantages of using the Shire-Zambezi Waterways, against the use of the other modes of transport (rail/road transport corridors) for Malawi and Zambia traffic.

### **(e) Socio Economic Impact Assessment**

The study should address the impacts of the development of the waterway to social and economic activities in the Zambezi Delta and downstream areas including the Sofala bank.

**(f) Environmental Impact Assessment (EIA)**

A detailed study to determine the impacts of dredging (nature and extent), river training works, and traffic movements on the environment and the ecological systems of the Zambezi Delta.

The key issues to be addressed by the study will include environmental, ecological, and socio-economic impacts of the proposed waterway project, over the Zambezi River Delta, potentially rich in biodiversity, with a number of ecologically sensitive areas, that are physically and biologically linked to fishing, tourism and other activities aiming to improve the local and national economies, and the livelihoods of the local people.

**(i) Stages of the Project.**

Phase A will entail data collection and analysis from earlier studies and from hydrographic and hydrologic surveys in the field in order to determine the navigability of the waterway.

The study will also identify existing rail/road transport corridor options in the region to assess their potentials, weaknesses and possible solutions to meet the Malawi and Zambia transport demands.

Phase B, will assess the technical, socio-economic and environmental feasibility of the Shire–Zambezi Waterways to respond to the proposed project, and its interest for Malawi, Mozambique and Zambia.

Once completed Phase B will involve the preparation of detailed technical planning parameters elaborated on the basis of results of Phase A.

**(ii) Elements for Initial Environmental Assessment**

The study should pay attention to the need to preserving the ecological system of the Delta, bearing in mind that the Zambezi is rich in biodiversity which need to be preserved and protected, and has many sensitive areas.

The study should ensure that at anytime in future the project should not conflict with the on-going Zambezi River Valley development program, which among other things entails potential water uses such as irrigation, industries, human consumption, and power generation at Mpanda-Uncua, Boroma, Lupata and Mutarara and bridge construction over Shire River in Mozambique.

### **(iii) Work Already Undertaken**

A pre-feasibility study funded by EU was conducted on the Shire - Zambezi Waterways. The results of the study indicated that the rivers are navigable but require further studies to cover the items agreed under Article 6 of the MOU.

It is necessary to undertake a comprehensive Feasibility Study of the Shire-Zambezi Waterways in terms of technical, economic, social and environmental viability in order to proceed with the development of the waterway.

Due to the lack of hydrologic, technical, ecological and environmental data on the fluvial systems of the Shire and Zambezi River and the surrounding wetlands, the three countries agreed that the Feasibility Study be conducted in two phases as elaborated in the scope of the study (section ii).

A Memorandum of Understanding has already been signed by Malawi, Mozambique and Zambia to develop and implement the waterway as a trans-boundary facility.

The MOU provides for cooperation among the countries during the various stages of the development of the waterway and establishes appropriate consultative mechanisms.

### **5.3 EXPECTED OUTPUTS**

The expected output of the study will be a comprehensive Technical Report containing (but not limited to) details on the Shire-Zambezi Waterways in two Phases A and B as follows: -

The expected outputs for Phase A are:

- Drawings of longitudinal profile of the waterways at a scale of 1:100,000 and sounding information showing depth in different colours;
- River flow data of both, the Shire in Malawi and the Zambezi rivers, with the latter commencing in Zambia through Cabora Bassa Dam exit and for the combined river flow from the confluence to Chinde with regard to water levels (their peaks, annual and seasonal variations) and the related discharge quantities of the Shire and Zambezi River from relevant sources in Malawi and Mozambique; inclusive of discharges into the rivers by all tributaries along the Waterway.
- End of the dry season combined bathymetric and Hydrographic charts at 1:10000 scale for the Shire in Malawi and Mozambique and the Zambezi in Zambia and Mozambique from Chikwawa to Chinde; accurately determining the existing channel width and depth throughout the waterway; inclusive of the type of waterway bed material.

- Provide technical information on the availability of the required water flows in the Waterway in line with the existing water management authorities taking into account the other uses of water (e.g. water for irrigation, consumption, industry, existing and planned power plants at Mpanda Uncua, Boroma, Lupata and Mutarara.
- Detailed sounding measurements taken at the end of the rainy season and end of the dry season assessing the impact on the navigability of the waterways and proposing mitigation measures to counter sedimentation if required.
- Summary of results including data in tables and graphs in a form adequate to serve as detailed planning criteria for the design of a safe and navigable waterway. Include possible influence of barrages/hydro power plants;
- Results of Subsoil Investigation and Topographic Maps covering the areas proposed in the Pre-feasibility Study for the development of Nsanje and Chinde ports and the potential landing sites proposed at Chikwawa, Nchalo, Chiromo, at selected locations between Bangula and Nsanje where established trade routes would justify landing sites, at Megaza, Chipanga, Chindio, Caia ferry crossing, Mopeia, Marromeu/Valente and Luabo and including the development of the waterway in Zambia from Luangwa to Siavonga at initial and upstream at a later stage.
- Clearance (air draft and width) of all bridges (existing at Chikwawa and Chiromo and planned to be constructed at Chipanga and Mutarara) and electricity lines, if any, in the course of the waterway;
- Extent of water hyacinths narrowing or blocking the waterway and the volume of plants being transported in respective stretches of the waterway and advise on possible mitigating measures;
- Comprehensive Terms of Reference for EIA study for the Project in accordance with the requirements and guidelines of the Ministries of Environment in Malawi, Zambia and Mozambique.
- Comprehensive Terms of Reference for the Socio-Economic Analysis including market, Cost-Benefit Analysis and of deepening and widening the Waterways as well as alternative transport options to service the existing and foreseen traffic demand;

