

GUIDELINES FOR APPLICATION FOR TANZANIAN LOCAL SUPPLIERS AND SERVICE PROVIDERS IN THE PETROLEUM SUBSECTOR

Background

1. The Energy and Water Utilities Regulatory Authority (EWURA) established under the Energy and Water Utilities Regulatory Authority Act, 2001 (Cap. 414 of the Laws of Tanzania) is mandated under the Petroleum Act, 2015 (Cap. 392 of the Laws of Tanzania) to regulate mid and downstream petroleum activities in Mainland Tanzania.

2. Regulation 38 of the Petroleum (Local Content) Regulations, 2017 requires EWURA to establish, maintain and annually publish to its database the Tanzanian Local Suppliers and Service Providers (LSSP) Database of persons involved in petroleum sub-sector and prohibits any entity from providing goods, works or services for the petroleum activities unless they are registered on the database.

3. According to the Petroleum (Local Content) Regulations, 2017 all these activities call for local participation as materials suppliers, and service providers from accommodation, food and beverages, transportation, clearing and forwarding, medical services, counsellors services, insurance services, banking services, and human resource services. Bidding contractors and sub-contractors must have local participation of not less than 25% shares or otherwise. The LSSP database provides somewhere such applicants should come from based on Common Qualification Systems.

Available Petroleum Mid and Downstream Projects

4. The Petroleum (Local Content) Regulations, 2017 came into operations in November 2017. In the petroleum sub-sector the first project to be considered is the Hoima-Tanga Pipeline implemented by the East African Crude Oil Pipeline (EACOP). Tanzania pipeline segment is 1,145 km of 24" pipeline of 96,250 joints of 177,627 tons. It is divided into two lots Lot 2 of 614 km and Lot 3 of 533 km. There are 60 main line block valves for sectional isolation. It has 62.8 km of temporary access roads and 33.7 km of permanent access roads. Ten (10) temporary construction camps will be

constructed. The project will be served by 939 km of 33 kV power cabling for heating trace power input, 1,145 km of fibre optic cabling, and 3465 km of 6.6 kV single Phase EHT cabling.

5. Four (40) crude oil pump stations with capability of 216 thousand barrel of oil per day (kbopd), two (2) pressure reduction stations, four (4) temporary construction camps at Pump Stations, one (1) temporary construction camp at the Marine Terminal, and fifteen (15) pre-fabricated engineered electrical heat trace substations. In addition, integrated SCADA/ICS system with redundant control functions via fibre optic cabling and telecommunication will be installed. Five (5) crude oil storage tanks each of 500,000 barrel will be constructed at a Marine Terminal, which shall have a capacity of exporting 1,000,000 barrel in 24 hours export to SUEZMAX class tanker. Also, a two (2) km off offshore jetty and crude oil load-out platform shall be constructed as part of the project.

6. Apart from crude oil projects, several natural gas projects are anticipated to commence during year 2018. Natural gas distribution projects within the Mtwara-Dar es Salaam wayleave, in Mtwara, Lindi, Mkuranga, Dar es Salaam and Bagamoyo. Also, natural gas transmission projects to Bagamooyo, Tanga and Morogoro may commence. All activities involved attract applications of the Tanzanians suppliers and service providers to get involved through LSSP database.

The Objectives of this Process

7. The objectives of Local Content are to promote the maximization of value-addition and job creation through the use of local expertise, goods and services, businesses and financing in the petroleum industry chain and their retention in Tanzania. The local capacities in the petroleum industry value chain have to be developed through education, skills transfer and expertise development, transfer of technology and know-how and active research. To increase the Tanzanians capabilities and international competitiveness of domestic businesses; create petroleum and related supportive industries that will sustain economic development, call for robust and transparent monitoring and reporting systems.

What is the Purpose of Form N-100?

8. Form N-100 is used to collect information for an application for the Local Suppliers and Service Providers (LSSP) database, which is filed, mainly, by the Tanzanians. The legislation mandates EWURA to annually collect, establish, maintain, and publish LSSP database. EWURA prohibits any person or entity from providing goods, works or service for the

petroleum activities unless they are registered on the LSSP database. The instructions to fill out Form N-100 are available at www.ewura.go.tz where the guidelines are attached.

