




**PUBLIC PROCUREMENT REGULATORY AUTHORITY
(PPRA)**

**GENERAL GUIDELINES FOR
SUSTAINABLE PUBLIC PROCUREMENT, 2025**

JANUARY 2025

Effective Date: 23rd January, 2025

GENERAL GUIDELINES FOR SUSTAINABLE PROCUREMENT, 2025

Approved by Board of Directors	Title Director General	Signature 	Date 22 January 2025
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LIST OF ABBREVIATION

CO ₂	-	Carbon Dioxide
EWURA	-	Energy and Water Utilities Regulatory Authority
GCLA	-	Government Chemist Laboratory Authority
GN	-	General Notice
LCC	-	Life Cycle Costs
LCA	-	Life Cycle Assessment
NEMC	-	National Environment Management Council
NEEC	-	National Economic Empowerment Council
NeST	-	National Electronic Procurement System of Tanzania
OSHA	-	Occupational Safety and Health Authority
PEs	-	Procuring Entities
PPA	-	Public Procurement Act
PPRA	-	Public Procurement Regulatory Authority
SDG's	-	Sustainable Development Goals
SEA/SH	-	Sexual exploitation and Abuse/ Sexual Harassment
SPP	-	Sustainable Public Procurement
STDs	-	Standard Tendering Documents
SMEs	-	Small-to-Medium Enterprises
TBS	-	Tanzania Bureau of Standards
TMDA	-	Tanzania Medicines and Devices Authority

DOCUMENT VERSION CONTROL

Name of the Document	General Guidelines for Sustainable Public Procurement, 2025
Version	First Release, January 2025
Document Number	PPRA/PSCD/MPS/25/07
Responsibility	Management, PE
Developed by	Management
1st Approval (First Issue)	Board, January 2025
Applicability	Tender Board, PMU and Management
Purpose	To provide guidance to PEs on the implementation of sustainable public procurement throughout the public procurement cycle and outline best practices in procuring goods, works, or services sustainably
It is part of	Public Procurement Guidelines
Related Documents	PPA, CAP 410, PPR, GN 518 of 2024
Distribution	Board, Management, HPMU, AOs, PEs and Tenderers

PART I: GENERAL PROVISIONS

1.	Preamble	<p>1.1 In 2015, the United Nations adopted Agenda 2030 on Sustainable Development Goals. The Agenda set out seventeen Sustainable Development Goals (SDGs) with various targets and indicators. The 2030 Agenda among other things aimed at eradicating poverty among the member states and ensuring that member countries move to sustainable developments. Among the seventeen SDGs, Goal 12 specifically aims at ensuring sustainable consumption and production patterns. Under this Goal, Target 12.7 aims at promoting public procurement practices that are sustainable, in accordance with national policies and priorities, and is measured through Indicator 12.7.1 which aims at establishing the number of countries implementing Sustainable Public Procurement (SPP) policies and action plans.</p> <p>1.2 Following the United Nations Agenda 2030 on Sustainable Development Goals, post-2015, Tanzania ratified Agenda 2030 and embedded the Development Goals in its Medium- and Long-term Development Plans. The ratification of the Agenda 2030 led to the review of the procurement legal framework that among other things incorporated provisions on sustainable public procurement that aligns with Target 12.7 under the SDGs aims at promoting sustainable public procurement practices.</p> <p>1.3 Therefore, the Public Procurement Regulatory Authority (PPRA) develops these General Guidelines for Sustainable Public Procurement, 2024 to provide practical guidance to Procuring Entities (PEs) to embed sustainability requirements in their procurement cycle.</p> <p>1.4 To that end, in order to achieve public procurement sustainability objectives, Procuring Entities (PEs) are required to ensure full compliance with these Guidelines in their day-to-day procurement activities.</p>
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2.	Objective	2.1 To provide guidance to PEs on the implementation of sustainable public procurement throughout the public procurement cycle and outline best practices in procuring goods, works or services sustainably.
3.	Application of the Guidelines	<p>3.1 These Guidelines shall apply to all PEs using public funds to sustainably procure goods, works or services in accordance with Public Procurement Act and Public Procurement Regulations.</p> <p>3.2 The Guidelines hereunder shall complement the implementation of general guidance for sustainable public procurement provided under these Guidelines:-</p> <ul style="list-style-type: none"> a) Guidelines for sustainable public procurement on application of preference scheme; b) Guidelines for sustainable public procurement on the participation of special groups in public procurement; c) Guidelines for sustainable public procurement on graduate trainees in public procurement; d) Guidelines for sustainable public procurement for different identified priority goods, works or services; e) Community Participation Guidelines.
4.	SPP enabling provisions in Public Procurement Legal Framework	4.1 SPP in Tanzania is covered under Section 5 of the Public Procurement Act, Cap 410. The Act requires all procurement and disposal by tender to be conducted in a manner that achieves value for money, and maximizes integrity, competition, accountability, sustainability , economy, efficiency, and transparency. The Act further requires PEs in the execution of their duties, to achieve the highest standards of equity, considering equality of opportunity to all tenderers; fairness of treatment to all parties; promotion of local industry, sustainable development , environmental protection; and the need to obtain the best value for money in terms of price, quality and delivery, having regards to prescribed specifications and criteria.