The expected outputs for Phase B are:

- Comparative analysis of the technical, financial, and socio-economic advantages of using the Shire-Zambezi Waterways, against the use of the other modes of transport (rail/road transport corridors) for Malawi and Zambia traffic.
- Demonstration of technical and environmental viability of the waterway and the consequences of its navigability in the economic and social activities along the Zambezi River in Zambia, Shire River in Malawi/Mozambique and the Delta region in Mozambique, Modern tools such as Numerical Modelling should be used to show the short, medium and long term effects.
- Demonstration of the technical, environmental and ecological measures to be undertaken to turn the navigable channels stable, especially at the river mouth, and keep the negative impacts at minimum.
- A Cost-Benefit Analysis of developing the waterway for the 3 countries.
- Review inventory of existing transport and navigational routes;
- Identification and assessment of existing navigational constraints including limitations as a result of natural variation of water depth over the year;
- Existing type of vessels and their navigational requirements
- Assessment of impacts (positives and negatives) of the proposed project to the economy, ecology, environment, and sociology of the Zambezi river system, and consequences of future development, namely on:
  - a) Fishing industry along the Zambezi River Delta (Sofala Bank), contributing 91% of the total Shrimps catch in Mozambique, and involving more than 2000 working post;
  - b) Artisanal fishing involving more than 18.000 people and implications on housing and local economies;
  - c) Tourism development along the rivers, especially for the Marromeu Game Reserve lying within the waterway area;
  - d) Agricultural development, Water Supply, and Power generation and;
  - e) Transportation projects underway in the three countries;

- Assessment of volumes and costs for deepening and widening the waterway as proposed in the project, and determination of the frequency and level of future interventions to maintain the river channels navigable.
- Address legal issues relevant for the development of the waterway, i.e. infrastructure, fleet, aids to navigations.

#### **5.4 SPECIFIC ACTIVITIES**

The Consultant shall provide a detailed list of activities including the deployment of experts listed in these terms of reference in order to fully deliver the expected outputs.

#### **5.5 SCHEDULE OF REQUIRED REPORTS**

The Consultant shall prepare appropriate reports for consideration by the Joint Technical Committee from inception to the completion of the works. The reports will comprise: Inception Report, Quarterly Progress Reports, Draft Survey Report and Final Survey Report as detailed below:

##### **(i) Inception Report**

The Inception Report shall provide details of the activities, strategies, milestones and time-phased action plan which the consultant intends to use to fulfill the Terms of Reference, and if necessary, indicate those areas of the Terms of Reference that require modification. This Report shall include detailed performance schedules and personnel deployment for both phases.

##### **(ii) Quarterly Progress Report.**

The first Quarterly Progress Report shall cover the period up to the end of the first quarter following the mobilization of resources. Reports shall be submitted quarterly thereafter, each within 14 days after the last day of the period to which it relates. Reporting shall continue until the Consultant has completed the Draft Survey Report.

##### **(iii) Draft Survey Report**

The Report will be discussed by the Joint Technical Committee at a meeting to take place not later than 60 days after the submission of the Draft Report.

The Joint Technical Committee shall be established in accordance with the provisions of the MOU.

#### **(iv) Final Study Report**

The Final Study Report incorporating the feedback received from the Joint Technical Committee shall *be* submitted after two weeks.

#### **Submission of Reports**

The Consultant will submit reports to the Chairman in-charge of the Joint Technical Committee of the project.

The Chair shall in turn submit these reports to the other member states. The final report shall be submitted to the Chairman in charge of the Joint Technical Committee (20 copies in hard and electronic form) with single copies to SADC and COMESA.

### **5.6 PROFILE OF THE BIDDERS**

The Consultant for the implementation of the study will be selected by the Joint Technical Committee from an International bidding process

The experts required for this assignment are expected to have appropriate qualifications and professional experience in Hydrography, Hydrology, Survey, Navigation, Naval Architecture, Civil Engineering, Economics, Fisheries, Environmental and natural resource sciences as profiled below.