General Eligibility Requirements

9. Any biological or legal person that meet the requirements to become a Tanzanian citizen and work on petroleum or related and supportive business may apply for registration to the LSSP database for the petroleum sub-sector. General eligibility requirements are as follows-

- (a) is at least 18 years of age at the time of filling Form N-100;
- (b) is a permanent resident of the United Republic of Tanzania for a required period of time;
- (c) has lived in Tanzania where he claims residence for at least three (3) months prior to filing;
- (d) has demonstrated a continuous residence for a required period of time;
- (e) has demonstrated good moral and ethical character;
- (f) has demonstrated a basic knowledge of petroleum and related supportive business; and
- (g) has taken an Oath of Allegiance to the United Republic of Tanzania.

Required Evidences

10. Please note that applicants for LSSP database are required to provide EWURA with scanned and uploaded copies of the following documents-

- (a) a justification of legal status of the local supplier or service provider, including the Certificate of Incorporation or Registration in Tanzania
- (b) Tax Clearance Certificate issued by Tanzania Revenue Authority or its equivalent if incorporated outside Tanzania;
- (c) Certificate of Professional Registration certified by the Engineers Registration Board, Contractors Registration Board, Tanzania Law Society, Tanzania Insurance Regulatory Authority, Bank of Tanzania or other certifying bodies;
- (d) National Social Security Clearance Certificate for companies registered and incorporated in Tanzania issued by the National Social security (NSSF) or proof of compliance with

NSSF requirements or similar arrangements for those incorporated outside Tanzania

- (e) Banker's Reference Letter.
- (f) a scope of expertise, services or specialization with regard to the Petroleum Sub-sector, including the technical capacity (personnel, machinery, and equipment) or other related infrastructures; and
- (g) a valid alien identification card or a biography page of a valid passport for non-Tanzanians living in Tanzania applying as individual Consultants.

Only applicants who have qualified shall be published in LSSP Database.

Where and when to file?

11. See the Authority's website at www.ewura.go.tz click under **LOCAL CONTENT LSSP DATABASE** to view the guidelines, instructions and a register. There is a Form N-100 attached thereto for persons and entities not yet registered on the LSSP Database for 2018. All applications should reach EWURA through email info@ewura.go.tz by no later than **28th February 2018 at 23:59 hours** East African Time.

Address Change

12. An applicant after filing an application to EWURA for LSSP database may changes his address. However, the onus rests into the applicant to keep the whole world that the address has changed. As an applicant, practitioner, or requester who is not a Tanzanian citizen must notify EWURA of his new address within ten (10) days of moving from his previous residence.

Processing Information

13. Any Form N-100 that is not signed will be rejected. Any application that is not completed in accordance with the instructions issued by EWURA, is missing pages, or otherwise were not executed in its entirety, or is not accompanied by the required initial evidence, may also be rejected. If your Form N-100 is rejected, the application will be returned to you and you will be notified why the application is considered deficient. You may correct the deficiency and resubmit Form N-100. An application is not considered properly filed until accepted by EWURA.

14. Once EWURA accepts your application, it will be checked for completeness. If you do not completely fill out the application, you will not

establish the basis for your eligibility, and EWURA may reject or deny your application.

15. EWURA may request that you provide more information or evidence to support your application. You may be requested to provide the originals of any copies you submit. If EWURA requests an original document from you, it will be returned to you after EWURA determines it no longer needs your original. You may be requested to appear at EWURA Office for an interview based on application. The decision on Form N-100 involves a determination of whether you have established eligibility for the national benefits you are seeking. EWURA will notify you of the decision in writing.

Attorney or Representative

16. You may be represented, at no expense to EWURA, by an attorney or other duly accredited representative.

Penalties

17. If you knowingly and wilfully falsify or conceal a material fact or submit false document with Form N-100, EWURA can deny your Form N-100 and may deny any other benefits. In addition, you may face criminal prosecution and penalties provided by the law.

Compliance Review and Monitoring

18. By signing the application, you have stated under penalty of perjury that all information and documentation submitted with the application is complete, true and correct. You also authorise the release of any information from your records that EWURA may need to determine your eligibility for LSSP database you are seeking and consent to EWURA verifying such information. To ensure compliance with applicable laws and authorities, EWURA may verify information before and after your case is decided.

Energy and Water Utilities Regulatory Authority

Dar es Salaam, February 2018