5.	PPRA mandate to issue SPP Guidelines	<p>Section 130 of the Public Procurement Act, Cap 410 gives a mandate to PPRA to issue guidelines for better carrying out of the requirements of the law. By regulation 3 of the Public Procurement Regulations, 2024, PPRA is obliged to prepare these General Guidelines for Sustainable Public Procurement to enable procuring entities to embed SPP requirements in their procurements.</p>
6.	Interpretation of terms	<p>Authority means the Public Procurement Regulatory Authority.</p> <p>Ecolabels means the certifications awarded to products, services, or companies that meet specific environmental performance criteria. They provide consumers with information about the environmental impact of a product or service, helping them make more sustainable choices.</p> <p>Green Public Procurement (GPP) is a process in which public authorities and government agencies seek to procure goods, services, or works with a reduced environmental impact throughout their lifecycle.</p> <p>Life cycle means consecutive and interlinked stages of goods, works or services system, from raw material acquisition or generation from natural resources to final disposal.</p> <p>Life cycle costing (LCC) is a method for calculating the costs of goods and works services throughout their life cycle.</p> <p>Life Cycle Assessment (LCA) is a systematic process used to evaluate the environmental impacts associated with all stages of a product's life cycle.</p> <p>Procuring Entity (PE) means a public body and any other body, or unit established and mandated by the Government to carry out public functions.</p> <p>Procurement means buying, purchasing, renting, leasing, hire-purchase or otherwise acquiring any goods, works, or services by a PE and includes all functions that pertain to the obtaining of any goods, work or services,</p>

		<p>including identifying and consolidating requirements, selection, and invitation of tenderers, preparation, award and management of contracts.</p> <p>Sustainable Development means a development that meets the needs of the present without compromising the ability of future generations to meet their own needs.</p> <p>Sustainable procurement means a procurement that has the most positive economic, social, and environmental impacts possible over the entire life cycle.</p> <p>Special Groups include women, youth, elderly, and persons with disability.</p> <p>Tender means an offer, proposal, or quotation made by a supplier, contractor, or consultant in response to a request by a PE.</p> <p>Tenderer means any natural or legal person or group of such persons participating or intending to participate in procurement proceedings with a view to submitting a tender in order to conclude a contract and includes a supplier, contractor, service provider or asset buyer.</p> <p>Value for money means the maximum benefits derived from goods, works or services procured with the resources available worth the cost incurred.</p>
7.	Sustainable Public Procurement	<p>7.1 Sustainable Public Procurement (SPP) means a process whereby PEs meet their needs for goods, works, or services in a way that achieves value for money on a whole life cycle basis in terms of generating benefits not only to the organization, but also to society and the economy, while significantly reducing, and if possible, avoiding, negative impacts on the environment, economy and social welfare.</p> <p>7.2 Procuring sustainably involves looking beyond short-term needs and considering the longer-term impacts of each project and procurement. PEs should meet their needs for goods, works or services not on</p>

		individual benefits but with a view to maximizing net benefits for themselves and the wider world.
8.	Pillars of Sustainable Public Procurement	<p>8.1 SPP is a strategic approach that promotes the integration of the pillars of sustainable development, i.e., economic development, social development and environmental protection.</p> <p>8.2 PE shall consider economic development, social development and environmental protection on procurement of goods, works and services as follows:-</p> <p>8.3 Economic Consideration</p> <p>a) Economic considerations in SPP focus on achieving financial efficiency and stimulating economic growth while ensuring sustainability in Public Procurement. It reflects the cost of procuring goods, services and works which are directly related to the procurement process and main stages of their life cycle (e.g., operation, recycling/utilization) so as to achieve maximum economy, efficiency, and optimal use of budget funds.</p> <p>b) In considering the economic aspect PEs shall:-</p> <p>i) ensure adherence to the principles of economic sustainability for the procured goods, works, or services at all stages of in their public procurement practices.</p> <p>ii) prioritize procurement decisions that will ensure the procured goods, works or services meet the requirements of the public entity and stakeholders.</p> <p>iii) make an evaluation of the initial cost of goods, works, or services and their long-term costs, such as operation, maintenance, disposal, and any related environmental or social impacts.</p>

		<ul style="list-style-type: none"> iv) prioritize procuring goods, works or services from the local tenderer and small-to-medium enterprises (SMEs) to promote regional and national economic growth in regions and national. v) implement preferences schemes Guidelines issued by PPRA in order to ensure local tenderer are given equal opportunities to compete in tenders for the supply of goods, execution of works, or provision of services the inclusion of local tenderer and small-to-medium enterprises (SMEs) in procurement processes. <p>8.4 Social considerations</p> <ul style="list-style-type: none"> a) Social considerations under the SPP involve the integration of social objectives into purchasing decisions to ensure that goods, services, and works procured achieve positive social outcomes. SPP seeks to leverage government purchasing power to promote social equity, labor rights, and broader social well-being. b) In considering social aspects PEs shall: - <ul style="list-style-type: none"> i) promote employment opportunities, up and reskilling of the workforce, decent working environment, social inclusion, gender equality and non-discrimination, accessibility, design for all, ethical trade, and compliance with social and labor rights. ii) opt for goods and services that deliver positive social outcomes, and make a major contribution to sustainable development, iii) not just be interested in purchasing at the lowest price or best value for money, but also ensure that procurement achieves social benefits and prevents or mitigates adverse
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		<p>social impacts during the performance of the contract.</p> <p>iv) monitor contract provisions of mandatory social and labor rules in the performance of the procurement contract.</p> <p>v) grant preference to special groups and SMEs as provided in the Guidelines of Special Groups issued by the Authority.</p> <p>vi) ensure that locals are benefiting from procurement opportunities to help them gain a competitive advantage at the national and international levels</p> <p>8.5 Environmental consideration</p> <p>a) Environmentally sustainable procurement refers to a cautious strategy concerning the procurement made by procuring entities related to products and services with high performance in terms of environmental protection. This also means buying according to the needs and avoiding surplus or waste.</p> <p>b) In considering environmental aspect PEs shall: -</p> <p>i) consider the impact of procured goods, works, or services on the environment and safety for human health.</p> <p>ii) abide by environmental laws and regulations</p> <p>iii) adhere to environmentally sustainable procurement for the benefit of the environment throughout the procurement process.</p> <p>iv) comply with the environmental standards, certifications, and labeling for the identified</p>