A bidder comprising a consortium which includes firms and experts from the three member states shall have an added advantage.

#### **Team Leader**

The Team Leader shall have at least 20 years experience in the field relevant to the assignment. The team leader shall have a minimum of Masters Degree in Civil Engineering and its equivalent and be a full member of a professional institution such as Institute for civil Engineers (ICE) or its equivalent.

He/She shall be experienced in infrastructure analysis of river transport projects in developing countries.

#### **Hydrographer**

The Hydrographer shall have at least 15 years experience in the field relevant to the assignment.

The Hydrographer shall have a University Degree and experience in planning and execution of field surveys and the evaluation of survey data towards the formulation of design criteria, in particular for training works, of waterways for commercial navigation in the confines of river systems.

### **Navigation Specialist**

The Navigation Specialist shall have at least 15 years experience in the field relevant to the assignment.

He/She shall have a minimum of University Degree in Maritime Studies, or Hydrography and Oceanography, and possess sector specific experience particularly in:

- Data on types of ships and their navigational requirements;
- Review of existing data and identification of additional data requirements;
- Collection of additional data and subsequent analysis of the bathymetric characteristics of the navigational routes,
- Inventory of existing transport and navigational routes including assessment of navigational constraints; and
- Assessment of possibilities for alleviating navigational constraints for each route, and associated costs.

### **Hydrologist**

The Hydrologist shall have at least 15 years experience in the field relevant to the assignment.

He/she shall have experience in planning and execution of field surveys and the evaluation of survey data towards the formulation of design criteria, in particular for training works, of waterways for commercial navigation in the confines of river systems.

### **Field Surveyor**

The Field Surveyor shall have at least 15 years experience in the field relevant to the assignment.

The Surveyor shall have a minimum of University Degree and experience in planning and execution of field surveys and the evaluation of survey data towards the preparation of topographic maps and GIS the formulation of design criteria of port structures and engineering works along waterways.

### **Naval Architect**

The Naval Architect shall have at least 15 years experience in the field relevant to the assignment: The Naval Architect shall have a minimum of an

MSc in Architecture, and experience in design and construction supervision of commercial cargo vessels for the navigation in coastal waters and for river transport.

The expert shall have particular experience in the planning of shallow draft vessel systems optimised for commercial river navigation.

### **Dredging Expert/Civil Engineer**

The Dredging Expert/Civil Engineer shall have at least 15 years experience in the field relevant to the assignment.

The Expert shall have experience in planning and design of river training works including dredging works in complex river systems of larger magnitude for commercial waterways. The expert must have experience in formulation of terms of reference for subsoil investigation works.

### **Geologist**

The Geologist shall have at least 10 years experience in the field relevant to the assignment.

The Geologist shall have experience in Geomorphology and sedimentology. The expert must have strong knowledge in structural and geological setting in Southern Africa. He/She shall have a University Degree.

### **Environmental Expert**

The Environmental Expert shall have a minimum of Masters Degree and at least 15 years experience in the field relevant to the assignment.

The expert shall be an environmentalist with extensive experience in EIA studies preferably on the developments and river environments of southern part of Africa.

### **Fisheries Experts**

The Fisheries Expert shall have at least 15 years experience in the field relevant to the assignment.

He/she shall have a minimum of an MSc in Biological Sciences and experience in planning and execution of fisheries management for commercial and subsistence fisheries in the confines of river systems and/ or any other water bodies.

He/she shall have experience in Management of river and Marine ecosystems.

### **Sociologist**

The sociologist shall have a University Degree in Sociology or related studies and 10 years working experience.

He/She shall have wide experience working in African environment, with particular reference to resettlement and other social impacts of large transportation infrastructure projects.

### **Economist**

The Economist shall have at least 15 years experience with Masters of Arts or Science Degree in Economics or equivalent.

He/she should demonstrate a detailed understanding of regional economics especially with reference to transport and logistics.

## **5.7 WORKING LANGUAGES**

The working languages for this contract are English and Portuguese. However knowledge of local languages will be an added advantage.

## **5.8 LOCATION OF ASSIGNMENT AND DURATION**

### **(i) Location(s) of Assignment**

Services will be performed in Malawi, Mozambique and Zambia where necessary consultations could be made with other upstream member states.

The Consultants will make their own arrangements for all necessary living accommodation, transport, field visits, and all other expenses related to the assignment.

### **(ii) Duration of the Study**

The Consultant will commence work not later than 1<sup>st</sup> June 2008 allowing the commencement of river survey works at low water level period (late September/early October).

The approximate duration of the assignment shall be 6 months and the final report shall be ready by February, 2009. The Services shall be completed with the submission of the Final Report on the agreed dates.

## **5.9. SUPPORT TO THE STUDY**

### **(i) Government Inputs**

The Governments of Malawi, Mozambique and Zambia through their Ministries responsible for transport will provide for the cooperation of the other Government Ministries, departments and other agencies required for carrying out the work.

