

TAZAMA PIPELINES LIMITED



REQUEST FOR PROPOSAL

FOR

**P CONSULTANCY SERVICES TO CONDUCT DETAILED FEASIBILITY
STUDY FOR CONSTRUCTION OF GAS TURBINE PLANT AND POWER
DISTRIBUTION INFRASTRUCTURE AT CHINSALI, ZAMBIA**

TENDER NUMBER: TPL-301-1125-GP-002

Date: 14TH NOVEMBER 2025

1.0 - BACKGROUND

TAZAMA Pipelines Limited was incorporated in 1968 and is owned by the Government of the Republic of Zambia with 66.7% share capital and the Government of the United Republic of Tanzania with 33.3% share capital. The company was formed for the purpose of transporting petroleum products from Dar-es-Salaam to Ndola, Zambia by means of Pipeline.

The Company owns a wayleave which is 30 metres corridor of total distance of 1,710 kilometres from Dar es Salaam to Ndola. The new Natural Gas Pipeline is expected to be constructed along this wayleave and will end at Chinsali, Zambia.

Following the discovery of commercial quantities of natural gas in Tanzania and considering a need for Zambia to access natural gas for the markets, on 25th October 2023, the Government of the United Republic of Tanzania and the Government of the Republic of Zambia entered into a Memorandum of Understanding (MoU) for cooperation in the development of the Natural Gas Transmission Pipeline Project from Tanzania to Zambia. The Project will enable delivery of natural gas to the potential markets in Zambia for industrial heating processes, power generation, institutions, household, fuel for vehicles and petrochemical industries.

The issue of Power Generation is very important for the economy of Zambia as the country is mostly depending on hydropower generation which is seriously affected by weather conditions. Gas power Generation Project can be carried out under PPP to cover eligible payment under the contract for consultancy services to undertake a detailed feasibility study for the development of a **Gas Turbine Plant and Power Distribution Infrastructure at Chinsali, Zambia**. Please note that the Gas Pipeline Project is being carried under separate Project.

In view of the above, TAZAMA PIPELINES LIMITED shall be referred as CLIENT is therefore inviting eligible and reputable Consulting firms to conduct the Project's Feasibility Study.

2.0 OBJECTIVES OF THE STUDY

The main objective of the study is to carry out a detailed feasibility study for the Project of Construction of Gas Turbine Power House for Electricity Power Production and Distribution at Chinsali in Zambia.

The project particularly aims to increase economic growth that can contribute to the development of the country. Other benefits include indirect employment to local community members, through a multiplier effect from the downstream activities, such as local entrepreneur, which include mini markets, kiosks, pharmacies, restaurants, etc. that inevitably will lead to the improvement in the living conditions of local citizenry in the project catchment area.

This shall be potential Power source for Zambia especially for Northern areas of the Country and will assist in meeting demand for electricity nationally.

3.0 – SCOPE OF THE STUDY

The Consultant will:

- (i) Determine a total budgetary cost estimate for the project. These costs will include a breakdown of the local and foreign exchange costs based on the requirements for imported turbines, equipment, materials, and services versus availability of local sources for all major components and sub-systems. In this regard, the Consultant shall validate cost estimates with potential equipment vendors and contractors for each major equipment item or budget category, as well as at least two local contractors where applicable.
- (ii) Validate the cost estimates with similar projects recently undertaken in the region or other comparable projects in other parts of the world. In addition, the Consultant will prepare estimates of all variable costs such as operations and maintenance costs;

- (iii) Workout study on Construction of Gas turbine power house to be powered by natural gas and study on distribution of electricity (HT and LT) generated to stakeholders such as Industries, Offices, domestic and possibility of connecting to the existing grid.
- (iv) Determine an implementation time schedule for the project, as well as associated expenditure disbursements and schedules. The time schedule should include the estimated person-month inputs by various experts and functional labor categories, as well as the corresponding estimates for home office support and project management oversight in the field;
- (v) Carry out an in-depth financial analysis of the proposed investment including calculation of the financial internal rate of return, net present value (NPV) and weighted average cost of capital, taking into account all the financial costs and benefits of the proposed project;
- (vi) Identify all risks to project revenues and costs and conduct relevant sensitivity analyses on the financial results with respect to changes in several key variables;
- (vii) Prepare a financing plan for the project, including appropriate counterpart funding, analysis on possible project financing option; and
- (viii) Propose cash flow projections considered for the project. In addition, the Consultant shall perform comprehensive sensitivity analyses

