## TAZAMA PIPELINES LIMITED



# REQUEST FOR PROPOSAL

TO

FINANCE, DESIGN, DEVELOPMENT, CONSTRUCTION, COMMISSIONING, OPERATION, MANAGEMENT AND TRANSFER OF REFINED MULTI-PETROLEUM PRODUCTS PIPELINE SYSTEM FROM DAR ES SALAAM IN THE UNITED REPUBLIC OF TANZANIA TO NDOLA IN THE REPUBLIC OF ZAMBIA

AND

FINANCE, DESIGN AND UPGRADE THE EXISTING TAZAMA PIPELINE FROM DAR ES SALAAM IN THE UNITED REPUBLIC OF TANZANIA TO NDOLA IN THE REPUBLIC OF ZAMBIA

Date: 12<sup>TH</sup> AUGUST 2025

#### **BACKGROUND**

TAZAMA Pipelines Limited was created by the United Republic of Tanzania and Republic of Zambia on ownership of 1/3 and 2/3 in 1966 for purposes of transporting Petroleum Products from the Port City of Dar-es-Salaam in Tanzania to Ndola, Zambia. This existing TAZAMA pipeline was commissioned in 1968 to transport refined petroleum products.

The pipeline is owned and operated by TAZAMA. The pipeline is approximately 1,710km in total length (927 km in Tanzania and 783 km in Zambia) comprising 954 km of 8" and 798 km of 12" sections and is fed by an oil terminal storage tank farm at the port and flow sustained using 7 pump stations along the route. The original design capacity was 25kbopd but in recent years, the pipeline has been running closer to 15kbopd. Due to demand increase for petroleum products in Tanzania and Zambia, TAZAMA is inviting Developers to

 Design, Finance, Develop, Construct and Operate a new pipeline for transporting Gasoil from Tanzania to Zambia by utilizing the corridor of the existing TAZAMA pipeline

and

Upgrade the existing TAZAMA pipeline system.

The above pipelines will have up to five strategic take-off points including Morogoro, Makambako, and Songwe within Tanzania and Mpika and Mkushi within Zambia.

#### **INVITATION FOR PROPOSAL**

- 1.1 TAZAMA Pipelines Limited (TAZAMA) invites sealed Technical and Commercial Proposals from interested Developers for:
  - a) Finance, Design, Development, Construction, Commissioning, Operation, Management and Transfer of Refined Multi-Petroleum Products Pipeline System from Dar es Salaam in the United Republic of Tanzania to Ndola in the Republic of Zambia; and
  - b) Finance, Design and Upgrading of the Existing TAZAMA Pipeline from Dar es Salaam in the United Republic of Tanzania to Ndola in the Republic of Zambia.
- 1.2 Developers will be subjected to pre-qualification assessment whereas only qualified and capable developers will have their proposals subjected to detailed evaluation stages of the Technical and Commercial Proposals as outlined in the evaluation criteria of the RFP documents.
- 1.3 **Site Location**: Site location will be within the existing TAZAMA Pipeline wayleave from Dar es salaam, Tanzania to Ndola, Zambia.
- 1.4 RFP Documents will be available to interested developers upon payment of a non-refundable solicitation fee in the sum of **USD 40,000 (Forty Thousand United States Dollars)** through TAZAMA Pipelines Limited with following transactional details:

Account Name: TAZAMA PIPELINES LIMITED

account Number: 9130000198939

Bank Name: Stanbic Bank

Branch: Ndola
Swift Code: SBICZMLX
Sort Code: 040103

The RFP Document will be emailed after presentation of Official Receipt from Cashier based at TAZAMA Head Office, TAZAMA House, Moffat Road, Ndola, Zambia.

- 1.5 Technical Analysis of the Project: TAZAMA intends to Construct a New Refined Multi-Petroleum Product Pipeline for the transportation of Gasoil from Dar es salaam, Tanzania to Ndola, Zambia which will be laid within the corridor of the existing TAZAMA Pipeline. TAZAMA also intends to Upgrade the existing TAZAMA Pipeline to transport Gasoline from Dar es salaam, Tanzania to Ndola, Zambia.
- 1.6 The new pipeline will include the following minimum technical parameters:
  - i. Provision for up to Five (5) Off-take points where three (3) offtakes will be located in Tanzania and two (2) offtakes will be located in Zambia. The offtakes in Tanzania will be located at Morogoro, Makambako and Songwe while those in Zambia will be located at Mpika and Mkushi.
  - ii. Subject to Front End Engineering Design (FEED), Capacity of transporting up to 7.0MTPA with at least seven (7) pump stations to sustain its operation for a life span of the Project;
  - iii. Pipeline Diameter of 20 inch running for a distance of 183km from Dar es salaam to Morogoro and then after connecting to a pipeline diameter of 16 inch running for a distance of 1530km from Morogoro to Ndola to be optimized based on FEED results;
  - iv. Wall thickness and related safety factors to be established in accordance with relevant industry standards and practices;
  - v. Corrosion allowance of 3mm to be optimized by FEED as appropriate;
  - vi. Seam welded pipe conforming to relevant industry standards may be considered;

- vii. Provision for Interconnection with Single Receiving Terminal to allow for supply of fuel in Tanzania;
- viii. The pipeline system shall be able to transport gasoil during operation and should be piggable;
  - ix. The pipeline shall be constructed in terms of national (both URT and GRZ) and international Applicable standards (ASME31.4b); and
  - x. The design should aim at reusing existing infrastructure where possible to achieve cost efficiencies.
- 1.7 Technical Specification for the Upgrading of the Existing TAZAMA **Pipeline to transport Gasoline:** The proposed upgrade of the TAZAMA pipeline system to support the transportation of gasoline will include, but not be limited to, the following minimum scope elements.