The Ministries will provide the Consultant with relevant information which is necessary for the proper and timely execution of the study.

### **(ii) Other Support**

The consultant will be provided with support by Ministries responsible for Transport in the respective countries namely Malawi, Mozambique and Zambia as appropriate.

Office space will be made available at Lilongwe in Malawi, Tete in Mozambique and Lusaka in Zambia. The Consultant has to set up his own office facilities when in the project site areas.

## **6. INSTRUCTIONS TO BIDDERS**

### **Eligibility of Bidders**

The bidders for the assignment must be established consulting firms based in the COMESA, SADC regions, ACP countries and EU. Preference will be given to bidders who partner with firms in the SADC and COMESA regions.

They must have relevant experience, expertise and ability to carry out the tasks outlined in the TOR. Non eligible countries shall be required to obtain derogation from the European Union.

### **Cost of Tendering**

The Bidder shall bear all costs associated with the preparation and submission of its tender. The COMESA Secretariat will, in no circumstance, be responsible or liable for such costs regardless of the conduct or outcome of the tendering process.

### **The Language of Bids**

The language of Bids shall be **English or Portuguese**

## **Proposal Format**

The bid shall contain two parts namely, Technical and Financial Proposal

### **i) Technical Proposal**

The Technical Proposal should indicate the ability of the Bidder to carry out the assignment. It will include: -

- Experience of the firm in carrying out similar assignments ;
- Affiliation to professional bodies;
- Qualifications of proposed experts;
- Understanding of Terms of Reference (TOR's);
- Detailed work plan;
- Proposed methodology of carrying out the assignment; and
- Comprehensive profiles of experts to undertake the assignment.

The names and CVs of the Lead Consultant, experts and staff to be deployed on the assignment must be attached.

### **(ii) Financial Proposal**

Financial proposal should indicate the utilization by the bidder of the tender price to carry out the assignment. It will be prepared in line with tabulations as listed below whose details are attached hereto as Annex 3: -

- Financial proposal submission form;
- Summary of costs; and
- Breakdown of prices per activity.

## **Bid Currency**

Bid prices must be indicated in US Dollars.

## **Taxes**

COMESA/SADC are exempted from all taxes hence all prices must be exclusive of all taxes and duties where applicable.

## **Price Variation**

There will be NO price variation during contract duration.

## **Bid Validity Period**

Bids shall be valid for a period of 4 months (120 days) from the closing date of the Tender.

## **Bid Submission**

- (i) Submission of joint proposals is allowed under this tender. In case of joint submission, the consortium must state the Lead Consultancy Firm;
- (ii) Technical and Financial proposals shall be submitted in **two separate sealed** envelopes clearly marked “**Technical proposal**” and “**Financial Proposal**”.
- (iii) Number of Copies

Bidders shall submit **one** Original, marked “**original**” and **4** copies marked “**Copies**” for both Technical and Financial proposals.

- (iv) Electronically submitted proposals will not be acceptable

## **Performance Bond Guarantee**

The successful bidder shall be required to execute a Performance Bond of 7% the bid sum from a reputable bank in the sample form attached hereto **as Annex 4**

## **Advance Payment Guarantee**

Advance payment shall be made against a Bank guarantee of equivalent amount, in the event that the Bidder does not have sufficient funds to commence the assignment.

The sample is attached hereto as **Annex 5**.

### **Power of Attorney**

All Bidders must submit the legal Power of Attorney specifying authorized person to sign documents on behalf of their company; this must be enclosed in the Technical Proposal envelope.

### **Declaration**

Bidders must declare that they shall not engage in corrupt and fraudulent practices with an intention to influence the award of contract.

### **Clarifications on the Tender document**

Clarifications on queries made by prospective bidders on this tender document shall be handled in the following manner:

- a) Any requests for clarification on the bidding document shall be in writing;
- b) All responses to queries will be circulated to all prospective bidders who have paid the bid fee and have submitted their full contact addresses to the COMESA Secretariat;
- c) All Bidders seeking clarification or queries must do so from the date of the advert up to fourteen 14 days before the closing date of the Tender;
- d) To assist in the examination, evaluation, and comparison of tender, the Bids Evaluation Committee may, at its discretion, ask any Bidder for clarification of a submitted Tender. Such clarification may be requested at any stage up to contract award and shall be done in writing.

All general queries shall be addressed to,

The Secretary General,  
COMESA Secretariat  
Attention to Ms Rose Masese email: rmasese@comesa.int

or

The Executive Secretary,  
SADC Secretariat  
Attention Mr. Allan Mkhonta Email: amkhonta@sadc.int

For any technical queries related to specifications of the assignment or TOR, contact the Mr. Amos Marawa email: [amarawa@comesa.int](mailto:amarawa@comesa.int) or Mr. Remmy Makumbe: email: [rmakumbe@sadc.int](mailto:rmakumbe@sadc.int) or Mr. G M Maeti email: [gmaeti@comesa.int](mailto:gmaeti@comesa.int)

### **Withdrawal of the Bid**

Withdrawal of the Bid between the submission of tenders and the expiration of the bid validity shall result in the forfeiture of the bid security.