4.0 – LEGAL FRAMEWORK

In carrying out the assignment the consultant shall be required to take into account the existing literature and permits from State entities related to the natural gas including natural gas policy, Legal and Regulatory Framework and Electricity Open Access Framework, Domestic Natural Gas Promotion Plan (DNGPP), TAZAMA Pipeline Convention, Draft Regional Natural Gas Master Plan, NEMC, ZESCO, TANESCO and ZEMA environmental Councils and Land commissions. Others include Electricity Open Access Legal Framework in Zambia – the initiative that aims to foster a competitive

electricity market, allowing independent power producers such as TAZAMA to sell electricity directly to consumers, thereby enhancing efficiency and attracting investment

5.0 QUALIFICATION CRITERIA

Prequalification: The interested firm shall submit during bidding process legal documents including but not limited to Registration/Incorporation documents/certificates, Business License, VAT Certificate, TIN Certificate, notarized/ registered Power of Attorney, appointing authorized representatives, Tax clearance Certificate, and Company Professional Practicing certificates/licenses from professional registration bodies/authorities and other related registration certificates and Bid Security (Criteria in the RFP supersedes above).

Please note that foreign firms wishing to participate should partner with a local company in Zambia and another in Tanzania.

Experience and Technical capability: The firm should indicate experience of undertaking at least two works of similar nature. The firm that has performed similar task(s) in a similar environment (Africa) will be an added advantage. Similar nature assignment shall include the Natural Gas Electricity Production and Distribution Infrastructure

Local Content Requirements: During the bidding process, the interested firm shall submit a confirmed commitment with the JVs, Association, subcontractors and confirmed companies that they have agreed to work together with in accordance local content requirements as per the local content laws and regulations of both states. The bidder shall provide matrix of responsibility amongst the JVs, Association, Subcontractors and confirmed companies.

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.

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).

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.

Based on the proposed minimum technical design parameters, the Firm is required to prepare technical design that will be the basis for an EPC tender.

6.0 - PARTICIPATION

The interested local firms in Zambia and Tanzania shall submit during bidding process legal documents including but not limited to Registration/Incorporation documents/ certificates, Business License, VAT Certificate, TIN Certificate, notarized/ registered Power of Attorney, appointing authorized representatives, Tax clearance Certificate, and Company Professional Practicing certificates/licenses from professional registration bodies/authorities and other related registration certificates. Kindly note that foreign firms wishing to participate in this tender shall have three-way Joint Venture (Consortium) partnership with a Local Firm in Zambia and Tanzania.

Interested Local Bidders in Zambia and Tanzania (including those intending to partner with Foreign Companies as Joint Venture) may obtain Request for Proposal from the Acting Manager – Procurement and Supplies (via email) after presentation of Proof of

Payment of non-refundable fee of **USD 5,000.00 (Five Thousand United States Dollars)** into the accounts below and obtaining Official Receipt from Cashiers based at TAZAMA Head Office, TAZAMA House, Moffat Road, Ndola (in Zambia) and Regional Office, Kigamboni, Dar-es-Salaam (in Tanzania).

ZAMBIA

Account Name:	TAZAMA Pipelines Limited	SWIFT:	SBICZMLX
Account Number:	9130000198939	Branch:	Ndola
Bank Name:	STANBIC BANK	SORT code:	040103

TANZANIA

Account Name:	TAZAMA Pipelines Limited	SWIFT:	CITITZTZ
Account Number:	1003227023		
Bank Name:	CITIBANK (T) LTD		

7.0 - SUBMISSION

Proposals in one physical original plus four 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. Proposals must be accompanied with Bid Security of **USD 10,000.00 (Ten Thousand United States Dollars)** in a format attached on Request for Proposal (RFP) Document.

Proposals in one physical original plus four 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: -

**“PROVISION OF CONSULTANCY SERVICES FOR FEASIBILITY STUDY FOR
CONSTRUCTION OF GAS TURBINE PLANT AND POWER DISTRIBUTION
INFRASTRUCTURE AT CHINSALI, ZAMBIA”**

The Proposals should be addressed to:

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

The deadline for the submission of bids is **Monday 15th December 2025** at 12:00
Zambian Time / 13:00 Tanzanian Time. The bids will be opened immediately thereafter
at the TAZAMA Head Offices at TAZAMA House in Ndola in the Board Room located on
the 5th Floor.

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.

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