




**PUBLIC PROCUREMENT REGULATORY AUTHORITY
(PPRA)**

**GUIDELINES FOR
PROCUREMENT OF CAPITAL EQUIPMENT, MATERIALS,
PRODUCTS, AND RELATED SERVICES FOR THE DEVELOPMENT
OF INDUSTRIES, 2025**

MAY, 2025

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**GUIDELINES FOR PROCUREMENT OF CAPITAL EQUIPMENT, MATERIALS,
PRODUCTS, AND RELATED SERVICES FOR DEVELOPMENT OF INDUSTRIES,
2025**

Approved by Board of Directors	Title Director General	Signature 	Date 7 th May, 2025
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ABBREVIATIONS AND ACRONYMS

Authority	Public Procurement Regulatory Authority
MCB	Manager, Capacity Building
PSCD	Procurement and Supplies Capacity Development
HPMU	Head of Procurement Management Unit
PMU	Procurement Management Unit
PPRA	Public Procurement Regulatory Authority
PPA	Public Procurement Act, CAP 410
PPR	Public Procurement Regulations G.N. 518 of 2024
PE	Procurement Entity
TB	Tender Board

DOCUMENT VERSION CONTROL

Name of the Document	Guidelines for Procurement of Capital Equipment, Materials, Products, and Related Services for the Development of Industries, 2025
Version	Second Release, May, 2025
Document Number	PPRA/PSCD/PSS/25/04
Responsibility	Management, PEs
Developed by	PPRA
2 nd Approval (Second Issue)	Board, May 2025
Applicability	PEs and Tenderers
Purpose	To guide the Procurement of Capital Equipment, Materials, Products, and Related Services for the Development of Industries
It is part of	Public Procurement Guidelines
Related Documents	PPA, CAP 410, PPR, GN 518 of 2024,
Distribution	Board, Management, HPMU, AOs, and PEs

PART I: BACKGROUND INFORMATION		
1. Background	1.1.	The Government of the United Republic of Tanzania has embarked on industrialization initiatives that aim to take the country to the industrial economy. To achieve this initiative, various strategies are in place to ensure the promotion of industries by both private and public sectors. In line with that context, various Procuring Entities (PEs) have shown interest in investing in new industries and developing the defunct ones in the Country. Hence there are prospects of industrial capital-intensive procurement of services and goods like machinery, spare parts, and raw materials.
	1.2.	On that basis, procurement of these capital-intensive goods and services may lead to large expenditures of government financial resources. For that matter, this necessitates the Authority to develop a guideline for the procurement of Capital Equipment, Materials, Products, and Related Services for the development of industries.
	1.3.	Section 130 of the Public Procurement Act Cap 410 requires the Authority to issue guidelines from time to time for the better carrying out of the objectives or any functions under the Act.
PART II – PRELIMINARY		
2. Short Title	2.1.	This document may be cited as the Guidelines for Procurement of Capital Equipment, Materials, Products, and Related Services for the development of industries.
3. Application	3.1.	This guideline shall apply to PEs undertaking procurement of capital equipment, materials, products and related services for the development of industries.
	3.2.	Where the interpretation of any provision of these Guidelines conveys meaning contrary to the Public Procurement Act and its Regulations, the provisions of such Act and its Regulations shall prevail and its interpretation shall be final and conclusive.
	3.3.	These Guidelines shall come into force from the date they are issued to the Public by the Authority and they may be amended from time to time when needs arise.