### **Award of Tender**

The Client is not bound to accept the lowest tender or any tender and reserves the right to award this tender either partially or wholly to any bidder.

### **Payment Terms**

Payments will be made upon submission of fee note certified by the Supervisor of the project in accordance with the payment schedule as shall be provided in the contract.

### **Evaluation Criteria and Award of Tender**

The evaluation shall be carried out as follows:

- i) Evaluation of technical quality of the tender which shall be carried out the basis of the presentation of the proposal, methodology proposed to undertake the study and the qualifications and experience of the consultants as indicated in the Terms of Reference
- ii) Classification of tenders will be into the following categories on the basis points awarded:  

Category I:	<b>Good:</b> 70 points and above
Category II:	<b>Adequate:</b> between 65 and 69 points;
Category III:	<b>Inadequate:</b> fewer than 65 points.
- iii) The pass mark for Technical Proposals shall be 70% of the total technical score.
- iv) Opening of the envelopes marked "Tender Price" relating only to the

tenders in the highest category resulting from the evaluation.

The Technical Proposal shall comprise of 80% of the total combined score, while the Financial Proposal shall attract 20% of the same.

### **Notification and Acceptance of Award**

The successful bidder will be notified by the Client, in writing, within thirty days (30) from the date of award.

The bidder shall submit a letter of acceptance of offer within fourteen days (14) from the date of the receipt of letter of notification.

### **Negotiations**

Before the award of contract, if any, COMESA/SADC reserve the right to enter into a phase of negotiations with the successful bidder.

Negotiations will include a discussion of the technical proposal, the proposed methodology (work plan), staffing and any suggestion made by the firm to improve the TOR.

### **Signing of the Contract**

Upon successful negotiations, the parties shall enter into a contract by signing a formal "Contract Agreement".

### **Confidentiality**

Information relating to evaluation of proposals and recommendations concerning awards, shall NOT be disclosed to the Bidders who submitted the proposals or to other persons not officially concerned with the process, until the winning firm has been notified that it has been awarded the contract.

### **Commencement and Completion of Work**

The assessment is expected to commence in July , 2008. Details of the completion of work and work schedule including reporting will be agreed upon after signing the contract.

## **Submission of Bids**

Bids can be submitted through courier services or hand delivered to:

**THE CHAIRMAN, CONTRACTS COMMITTEE  
COMESA SECRETARIAT  
BEN BELLA ROAD, P.O BOX 30051  
LUSAKA,, ZAMBIA  
Tel : 260 1 229725/ Fax 260 1 225107**

**Attention: Rose Masese, email: [rmasese@comesa.int](mailto:rmasese@comesa.int)**

Or

**THE EXECUTIVE SECRETARY,  
SADC SECRETARIAT  
SADC HOUSE, GOVERNMENT ENCLAVE, KHAMA CRESCENT,  
P/BAG 0095 GABORONE, BOTSWANA  
Tel. +267 3951863, Fax. +267 3924099  
Attention: Allan Mkhonta**

Please note all tenders must have the tender reference number clearly labelled on final envelope that is used to send bid.

**“PROPOSAL TO UNDERTAKE STUDIES ON THE SHIRE-ZAMBEZI  
WATERWAYS (TENDER NO: COMESA/SADC/INFRA/ 01/2008)”**

## **Closing Date of Tender**

Tenders must be submitted on or before **27<sup>th</sup> May, 2008 12.00 hrs Central African Time.**

## 7. STANDARD SAMPLE FORMS (ANNEXES)

### Annex 1. Sample of Contract

This Agreement [hereinafter called "the Contract"] is entered into this \_\_\_\_\_ [Insert starting date of assignment], by and between \_\_\_\_\_ [Insert Client's name] of [or whose registered office is situated at] \_\_\_\_\_ [insert Client's address](hereinafter called "the Client") of the one part AND \_\_\_\_\_ [Insert Consultant's name] of [or whose registered office is situated at] \_\_\_\_\_ [insert Consultant's address](hereinafter called "the Consultant") of the other part.

WHEREAS, the Client is desirous of engaging a Consultant perform the Services .....[hereinafter referred to as "the Services", and WHEREAS, the Consultant professes the expertise required and is willing to perform the said Services.

NOW THEREFORE THE PARTIES hereby agree as follows:

1. **Term** The Consultant shall perform the Services during the period commencing \_\_\_\_\_ [Insert start date] and continuing through to \_\_\_\_\_ [Insert completion date] or any other period(s) as may be subsequently agreed by the parties in writing.