		<p>“SPP Priority Products or Services” by the Authority inserted in the NeST system.</p> <ul style="list-style-type: none"> v) When procuring goods, or services that are not included in the “SPP priority products services”, consider products and services whose environmental impact is minimal or where more ecologic alternatives are easily available and do not imply additional costs. procure goods, works, or services with minimal environmental impact in terms of climate change or waste management including improving the energy efficiency of new and renovated public buildings. vi) incorporate the requirement for environmental protection certification or standards within the tender documents. vii) undertake a Life Cycle Assessment (LCA) during the evaluation process, utilizing available tools to analyze the potential impacts at all stages of the product or service life cycle and to assess the environmental performance of goods, services, and works, or require that the tenderer submit a life cycle assessment report at the time of tender submission. viii) use negotiated tendering procurement methods to encourage environmentally innovative approaches and provide potential markets for environmental products to local producers or service providers to gain competitive advantages at the national and international levels. ix) procure goods, products, and materials manufactured in the United Republic to reduce carbon dioxide (CO₂) emissions and costs resulting from the long transportation of the goods.

9.	Key Stakeholders and Their Roles for SPP Implementation	<p>9.1 Sustainable public procurement (SPP) implementation in public procurement processes should engage key stakeholders in order to achieve its goals. The key stakeholders and their roles include the following:</p> <p>9.2 Ministry Responsible for Finance</p> <p>The roles of the Ministry on SPP implementation are:</p> <ul style="list-style-type: none"> a) to provide a policy statement supporting SPP to be incorporated in the national Procurement Policy. b) to develop sustainable public procurement policies, laws, and regulations that mandate the integration of sustainability in public procurement. c) to develop a national vision on sustainable development for SPP implementations. d) to facilitate financial resources for the implementation of SPP. <p>9.3 Ministry responsible for Community Development, Gender, Women and Special Groups</p> <ul style="list-style-type: none"> a) to collaborate with PPRA in building capacity through engagement, training and education to special groups to improve their participation in public procurement; b) to mainstream sustainability requirements in public procurement within Special Groups; and c) to ensure gender equality issues are integrated into SPP. <p>9.4 Ministry responsible for Labour, Youth, Employment, and Persons with Disability.</p> <ul style="list-style-type: none"> a) to collaborate with PPRA in building capacity through engagement, training and education of Persons with Disability (PWD); b) to mainstream sustainability requirements of PWD and Youth in public procurements; and
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		<p>c) to enhance labor standards and social security schemes.</p> <p>9.5 Regulatory Authorities, Agencies and government Institutions</p> <p>Regulatory authorities and Agencies for works, goods and services play a critical role in promoting and enforcing sustainable public procurement (SPP), which aims to integrate environmental, social, and economic sustainability considerations into public purchasing decisions. These authorities ensure that public procurement aligns with the broader goals of sustainable development by setting guidelines, standards, and enforcement mechanisms. The roles of regulatory authorities and agencies in the context of Sustainable Public Procurement are as follows:</p> <p>a) Public Procurement Regulatory Authority (PPRA):</p> <ul style="list-style-type: none"> i) to identify and publish in the NeST list of SPP priority works, goods, and services in collaboration with relevant stakeholders; ii) to develop specific SPP Guidelines for the identified priority goods and services, providing clear instructions and standards to guide sustainable procurement practices; iii) to incorporate social, economic, and environmental sustainability considerations in Standard Tendering Documents (STDs); iv) to develop procurement implementation tools (Training manuals, Guidelines, Forms etc.) to support the effective implementation of SPP;

		<ul style="list-style-type: none"> v) to set up and maintain a comprehensive sustainability criteria database. vi) to conduct SPP capacity building through engagement, training, and education programs for stakeholders; vii) to monitor the adoption and implementation of SPP Guidelines, ensuring compliance and tracking progress toward sustainability goals in public procurement; viii) to engage the market by raising awareness about sustainable procurement practices through targeted programs to help stakeholders anticipate upcoming changes and align their offerings with sustainability requirements; ix) to leverage a memorandum of understanding with other oversight bodies to accelerate the implementation of sustainable procurement within the PEs; and x) to prepare and review the SPP implementation action plan. <p>b) Tanzania Bureau of Standards (TBS):</p> <ul style="list-style-type: none"> i) to set standards that public buyers are required to follow when sourcing sustainable products; and ii) to set guidelines that require Government agencies to prioritize goods with minimal packaging, recyclability or that are made from renewable resources.

		<p>c) Tanzania Medicines and Medical Devices Authority (TMDA) to certify products that meet certain environmental health standards, ensuring that public institutions purchase safe, eco-friendly food and healthcare products.</p> <p>d) The Energy and Water Utilities Regulatory Authority (EWURA):</p> <ul style="list-style-type: none"> i) to provide energy efficiency standards for equipment purchased by government institutions, encouraging the procurement of renewable energy technologies or water-saving devices; and ii) Shall set and monitor standards related to energy and water consumption, ensuring that goods, services, or infrastructure procured by public entities are energy-efficient and sustainably managed. <p>e) National Environment Management Council (NEMC):</p> <ul style="list-style-type: none"> i. To develop environmental, guidelines, that help shape the sustainability criteria used in public procurement processes; ii. to provide workshops to public buyers on the environmental impacts of procurement decisions and how to assess the sustainability of tenderers; and iii. To conduct environmental impact assessment oversight on goods, services, and works to ensure that environmental risks are identified and mitigated in the procurement process.