### i Risk-Based Inspection (RBI) and Design Review

- ✓ Conduct a comprehensive Risk-Based Inspection (RBI) to assess the integrity of the existing pipeline infrastructure originally designed and commissioned in 1968 for crude oil transport, and later converted in 2023 for diesel transport.
- ✓ Collect and review all **original design documents**, **material specifications**, and **historical operating data**, including but not limited to operating pressures, flow rates, transported fluids, and temperature profiles.
- ✓ Assess all prior modifications, repairs, corrosion data, pigging reports, and any other integrity management interventions carried out to date.

## ii Design Capacity and Flow Reconfiguration

Reconfigure and upgrade the pipeline to meet required design throughput, in line with FEED study results and the hydraulic capabilities of the upgraded line. ✓ Initial target delivery volumes include: Morogoro: 1.4 MTPA, Makambako: 0.4 MTPA, Songwe: 0.5 MTPA, Mpika: 0.2 MTPA. Mkushi: 0.3 MTPA and delivery to Ndola: 1.2 MTPA

### iii Pipeline Configuration and Upgrade to be defined during FEED

- ✓ Pipeline Segmentation: Upgrade the section between Kigamboni (Dar es Salaam) and Morogoro (approx. 183 km) to a 14-inch diameter pipeline to accommodate increased throughput at Morogoro and continue from Morogoro to Ndola (approx. 1530 km) with a 12-inch diameter pipeline.
- ✓ Wall Thickness: Maintain pipe wall thickness in compliance with ASME31.4b, based on the calculated Maximum Allowable Operating Pressure (MAOP) for gasoline service.
- ✓ Pumping Station Reconfiguration: Re-engineer and upgrade existing pump stations to support increased capacity and maintain optimal hydraulic performance up to 2050, accommodating projected demand growth and increased flow rates.
- ✓ Offtake Points Development: Develop and configure five (5) strategic offtake points along the pipeline: Three (3) offtakes in Tanzania (Morogoro, Makambako and Songwe) and two (2) offtakes in Zambia (Mpika, Mkushi) Each offtake point shall include flow control, metering, safety isolation, and pressure management systems compatible with gasoline handling.
- ✓ Pipeline Integrity Testing: During feed a full-scale pipeline integrity assessment, including but not limited to Hydrostatic pressure testing, In-line inspection (ILI) using intelligent pigging tools, Cathodic protection assessments and Leak detection system verification. Ensure all test procedures are compliant with API and ASME standards, and all findings are documented with traceable QA/QC protocols.
- ✓ Compliance and Safety: All design and construction work shall comply with ASME B31.4, API RP 1160, and applicable national pipeline safety regulations. A full HSE Risk Assessment and Mitigation Plan shall be implemented for all upgrade activities.
- ✓ All works shall adhere to internationally accepted standards including applicable safety, environmental, and operational codes.
- 1.8 Based on the proposed minimum technical design parameters, the

Developer is required to prepare technical design that will be the basis for an EPC tender. The proposal should consider the new pipeline to transport gasoil and the upgrade of the existing TAZAMA pipeline to transport gasoline.

- a) **Environmental Implications**; A description is required of the potential environmental impact of the pipeline and the environmental protection measures to be applied. Upon the award of the project, project developer will be required to carry out Environmental and Social Impact Assessment (ESIA).
- b) Minimum Commercial Requirements; Based on the initial demand projection, the Developer shall be required to make cash flow projections and carry out financial economic analysis of the project to establish its viability and make sensitive analysis regarding factors like the projected volume, delays in completing the project and cost overrun in implementing the project.
- 1.9 Proposals must be accompanied with **Bid Security of USD 20,000,000.00** (Twenty Million United States Dollars) in a format attached on Request for Proposal (RFP) Document.
- 1.10 Proposals in **one** physical original plus **two** copies **shall** properly be prepared, and enclosed in sealed envelopes and must be delivered to the TAZAMA Head Offices, Moffat Road in Ndola, Zambia including soft copy of the documents on external storage device in each envelope. The outer cover shall be clearly marked: -

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THE PROPOSALS SHOULD BE ADRESSED TO;

THE MANAGING DIRECTOR
TAZAMA PIPELINES LIMITED
PLOT 4487 MOFFAT ROAD
P.O. Box 71651
NDOLA, ZAMBIA.

1.11 Pre-proposal Meeting and Site Visit (at Bidder's own expenses)

Pre-proposal Meeting - 18<sup>th</sup> August 2025 - TAZAMA Regional Office,

Dar-es-Salaam, Tanzania)

Time: 09:00 Hours

Site Visit - 19<sup>th</sup> - 22<sup>nd</sup> August 2025 (starting with TAZAMA Tank Farm, Dar-es-salaam)

- 1.12 The deadline for the submission of bids is 10:00 hours local time in Zambia on Friday 5<sup>th</sup> September 2025. The bids will be opened immediately thereafter at the TAZAMA Head Offices at TAZAMA House in Ndola in the Board Room, on the 5<sup>th</sup> Floor.
- 1.13 Late submissions of proposals, incomplete proposals, electronic submission of proposals, and proposals not received, not opened and not read out in public at the proposal opening ceremony shall not be accepted for evaluation irrespective of the circumstances.

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TAZAMA reserves the right to accept, reject bids or cancel the Bidding Process at any time without liability or recourse to the bidders.