2. **Payment**      **A. Ceiling**

For Services rendered pursuant to ..... the Client shall pay the Consultant an amount not to exceed a ceiling of \_\_\_\_\_ [Insert ceiling amount]. This amount has been established based on the understanding that it includes all of the Consultant's costs and profits as well as any tax obligation that may be imposed on the Consultant. The payments made under the Contract consist of the Consultant's remuneration as defined in sub-paragraph (B) below.

**B. Remuneration**

The Client shall pay the Consultant for Services rendered at the rate(s) per man/month spent (or per day spent or per hour spent, subject to a maximum of eight hours per day) in accordance with the rates agreed and specified in

the schedule of payment, "Cost Estimate of Services, List of Personnel and Schedule of Rates".

**C. Payment Conditions.**

Payment shall be made in US Dollars not later than thirty {30} days following submission of fee note in duplicate to the Supervisor designated in Clause 3 here below. If the Client has delayed payments beyond thirty (30) days after the date hereof, simple interest shall be paid to the Consultant for each day of delay at a rate three percentage points above the prevailing Bank of Zambia's average rate for base lending.

**3. Project Administration**

**A. Supervisor**

The Client(s) designates \_\_\_\_\_  
*[Insert name]* as Client's Supervisor; the Supervisor shall be responsible for the supervision of activities under the Contract, for receiving and approving fee notes for payment and for acceptance of the deliverables by the Client.

**Timesheets.**

During the course of their work under this Contract, including field work, the Consultant's employees providing services under this Contract may be required to complete timesheets or any other document used to identify time spent as well as expenses incurred, as instructed by the Project Supervisor.

**B. Records and Accounts**

The Consultant shall keep accurate and systematic records and accounts in respect of the Services which will clearly identify all charges and expenses.

The Clients through the **Project Implementation Unit** reserves the right to audit or to nominate a reputable accounting firm to audit the Consultant's records relating to amounts claimed under this Contract during its term and any extension and for a period of three months thereafter.

**4. Performance**

The Consultant undertakes to perform the Services with the highest standards of professional and ethical

competence and integrity. The Consultant shall promptly replace any employees assigned under this Contract that the Client considers unsatisfactory.

- 5. Confidentiality** The Consultant shall not, during the term of this Contract and within three years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the Client.
- 6. Ownership** Any studies, reports or other material, graphic, software or otherwise prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client.
- 7. Consultant Not to be Engaged in Certain Activities** The Consultant agrees that during the term of this Contract and after its termination, the Consultant and any entity affiliated with him shall be disqualified from providing goods, works or services (other than the Services or any continuation thereof) for any project resulting from or closely related to the Services.
- 8. Insurance** The Consultant will be responsible for taking out any appropriate insurance coverage.
- 9. Assignment** The Consultant shall not assign this Contract or Subcontract any portion thereof without the Client's prior written consent.
- 10. Law Governing Contract**

The Contract shall be governed by the Laws of the Republic of Zambia..
- 11. Dispute Resolution** Any dispute arising out of this Contract which cannot be amicably settled between the parties, shall be referred by either party to the arbitration and final decision of a person to be agreed between the parties. Failing agreement to concur in the appointment of an Arbitrator, the Arbitrator shall be appointed by the chairman of the Chartered Institute of Arbitrators, on the request of the applying party.

**For The Client**

**For The Consultant**

**Full name:** \_\_\_\_\_ **Full name**

**Title:** \_\_\_\_\_ **Title:**

**Signature :** \_\_\_\_\_

**Signature;** \_\_\_\_\_

**Date :** \_\_\_\_\_ **Date;** \_\_\_\_\_

\_\_\_\_\_

## **Annex 2. Sample Form - Technical Proposal**

### **These forms shall include;**

- i) Technical Proposal submission form.
- ii) Firm's references.
- iii) Comments and suggestions of consultants on the Terms of Reference and on data, services and facilities to be provided by the Client.
- iv) Description of the methodology and work plan for performing the assignment.
- v) Team composition and task assignments.
- vi) Format of curriculum vitae (CV) for proposed professional staff.
- vii) Time schedule for professional personnel.
- viii) Activity (work) schedule.

**(i). TECHNICAL PROPOSAL SUBMISSION FORM**

[\_\_\_\_\_ Date]

To: \_\_\_\_\_ [Name and address of Client]

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for

\_\_\_\_\_

\_\_\_\_\_ [Title of consulting services] in

accordance with your Request for Proposal dated

\_\_\_\_\_ [Date] and our Proposal. We are hereby

submitting our Proposal, which includes this Technical Proposal, [and a  
Financial Proposal sealed under a separate envelope-where applicable].