		<p>f) The Occupational Safety and Health Authority (OSHA):</p> <ul style="list-style-type: none"> i. to promote, guide, and enforce the provisions for the safety, health, and welfare of persons at work including protection of persons other than persons at work against hazards to health and safety arising out of or in connection with activities of persons at work; ii. to develop guidelines, procedures and code of practice to protect the investment and persons at work against occupational safety and health hazards arising out of or in connection to operations at places of work; iii. to register all employers or occupiers intending to supply construct or operate workplaces; iv. to register all employees and plants in the occupational safety and health register whereby respective safety and health is sustainably monitored through inspections, audit, surveillance, investigations, and training; v. to provide guidance to tenderers to adhere to the best practices of occupational safety and health eg. Review of risk assessment, review of safety and health policy; and vi. to promote safe work environments in line with SPP goals by encouraging the adopting of safer work practices whereby compliance license is issued to those complying. <p>g) Government Chemist Laboratory Authority (GCLA):</p> <ul style="list-style-type: none"> i. to provide certificates of analysis for tested products, which are essential for

		<p>public procurers to verify that suppliers meet required quality standards; and</p> <ul style="list-style-type: none"> ii. to evaluate the safety and environmental impact of chemicals used in various products, supporting the procurement of safer, sustainable options. <p>h) National Economic Empowerment Council (NEEC)</p> <ul style="list-style-type: none"> i. to implement national strategies such as the National Economic Empowerment Policy, 2004 as a tool for empowering local businesses and fostering sustainable development; and ii. to advocate inclusive policies in shaping government procurement policies to ensure they align with the goals of sustainable procurement. <p>9.6 Procuring Entities The PEs have the following roles: -</p> <ul style="list-style-type: none"> i) to implement SPP policies by ensuring that sustainability considerations (environmental, social, and economic) are integrated into the procurement process; ii) to encourage sustainable practices among the stakeholders and provide to them with the tools and guidelines needed to meet SPP requirements; iii) to incorporate sustainability criteria into tender and contract documents; iv) to evaluate tenders based on life-cycle costs, environmental impact, and social responsibility criteria;
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		<ul style="list-style-type: none"> v) to engage in market research to identify sustainable products and services; and vi) To allocate resources for capacity building, awareness campaigns, and implementation of SPP initiatives; and vii) to support the capacitation of staff on budgeting, planning, development of SPP criteria, evaluation, life cycle costing analyses, contract management, and other relevant SPP areas provided in these Guidelines. <p>9.7 Tenderers</p> <p>The Tenderer's roles in the implementation of sustainable public procurement (SPP) shall include the following:</p> <ul style="list-style-type: none"> i) to ensure that works, goods, and services offered meet economic, environmental, and social sustainability criteria as outlined in tender and contract documents; ii) to innovate and adjust their business practices to meet the sustainability criteria set by PEs; iii) to collaborate with public sector buyers to develop products and services that meet environmental, social, and economic standards; and iv) to comply with laws and regulations.
PART II: INTEGRATING SPP IN THE PROCUREMENT PROCESS		
10.	SPP Procurement Cycle	10.1 The Figure below outlines the common stages of procurement through which each possible SPP consideration is presented thereafter to help practitioners in implementing SPP.

11.	Market Research	<p>11.1 This is the first stage in the procurement cycle in which procuring entities should conduct market research and analysis on the availability of sustainable goods, works or services to be included in the annual procurement plan.</p> <p>11.2 PEs should conduct market research analysis to understand the current level of capability for the supply in the market.</p> <p>11.3 PEs should analyze market conditions and compare options to develop fit-for-purpose procurement arrangements that incorporate sustainability considerations.</p> <p>11.4 Market Research may be conducted through: - a) collection of goods, works or services information should be gathered directly from reliable sources such as the Tanzania Manufacturer's Association, Tanzania</p>

		<p>Chamber of Commerce, Industry, and Agriculture, Traders Associations, private sector companies and Tanzania Bureau of Standards, Tanzania Private Sector Foundation (Federation) and National Bureau of Statistics; AQRB and other reliable source</p> <p>b) dialogue with potential tenderers where the goods and services are frequently sourced; and</p> <p>c) collection of data from reliable business and economy-related websites, newspapers or articles, tenderer databases, industry reports, surveys/questionnaires and site visits.</p>
12.	Budgeting	<p>12.1 During budgeting, PE should take into consideration the Life Cycle Costing that takes into consideration purchase price, operating cost, emission cost and end life cost, where applicable of the goods, works or services to be procured as provided under First Schedule of these Guidelines.</p> <p>12.2 PE shall allocate funds for the wages of graduate trainees in all procurement contracts awarded to economic operators. The number of graduate trainees should be as informed in the Preference Scheme Guidelines issued by the Authority.</p> <p>12.3 PE shall put into consideration Government minimum wages in all procurement contracts as stipulated with (e.g security and cleaning services bid offer should be not less than Government minimum wages rate of tenderer staff).</p> <p>12.4 PE shall allocate funds that are dedicated to investing in staff Capacity Building programs on Sustainable public procurement.</p> <p>12.5 PE shall allocate funds and terms of reference for supervision and inspection of sustainability requirements during contract implementation.</p>

13.	Procurement Planning	<p>13.1 Procuring entities shall ensure that SPP considerations are integral to the procurement planning process.</p> <p>13.2 In the planning stage, procuring entities should conduct a need assessment to identify the necessity of the goods, works or services considering types of goods, works or services required, the purpose for procuring each type and the quantity needed.</p> <p>13.3 PE shall look for alternatives or other options for meeting needs (e.g. reuse, borrow, leasing or whether the available assets can be refurbished, repaired or upgraded) to meet the need instead of planning to buy new ones.</p> <p>13.4 PE shall consider during the planning stage the options of reducing the quantity of goods, works or services to be purchased by opting buying goods, works or services that can be shared in department where applicable (e.g sharing printers, desk, pool offices etc)</p> <p>13.5 PE shall choose the best procurement procedures that ensure social requirements are met (e.g. restrict tenders to geographical location, regions etc)</p> <p>13.6 PE shall either use lots or split tenders for contracts reserved for women, youths, elderly people, and persons with special needs.</p> <p>13.7 PE shall investigate whether similar goods, works or services required across various departments can be consolidated for procurement under a Framework Agreement.</p> <p>13.8 PE shall reserve contracts for special groups, and capacity building to local tenderers as per stipulated in the respective guidelines issued by the Authority.</p>

