## THE UNITED REPUBLIC OF TANZANIA



## MINISTRY OF WORKS



TANZANIA ELECTRICAL, MECHANICAL AND ELECTRONICS SERVICES AGENCY (TEMESA)

## CALL FOR INVESTMENT EXPRESSION OF INTEREST FROM POTENTIAL INVESTORS FOR EQUIPMENT HIRE OPERATIONS IN TANZANIA UNDER PUBLIC - PRIVATE PARTENERSHIP (PPP) ARRANGEMENT

- 1. Tanzania Electrical, Mechanical and Electronics Services Agency (TEMESA) was established by the government notice (GN) No.254 published on 26<sup>th</sup> August, 2005 to take over the functions which were previously undertaken by the then Electrical and Mechanical (E&M) Division of the Ministry of Works. The Agency was created to further the objectives of the Executive Agencies Act No. 30 of 1997 to make it provide efficient and effective electrical, mechanical, electronics services, reliable and safe ferry transport services and equipment hire services to government institutions and the general public.
- 2. The Agency is mandated to secure investors' interest in the proposed project and inform potentially interested private parties, investors, lenders and other entities under Regulations 36(B) & (d) of the PPP Regulations, 2020 as amended 2023. Regulations 36 provides for market sounding which should be conducted during or after the preparation of the pre-feasibility study and feasibility study.
- 3. The Tanzania Development Vision 2025 and the National Five-Year Development Plan inter alia envisages the expansion of the construction of reliable infrastructure for its people which in return plays a crucial role in development and progress of the country. Also, that well-developed infrastructure improves connectivity, enhances mobility, promotes trade, and attracts investment. Additionally, infrastructure construction contributes to job creation, stimulates economic activity, and fosters social development
- 4. The rapid growth of the Tanzanian economy has led to increased economic activities which reciprocate demand for the construction of critical infrastructure such as roads, bridges, railways, markets, energy sources and buildings.
- 5. In line with the Development Plan and the rapid Country's development, TEMESA is duty bound to provide the services of equipment hire to the general public engaged on the infrastructure construction. The Agency manages a network of 41 equipment for hire located at 4 regions of the country. The operationalization of the equipment is made possible through the availability of reliable electricity, roads and raw materials such as gravel, granite limestone and sand.
- 6. Therefore, TEMESA is now inviting both local and foreign investors to submit investment expression of interest on the modernization investment and operation of equipment hiring across the country using the PPP arrangement through forming joint venture with TEMESA.
- 7. The preliminary evaluation criteria for expression of interest are as follows:
  - i. Certified copies of legal entity documents

- ii. Outline of the Investment expression of interest Outline of the Investment expression of interest (Project title. The project title should be clear and concise. Project Objective, Background and Context, Target Audience and Beneficiaries, Project activities and Methodology, Expected Outcomes and Impact, Monitoring, Budget and Resources, and Project Implementation Schedule).
- iii. The expression of interest should provide an overview of the project proposed by the Investor its potential to achieve viability, fiscal affordability and value for money.
- iv. Quantity of equipment for hire to be provided.
- v. Locations for the stationing of the equipment for hire.
- vi. Approved project will have to be commenced within 24 months by signing a performance contract and submitting a Bank Guarantee the sum will be agreed upon between TEMESA and the prospective investor.
- vii. Alignment to the Tanzania Development Vision 2025 and national development plans.
- viii. Value for money in terms of benefits to the Government of Tanzania including, Economic development stimulation, Increased services, Employment and Economic boost, Technological transformation, and increase in a Country's income;
- ix. Evidence of the Financial Capacity of investors by submitting three years of audited financial reports.
- x. Investor track record or experience in undertaking similar projects.
- xi. Capacity to invest and operate plants and machineries for hire with state-ofthe-art technology.
- xii. Estimated capital costs of the investment (CAPEX and OPEX)
- xiii. Proposed benefit gains to be paid to TEMESA.
- xiv. Proposed social benefits to the people residing around the project.
- 1. Upon completion of the evaluation of the submitted Investment expression of interest, TEMESA will shortlist prospective Investors that will meet evaluation criteria and thereafter invite successful applicants to submit Pre Feasibility Study in accordance to PPP Act. Cap.103 (as amended) and its Regulations of 2020 (as amended in 2023).
- 2. The window for Investment expression of interest submission will be open for 30 (thirty) days starting on the day of publication of the notice and will be closed on the 30<sup>th</sup> (thirtieth) day at 14:00 hours. The hard copy of the proposal should be submitted and addressed to:

The Chief Executive. Tanzania Electrical, Mechanical and Electronics Services Agency (TEMESA), TEMESA House, 2 TEMESA Street, P.O. Box 1075, 41104 TAMBUKARELI, DODOMA

Further inquiries should be communicated by: E-mail: info@temesa.go.tz or phone: +255 737 962 496, +255 800 110 379 (toll - free).

Please note that, late submissions will not be accepted. The proposal must be marked: Investment Concept Note for Equipment Hire Operations in Tanzania.