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

\_\_\_\_\_ [Authorized Signature]:

\_\_\_\_\_ [Name and Title of Signatory:]

\_\_\_\_\_ [Name of Firm:]

\_\_\_\_\_ [Address:]

**(ii). FIRM'S REFERENCES**

**Relevant Services Carried Out in the Last Five Years that Best Illustrate Experience**

Using the format below, provide information on each assignment for which your firm either individually as a corporate entity or in association, was legally contracted.

Assignment Name:	Country:
Location within Country:	Professional Staff provided by Your
Name of Client:	Firm/Entity(profiles): No. of Staff deployed:
Address:	No of Staff-Months; Duration of
Start Date (Month/Year): Completion Date (Month/Year):	Assignment: Approx. Value of Services (US\$)
Name of Associated Consultants. If any	No of Months of Professional: Staff provided by Associated Consultants:
Name of Senior Staff (Project Director/Coordinator, Team Leader) Involved and Functions Performed:	
Narrative Description of project:	
Description of Actual Services Provided by Your Staff:	

**Firm's Name:**

.....

**Name and title of signatory:** .....

**(iii) COMMENTS AND SUGGESTIONS OF CONSULTANTS ON THE TERMS OF REFERENCE AND ON DATA, SERVICES AND FACILITIES TO BE PROVIDED BY THE CLIENT.**

**On the Terms of Reference:**

- 1.
- 2.
- 3.
- 4.
- 5.

**Services and facilities to be provided by the Client:**

- 1.
- 2.
- 3.
- 4.
- 5.

**On the data provided by the Client**

- 1.
- 2.
- 3.
- 4.
- 5.

**(iv) DESCRIPTION OF THE METHODOLOGY AND WORK PLAN FOR PERFORMING THE ASSIGNMENT**

=====

=====

=====

=====

## TEAM COMPOSITION AND TASK ASSIGNMENTS

### 1. Technical/Managerial Staff

Name	Proposed Position on this assignment	Task

### 2. Support Staff

Name	Proposed Position on this assignment	Task

### (v) FORMAT OF CURRICULUM VITAE (CV) FOR PROPOSED PROFESSIONAL STAFF

**Current Position:** \_\_\_\_\_

**Name of Employer:** \_\_\_\_\_

**Name of Staff:** \_\_\_\_\_

**Profession:** \_\_\_\_\_

**Date of Birth:** \_\_\_\_\_

**Years with Employer:** \_\_\_\_\_ **Nationality:** \_\_\_\_\_

**Membership in Professional Societies:** \_\_\_\_\_

**Detailed Tasks Assigned:** \_\_\_\_\_

**Key Qualifications:** *[Give an outline of staff member's experience and training most pertinent to tasks on this assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations].*

---

**Education:** *[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended and degree[s] obtained.]*

---

**Employment Record:** *[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments.]*

Certification:

**I, the undersigned, certify that these data correctly describe me, my qualifications, and my experience.**

\_\_\_\_\_

**Date:** \_\_\_\_\_

***[Signature of staff member]*** \_\_\_\_\_

**Date;** \_\_\_\_\_

***[Signature of authorized representative of the firm]***

**Full name of staff member:**

\_\_\_\_\_

**Full name of authorized representative:** \_\_\_\_\_

**(vi) TIME SCHEDULE FOR PROFESSIONAL PERSONNEL**

**Months (in the Form of a Bar Chart)**

<b>Name</b>	<b>Position</b>	<b>Reports Due/ Activities</b>	<b>1</b>	<b>2</b>	<b>. . .</b>	<b>Total No. of months</b>
-------------	-----------------	------------------------------------	----------	----------	--------------	--------------------------------

**Reports Due** \_\_\_\_\_

**Activities Duration:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**(Authorized representative)**

**Full Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Address:**

\_\_\_\_\_

\_\_\_\_\_

**(vii) ACTIVITY (WORK) SCHEDULE**

(a). Field Investigation and Study Items

*[1<sup>st</sup>, 2<sup>nd</sup>, etc, are months from the start of assignment to the 12<sup>th</sup> month)*

	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>									
<b>Activity (Work)</b>												
_____												
_____												

(b). Completion and Submission of Report =====Advise=====

<b>Reports Type</b>	<b>Date:</b>
<b>1. Inception Report</b>	
<b>2. Quarterly Progress Reports</b> <b>(a) First Quarter Report</b> <b>(b) Second Quarter Report</b> <b>(c) .....</b>	
<b>3. Draft Report</b>	
<b>4. Final Report</b>	

### **Annex 3. Sample Form - Financial Proposal**

**These forms shall include;**

- i) Financial Proposal submission form.
- ii) Summary of costs.
- iii) Breakdown of price per activity.

**(i) FINANCIAL PROPOSAL SUBMISSION FORM**

To: \_\_\_\_\_ *[ Date ]*  
\_\_\_\_\_  
\_\_\_\_\_  
*[Name and address of Client]*

Ladies/Gentlemen:

We, the undersigned, offer to provide the consulting services for (\_\_\_\_\_) *[Title of consulting services]* in accordance with your Request for Proposal dated (\_\_\_\_\_) *[Date]* and our Proposal. Our attached Financial Proposal is for the sum of (\_\_\_\_\_) *[Amount in words and figures]* exclusive of the taxes.