14.	Bidding	<p>14.1 This stage in the procurement cycle includes developing technical specifications and criteria for the evaluation of goods, works or services to be procured and developing tender documents.</p> <p>14.2 PE shall prepare SPP criteria aligned with the organization’s sustainability goals, incorporating economic, environmental, and social considerations into the decision-making process in line with Specific International and National Guidelines issued by the Authority from time to time.</p> <p>14.3 PEs shall prepare tender documents that include specification and evaluation criteria stated as follows:</p> <ul style="list-style-type: none"> a) PE shall include the requirement to tenderers that requires to engage the participation of local persons or firms or goods manufactured, mined, or produced in the United Republic as stipulated in the Preference Scheme Guideline issued by the Authority. b) PE shall include the requirement that all staff of the potential tenderers performing works or services should be periodically trained on environmental and social issues. c) PE shall include the requirement that preference shall be given to tenderer who credible, offers innovative and sustainable solutions that meet PE’s procurement needs. d) PE shall include the requirement that preference shall be given to goods, works or services that consume less energy or utilize renewable energy sources and maximizing resource efficiency or has lower greenhouse gas emissions. e) PE shall include the requirement that tenderer comply with recognized national and international standards will receive preference in the evaluation process.
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		<p>f) PE shall include the requirement that preference will be granted to tenderer who offer to supply goods manufactured or produced from recyclable material and use reduced packaging, recyclable content or reuse materials.</p> <p>g) PE shall include the requirement that preference will be given to tenderers that offering goods that avoid harmful chemicals and pollutants, contributing to a healthier and safer environment,</p> <p>h) PE shall include the requirement that tenderers must demonstrate compliance with labor laws, such as fair wages, adherence to anti-child, labor anti-forced labor policies and occupational safety and health</p> <p>i) where applicable, PE shall include the requirement that all tender in their procurement contract employ people with special needs in performing works or services as specified in.(recasting)</p> <p>j) PE may include in tender documents the performance or functional requirements of the goods, works or services without detailing of the technical specifications.</p> <p>k) PE shall include in tender documents the verification mechanism to ensure that sustainability criteria developed in a tender are complied (e.g Laboratory reports, testing or documentary evidence).</p> <p>l) PE shall include in tender documents for submission of occupational safety and health management plan</p> <p>14.4 PE shall use the requirements of the specification provided to evaluate tenderers' compliance.</p>

15.	Evaluation of Tenders	<p>15.1 This stage includes conducting the evaluation and producing the tender evaluation report. The PE is required to evaluate tenders against the evaluation and award criteria stated in the tendering document.</p> <p>15.2 PE should consider the practical guidance provided hereunder: -</p> <ul style="list-style-type: none"> a) Assess the quality of proposed sustainable solutions for the goods, works or services. b) Assess tenderers' sustainability credentials and track records as required in the tender document. c) Conduct Life Cycle Costs (LCC) analysis for each responsive bid (i.e. assess purchase price, operating costs, maintenance costs, and external costs) as illustrated in these Guidelines. d) Evaluate tenders in line with the evaluation criteria provided in the tender document. e) verify sustainability requirements provided in the tender document such as policies, certifications, and standards issued by relevant bodies. f) recommend the most advantageous bid for the award obtained after conducting Conduct Life Cycle Costs (LCC) analysis.
16.	Contract Awards	<p>16.1 PE should award contract to the tenderer who complied to the sustainability criteria provided in the tender document.</p> <p>16.2 Where applicable, PE should conduct post qualification to the tenderer recommended for award to verify the capability of the tenderer to meet the sustainability requirement(s).</p>
17.	Contract Management	<p>17.1 During the implementation of the contract, project managers/contract managers should ensure that the contract is properly managed and sustainability requirements contained in the contract are fully and properly implemented and in case of any breach measures against the supplier, contractor or service provider are taken as per the terms and conditions of</p>

		<p>the contract. The following sustainability requirements should be taken on board during contract implementation:</p> <p>(a) the environmental and social management plan shall be among the key contractual document to the Supplier/Contractor/Service provider to account for delivering the environmental and social mitigations that they have agreed to. The Plan shall contain the measures to be taken by the Supplier/Contractor/Service provider during the implementation and operation of a contract to eliminate or offset adverse Environmental and Social impacts or to reduce them to acceptable levels; and the actions needed to implement these measures.</p> <p>(b) The occupational safety and health management plan shall be among the key contractual document to the Supplier/Contractor/Service provider to account for delivering they have agreed to. The Plan shall contain the measures to be taken by the Supplier/Contractor/Service provider during the implementation and operation of a contract to eliminate or offset adverse occupational safety and health risks to reduce them to acceptable levels; and the actions needed to implement these measures.</p> <p>(c) Supplier/Contractor/Service provider in a subcontract shall be responsible for complying with the environmental and social requirements that are relevant to the activities they are responsible for.</p> <p>(d) The Project manager/Contract Manager shall perform the following in relation to environmental and social requirements: -</p>

		<ul style="list-style-type: none"> (i) Monitoring the health, working conditions, and hours of work of the workforce. (ii) Ensuring orientation training on Sexual exploitation and Abuse/ Sexual Harassment (SEA/SH), discrimination, forced labour, child labour is conducted by the Supplier/Contractor/Service provider. (iii) Instructing the Supplier/Contractor/Service provider to reduce any risk affecting the safety of life, goods, works or services or of an adjoining property; (iv) Reviewing the Environment and Social Management Plan (ESMP) following the Supplier/Contractor/Service provider's periodic review, not less than every 6 months; (v) Receiving declarations from Suppliers/Contractors/Service providers with Subcontracts in relation to SEA/SH (for instance, that they have not been subject to disqualification due to non-compliance); (vi) Reviewing the occupational health and safety risk assessment report, policy and Occupational safety and health Management Plan specifically prepared for the goods, works or services; (vii) To ensure that contractors, suppliers and service providers align their own supply chain with sustainability requirement.

		<p>(viii) Agreeing to the Suppliers/Contractors/ Service providers actions to remedy any damage to the environment, property and/or nuisance to people, on or off site as a result of the Suppliers/Contractors/ Service providers operations;</p> <p>(ix) Receiving notifications of any allegation, incident or accident which has or is likely to have a significant adverse effect on the environment, the affected communities, the public, Employer's Personnel or Supplier/ Contractor/Service provider's Personnel;</p> <p>(x) Requiring the Supplier/Contractor/ Service provider to remove anyone whose conduct risks damage to safety, health, or the protection of the environment, or who breaches the Code of Conduct;</p> <p>(xi) Consenting to the Supplier/Contractor/ Service provider's risk assessment before children between the minimum age and the age of 18 are permitted to work on site; and</p> <p>(xii) Receiving a monthly summary from the Supplier/Contractor/Service provider of employment records of the workforce, including names, ages, genders, hours worked, and wages paid to all workers, and reviewing against applicable labor requirements under the contract.</p> <p>(xiii) Where applicable to create sustainability awareness to the surrounding society and within the project team.</p>

		<p>(e) The mobilization phase shall be used by the PEs to confirm that the Suppliers/Contractors/Service providers, key Subcontractors and their personnel understand relevant environmental and social risks and their commitments in the contract. This period should also be used to develop relationships (if appropriate) with the local labor inspectorate to discuss the Supplier/Contractor/Service provider's approach to labor management. The Supplier/Contractor/Service provider can also engage with local authorities on issues such as disaster response and emergency preparedness.</p>
18.	Review and Amendment of Guidelines	These Guidelines shall be reviewed after every three years or when need arises.

LIST OF SCHEDULES

FIRST SCHEDULE

A. Life Cycle Costing (LCC)

- 1.5 Life Cycle Costing (LCC) is essential to demonstrate that procurement processes and decisions have to move beyond considering the purchase price of a good or service. The purchase price does not reflect the financial and non-financial gains that are offered by environmentally and socially preferable assets as they accrue during the operations and use phases of the asset life cycle.
- 1.6 PE should look at the cost of a product incurred throughout the life cycle of the goods, works or services to be procured.
- 1.7 Where PEs lack the expertise to carry out LCC analyses they should consider inviting experts during the evaluation process.
- 1.8 For the purpose of conducting LCC analyses effectively, PEs shall require the tenderers to submit, alongside the purchase price of goods, works or services a detailed breakdown of operating costs, product longevity (life span), and end-of-life costs (such as demolition and disposal) for a specified period (number of years) during the bid submission process in the format as prescribed in the **Table 1** below:

TABLE 1: LCC Cost Breakdown Format *(to be submitted by tenderers)*

Cost Breakdown of Goods, works or Services to be procured					
Purchase price (bid price)					
Lifespan (<i>number of years</i>)					
A. Cost of Maintenance (<i>total maintenance required for 5 years (lifespan in this)</i>)					
Item	Year 1	Year 2	Year 3	Year 4	Year 5
Number of Maintenance					
Cost of one Maintenance					
B. Operating Costs (<i>operating costs required for 5 years (lifespan in this)</i>)					
Item	Year 1	Year 2	Year 3	Year 4	Year 5
Operating cost 1					
Number of items					
Cost per unit					
Operating cost 2					
Number of items					
Cost per unit					
Operating cost.					
Number of items					
Cost per unit					

C. External Costs (total emission produced for 5 years (lifespan in this))					
Item	Year 1	Year 2	Year 3	Year 4	Year 5
GHG emission per year as per product specification	N1	N2	N3	N4	N5

1.9 In calculating the LCC, PEs should consider practical guidance in the **Table 2** below: -

Table 2: LCC calculation practical guidance.

<p>Life Cycle Costing Analyses:</p> <p>Factors for LCC analyses consideration: -</p> <ul style="list-style-type: none"> a) Purchasing costs and all associated costs such as delivery, installation, commissioning and insurance. b) Operating costs, including utility costs such as energy and water use and maintenance costs. c) End-of-life costs such as removal, recycling or refurbishment and decommissioning. d) Longevity (product lifespan) and warranty time frames of the asset e) Data Availability and Reliability: As lifecycle costing needs inputs on costs to be incurred in future as stated in (a-d)) which exists an aspect of unpredictability. Hence, Tenderers must be asked to produce detailed information on cost estimations. For those future costs within control of the tenderer (E.g. if they handle maintenance or disposal), maximum limits of the future prices can be laid out. By this, greater certainty can be factored into LCC calculations f) Discount rate: LCC considers the time value of money i.e. an amount of money available today is worth more than the same amount of money available in future as it can earn interest over time. The discount rate is usually taken to be the national interest rate provided by Bank of Tanzania (BOT). By applying it to future costs, it helps determine the present value of those future costs – Net Present Value (NPV). In this way, a comparison of present and future costs can be done which is important in life cycle cost comparison <p>Illustration of using LCC in the procurement of Heavy-Duty Printer (<i>This is just an example you can add more operating</i>)</p> <p>The method for computing the LCC of the Heavy-Duty Photocopier/Printer described below shall be used by the PE for evaluating bids. This method has</p>