We understand you are not bound to accept any Proposal you receive.  
We remain,

Yours sincerely,  
*[Authorized Signature]* \_\_\_\_\_  
*[Name and Title of Signatory]:* \_\_\_\_\_  
*[Name of Firm]* \_\_\_\_\_  
*[Address]* \_\_\_\_\_

**(ii) SUMMARY OF COSTS**

<b>Costs</b>	<b>Currency(ies)</b>	<b>Amount(s)</b>
<b>Consultancy Fee .....</b>		
<b>Cost of Travel....</b>		
<b>Per Diem</b>		
<b>.....</b>		
<b>Subtotal.....</b>		
<b>Taxes N/A</b>		
<b>Total Amount of Financial Proposal</b>		

**(iii) BREAKDOWN OF PRICE PER ACTIVITY**

<b>Activity NO:</b> _____	<b>Description:</b> _____
<b>Price Component:</b>	<b>Amount(s):</b>
<b>Remuneration:</b>	
<b>Miscellaneous Expenses:</b>	
<b>Subtotal</b>	_____

The breakdown of prices should be as per outputs and activities described under 5.2 and 5.3 of the TORs above.

#### **Annex 4. Sample Form - Performance Bond**

Date: *[insert date (day/month/year) of Performance Security]*

Tender Reference No: .....

To: *[insert complete name of Procuring and Disposing Entity]*

WHEREAS *[insert name complete of Provider]* (hereinafter "the Provider") has undertaken, pursuant to Contract No. *[insert number]* dated *[insert day, month and year]* to provide *[brief description of the Services]* (hereinafter "the Contract").

AND WHEREAS it has been stipulated by you in the aforementioned Contract that the Provider shall furnish you with a *[insert type of security]* Security issued by a reputable guarantor for the sum specified therein as security for compliance with the Provider's performance obligations in accordance with the Contract.

AND WHEREAS the undersigned *[insert complete name of Guarantor]*, legally domiciled in *[insert complete address of Guarantor]*, (hereinafter the "Guarantor"), have agreed to give the Provider a security:

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the Provider, up to a total of *[insert currency and amount of guarantee in words and figures]* and we undertake to pay you, upon your first written demand declaring the Provider to be in default under the Contract, without cavil or argument, any sum or sums within the limits of *[insert currency and amount of guarantee in words and figures]* as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This security is valid until the *[insert number]* day of *[insert month]*, *[insert year]*.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458, except that subparagraph (ii) of Sub-article 20(a) is hereby excluded

Name: *[insert complete name of person signing the Performance Security]*

In the capacity of *[insert legal capacity of person signing the Performance Security]*

Signed: *[signature of person whose name and capacity are shown above]*

Duly authorized to sign the Security for and on behalf of: *[insert complete name of Financial Institution]*

Dated on \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ *[insert date of signing]*

*The Advance Payment Security should be on the letterhead of the issuing Financial Institution and should be signed by a person with the proper authority to sign documents that are binding on the Financial Institution]*

## **Annex 5. Sample Form - Advance Payment Guarantee**

Date: *[insert date (as day, month, and year) of Advance Payment Security]*

Tender Reference No:.....

To: *[insert complete name of Procuring and Disposing Entity]*

In accordance with the payment provision included in the Contract, in relation to advance payments, *[insert complete name of Provider]* (hereinafter called "the Provider") shall deposit with the Procuring and Disposing Entity a security consisting of *[indicate type of security]*, to guarantee its proper and faithful performance of the obligations imposed by said Clause of the Contract, in the amount of *[insert currency and amount of guarantee in words and figures]*.

We, the undersigned *[insert complete name of Guarantor]*, legally domiciled in *[insert full address of Guarantor]* (hereinafter "the Guarantor"), as instructed by the Provider, agree unconditionally and irrevocably to guarantee as primary obligor and not as surety merely, the payment to the Procuring and Disposing Entity on its first demand without whatsoever right of objection on our part and without its first claim to the Provider, in the amount not exceeding *[insert currency and amount of guarantee in words and figures]*.

This security shall remain valid and in full effect from the date of the advance payment received by the Provider under the Contract until *[insert day and month]*, *[insert year]*.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458, except that subparagraph (ii) of Sub-article 20(a) is hereby excluded

Name: *[insert complete name of person signing the Security]*

In the capacity of *[insert legal capacity of person signing the Security]*

Signed: *[signature of person whose name and capacity are shown above]*

Duly authorized to sign the Security for and on behalf of: *[insert complete name of the Financial Institution]*

Dated on \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ *[insert date of signing]*