been developed considering the phases of the life cycle of the heavy-duty printer/photocopier.					
Purchase price (as submitted by Tenderer)					(I)
Lifespan of Heavy-duty photocopier/printer (as defined by PE for LCC purposes or using the Finance Regulation Act)					5yrs)
Discount Rate (i) (as determined by BoT)					(insert rate)
Cost of Maintenance (total maintenance required for 5 years (lifespan in this)					
Item	Year 1	Year 2	Year 3	Year 4	Year 5
Number of Maintenance (N) (as submitted by Tenderer)	N1	N2	N3	N4	N5
Cost of one Maintenance (C)	C1	$C2=C1(1+i)$	$C3=C2(1+i)$	$C4=C3(1+i)$	$C5=C4(1+i)$
Cost of Maintenance per year	N1C1	N2C2	N3C3	N4C4	N5C5
Total Cost of Maintenance $\sum NiCi$					(II)
Cost of Cartridge (Toner)					
Item	Year 1	Year 2	Year 3	Year 4	Year 5
Number of Cartridges required by a year (as submitted by Tenderer)	N1	N2	N3	N4	N5
Cost of one Cartridge	C1	$C2=C1(1+i)$	$C3=C2(1+i)$	$C4=C3(1+i)$	$C5=C4(1+i)$
Cost of Cartridge per year	N1C1	N2C2	N3C3	N4C4	N5C5
Total Cost of Externalities $\sum NiCi$					(III)
Cost of Externalities (e.g. GHG emissions, or carbon footprints)					
Item	Year 1	Year 2	Year 3	Year 4	Year 5
Number of Cartridges required by a year (as submitted by Tenderer)	N1	N2	N3	N4	N5
Number of prints per toner (as submitted by Tenderer)	P1	P2	P3	P4	P5
Cost of GHG emissions/carbon footprints per print (use international rate possibly 3-4g)	C1	C2	C3	C4	C5
GHG emission per year	$N1P1C1$	$N2P2C2$	$N3P3C3$	$N4P4C4$	$N5P5C5$
Total Cost of Externalities $\sum NiPiCi$					(IV)
Life Cycle Cost (of a heavy-duty printer/photocopier for 5 years)					I+II+III+IV

ILLUSTRATION ON ACTUAL NUMBERS

The illustration provided in these Guidelines involves three bids received from three tenderers for the procurement of a heavy-duty printer/photocopier. Tenderer A submitted a bid price of TZS 230,000,000, Tenderer B submitted a bid price of TZS 210,000,000, and Tenderer C submitted a bid price of TZS 250,000,000. Following the Life Cycle Cost (LCC) analyses detailed below, the LCC price for Tenderer A was TZS 246,394,498.50, for Tenderer B was TZS 247,108,227.89, and for Tenderer C was TZS 263,123,932.74. Therefore, considering LCC as part of the sustainability criteria, the tender will be awarded to Tenderer A despite their initial purchase price being higher than that of Tenderer B.

Table 3: LCC Calculations Illustration

A	B	C	D	E	F	G
1.	Tenderer A					
2.						
3.						
4.	Purchase price (as submitted by Tenderer)					230,000,000.00
5.	Lifespan					5
6.	Discount Rate (i) (as determined by BoT)					7%
7.	Cost of Maintenance (total maintenance required for 5 years (lifespan in this))					
8.	Item	Year 1	Year 2	Year 3	Year 4	Year 5
9.	Number of Maintenance (N) (as submitted by Tenderer)	1	2	2	3	3
10.	Cost of one Maintenance (C)	650,000.00	695,500.00	744,185.00	796,277.95	852,017.41
11.	<i>Formula</i>	#N/A	=C10*(1+\$G\$6)	=D10*(1+\$G\$6)	=E10*(1+\$G\$6)	=F10*(1+\$G\$6)
12.	Cost of Maintenance per year	650,000.00	1,391,000.00	1,488,370.00	2,388,833.85	2,556,052.22
13.	<i>Formula</i>	=C9*C10	=D9*D10	=E9*E10	=F9*F10	=G9*G10
14.	Total Cost of Maintenance $\sum NiCi$					8,474,256.07
15.	Cost of Cartridge (Toner)					
16.	Item	Year 1	Year 2	Year 3	Year 4	Year 5
17.	Number of Cartridges required by a year (to be determined by PEs)	3	3	5	5	8
18.	Cost of one Cartridge	270,000.00	288,900.00	309,123.00	330,761.61	353,914.92
19.	<i>Formula</i>	#N/A	=C18*(1+\$G\$6)	=D18*(1+\$G\$6)	=E18*(1+\$G\$6)	=F18*(1+\$G\$6)
20.	Cost of Cartridge per year	810,000.00	866,700.00	1,545,615.00	1,653,808.05	2,831,319.38
21.	<i>Formula</i>	=C17*C18	=D17*D18	=E17*E18	=F17*F18	=G17*G18

22.	Total Cost of Externalities $\sum NiCi$					7,707,442.43
23.	Cost of Externalities (e.g. GHG emissions, or carbon footprints)					
24.	Item	Year 1	Year 2	Year 3	Year 4	Year 5
25.	Number of Cartridges required by a year (as submitted by Tenderer)	2	3	3	4	4
26.	Number of prints per toner (as submitted by Tenderer)	3800	3800	3800	3800	3800
27.	Cost of GHG emissions/carbon footprints per print (use international rate possibly 3-4g)	3	3	3	4	4
28.	GHG emission per year	22,800.00	34,200.00	34,200.00	60,800.00	60,800.00
29.	<i>Formula</i>	=C25*C26*C27	=D25*D26*D27	=E25*E26*E27	=F25*F26*F27	=G25*G26*G27
30.	Total Cost of Externalities $\sum NiPiCi$					212,800.00
31.	Life Cycle Cost (of a heavy-duty printer/photocopier for 5 years) for Tenderer A					246,394,498.50
32.	<i>Formula</i>					=G4+G14+G22+G30
33.	Tender B					
34.						
35.	Purchase price (as submitted by Tenderer)					210,000,000.00
36.	Lifespan					5
37.	Discount Rate (i) (as determined by BoT)					7%
38.	Cost of Maintenance (total maintenance required for 5 years (lifespan in this))					
39.	Item	Year 1	Year 2	Year 3	Year 4	Year 5
40.	Number of Maintenance (N) (as submitted by Tenderer)	2	2	3	4	4
41.	Cost of one Maintenance (C)	1,000,000.00	1,070,000.00	1,144,900.00	1,225,043.00	1,310,796.01
42.	<i>Formula</i>	#N/A	=C41*(1+\$G\$6)	=D41*(1+\$G\$6)	=E41*(1+\$G\$6)	=F41*(1+\$G\$6)
43.	Cost of Maintenance per year	2,000,000.00	2,140,000.00	3,434,700.00	4,900,172.00	5,243,184.04
44.	<i>Formula</i>	=C40*C41	=D40*D41	=E40*E41	=F40*F41	=G40*G41
45.	Total Cost of Maintenance $\sum NiCi$					17,718,056.04
46.	Cost of Cartridge (Toner)					
47.	Item	Year 1	Year 2	Year 3	Year 4	Year 5
48.	Number of Cartridges required by a year (to be determined by PEs)	5	6	7	8	10
49.	Cost of one Cartridge	450,000.00	481,500.00	515,205.00	551,269.35	589,858.20
50.	<i>Formula</i>	#N/A	=C49*(1+\$G\$6)	=D49*(1+\$G\$6)	=E49*(1+\$G\$6)	=F49*(1+\$G\$6)

51.	Cost of Cartridge per year	2,250,000.00	2,889,000.00	3,606,435.00	4,410,154.80	5,898,582.05
52.	<i>Formula</i>	=C48*C49	=D48*D49	=E48*E49	=F48*F49	=G48*G49
53.	Total Cost of Externalities $\sum NiCi$					19,054,171.85
54.	Cost of Externalities (e.g. GHG emissions, or carbon footprints)					
55.	Item	Year 1	Year 2	Year 3	Year 4	Year 5
56.	Number of Cartridges required by a year (as submitted by Tenderer)	4	4	6	6	10
57.	Number of prints per toner (as submitted by Tenderer)	2800	2800	2800	2800	2800
58.	Cost of GHG emissions/carbon footprints per print (use international rate possibly 3-4g)	4	4	4	4	4
59.	GHG emission per year	44,800.00	44,800.00	67,200.00	67,200.00	112,000.00
60.	<i>Formula</i>	=C56*C57*C58	=D56*D57*D58	=E56*E57*E58	=F56*F57*F58	=G56*G57*G58
61.	Total Cost of Externalities $\sum NiPiCi$					336,000.00
62.	Life Cycle Cost (of a heavy-duty printer/photocopier for 5 years) for Tenderer B					247,108,227.89
63.	<i>Formula</i>					=G35+G45+G53+G61
64.	Tender C					
65.						
66.	Purchase price (as submitted by Tenderer)					250,000,000.00
67.	Lifespan					5
68.	Discount Rate (i) (as determined by BoT)					7%
69.	Cost of Maintenance (total maintenance required for 5 years (lifespan in this))					
70.	Item	Year 1	Year 2	Year 3	Year 4	Year 5
71.	Number of Maintenance (N) (as submitted by Tenderer)	2	2	3	3	3
72.	Cost of one Maintenance (C)	600,000.00	642,000.00	686,940.00	735,025.80	786,477.61
73.	<i>Formula</i>	#N/A	=C72*(1+\$G\$6)	=D72*(1+\$G\$6)	=E72*(1+\$G\$6)	=F72*(1+\$G\$6)
74.	Cost of Maintenance per year	1,200,000.00	1,284,000.00	2,060,820.00	2,205,077.40	2,359,432.82
75.	<i>Formula</i>	=C71*C72	=D71*D72	=E71*E72	=F71*F72	=G71*G72
76.	Total Cost of Maintenance $\sum NiCi$					9,109,330.22
77.	Cost of Cartridge (Toner)					
78.	Item	Year 1	Year 2	Year 3	Year 4	Year 5
79.	Number of Cartridges required by a year (to be determined by PEs)	3	3	4	4	4

80.	Cost of one Cartridge	170,000.00	181,900.00	194,633.00	208,257.31	222,835.32
81.	<i>Formula</i>	#N/A	=C80*(1+\$G\$6)	=D80*(1+\$G\$6)	=E80*(1+\$G\$6)	=F80*(1+\$G\$6)
82.	Cost of Cartridge per year	510,000.00	545,700.00	778,532.00	833,029.24	891,341.29
83.	<i>Formula</i>	=C79*C80	=D79*D80	=E79*E80	=F79*F80	=G79*G80
84.	Total Cost of Externalities $\sum NiCi$					3,558,602.53
85.	Cost of Externalities (e.g. GHG emissions, or carbon footprints)					
86.	Item	Year 1	Year 2	Year 3	Year 4	Year 5
87.	Number of Cartridges required by a year (as submitted by Tenderer)	4	4	6	6	10
88.	Number of prints per toner (as submitted by Tenderer)	3800	3800	3800	3800	3800
89.	Cost of GHG emissions/carbon footprints per print (use international rate possibly 3-4g)	4	4	4	4	4
90.	GHG emission per year	60,800.00	60,800.00	91,200.00	91,200.00	152,000.00
91.	<i>Formula</i>	=C87*C88*C89	=D87*D88*D89	=E87*E88*E89	=F87*F88*F89	=G87*G88*G89
92.	Total Cost of Externalities $\sum NiPiCi$					456,000.00
93.	Life Cycle Cost (of a heavy-duty printer/photocopier for 5 years) for Tenderer B					263,123,932.74
94.	<i>Formula</i>					=G66+G76+G84+G92