4. Definitions	<p>In these Guidelines, unless the context requires otherwise;</p> <p>“Authority” means the Public Procurement Regulatory Authority.</p> <p>“Procuring Entity” means a public body and any other body, or unit established and mandated by government to carry out public functions;</p> <p>“tenderer” means any natural or legal person or group of such persons participating or intending to participate in procurement proceeding 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>“Machinery” means a piece of equipment which has moving parts and, usually, some kind of drive unit.</p> <p>“Related Services” all services related to installation, commissioning, operation, configuration and maintenance of capital equipment.</p> <p>“Spare parts” means replaceable component, sub-assembly and assembly identical to and interchangeable with the item it is intended to replace or a duplicate part to replace a lost or damaged part of of equipment,</p> <p>“Factory” means any building or place, and any machinery or plant therein or thereon, intended to be used or is used for manufacturing.</p> <p>“Industry” means any factory in which ten or more workers are employed on any day.</p> <p>‘Capital Equipment’ means long-term assets and have a life of more than twelve months, that support industrial growth and infrastructure development. These assets typically include high-cost, durable items such as machinery, production equipment, vehicles, materials, spare parts, and related services necessary for industrial development, improving productivity, and fostering economic growth within the public sector.</p> <p>“investment” means the creation or acquisition of new business assets and includes the expansion, restructuring or rehabilitation of an existing business enterprises.</p>
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9. Specifications of Requirements	9.1	PEs shall be required to prepare comprehensive specifications for capital equipment, materials, products, and related services before commencement of the procurement.
	9.2	When developing specifications for Capital Equipment, Materials, Products, and Related Services, PEs shall take into consideration the technical and functional/ performance specifications.
	9.3	Specifications should be functional and shall describe the equipment in terms of its intended function and the required level of performance, rather than by a generic description or brand name. It should be concise, but sufficiently detailed to enable tenderers to take all costs into account, and also to offer alternative solutions.
	9.4	Specifications shall outline the detailed technical and physical attributes of an item and shall include precise information such as dimensions, materials, composition, physical characteristics, chemical requirements, and other relevant product specifications essential for the item's intended use or performance.
	9.5	In particular, specifications shall: <ul style="list-style-type: none"> a) State the criteria for acceptance of the equipment; b) abide by international and national quality requirements; c) include health and safety requirements; d) if brand names are unavoidable, qualify these by adding "or equivalent"; e) conform with approved standards; and f) Conform with Environmental conservation and Social (ES) requirements.
	9.6	PEs shall ensure that these technical specifications for the Capital Equipment, Materials, Products, and Related Services are included in the appropriate standard tendering document for approval before commencement of the procurement.
	9.7	Where PEs do not have expertise in the initiation of industrial requirements, it shall ensure that a Transaction Advisor is in place to guide them throughout the process.

<i>10. Established and approved Standards</i>	10.1.	PEs must ensure that the procurement conducted conforms to the established and approved standards. Where such standards are not available, no reference to the particular standards shall be made and prior approval from the Ministry or entity responsible for approving such standards shall be sought before commencement of procurement.
	10.2.	The Ministry or entity responsible for approving standards for certain goods to be used by the Government shall be responsible for the establishment and approval of such standards and be made available to the Authority for use by PEs.
	10.3.	The established and approved standards for procurement of Capital Equipment, Materials, Products, and Related Services for the Development of Industries shall be issued by the Ministry or entity responsible for the vehicles, equipment, spare parts, plant, and machinery.
PART IV—TENDERING PROCESSES		
<i>11. Procurement to be Competitive</i>	11.1.	Procurement of Capital Equipment, Materials, Products, and Related Services shall be conducted on a competitive procedure to ensure efficiency, economy, effectiveness, and transparency in order to achieve the best value for money.
<i>12. Use of Framework contracts</i>	12.1.	Procuring entities may make use of own open or closed framework agreements wherever appropriate to provide an efficient, cost-effective and flexible means to procure Capital Equipment, Materials, Products and Related Services that are required repeatedly or continuously over a set period of time.
<i>13. Procurement methods and Procedures</i>	13.1.	Methods and procedures to be used during the procurement of Capital Equipment, Materials, Products, and Related Services for the development of industries are the same as those provided in the PPA and PPR.
<i>14. Emergency Procurement</i>	14.1.	In the event where there is a need for procurement of Capital Equipment, Materials, Products, and Related Services under an emergency situation due to the breakdown of machinery or parts, PEs shall be guided by the provisions of Section 77 of the Act and Regulations 74 of GN 518 of 2024.

	14.2.	Notwithstanding provisions of paragraph 14.1 above, PEs shall in all emergency cases follow the guidelines for carrying out emergency procurement which have been issued by the Authority.
		PART V: MONITORING BY AUTHORITY
15. Monitoring by Authority	15.1	The Authority will be responsible for monitoring the procurement of industrial machinery, spare parts, materials, and their related services.
	15.2	To accomplish their monitoring roles, PEs shall furnish to the Authority the details of the information that led to the decision of the procurement of Capital Equipment, Materials, Products, and Related Services for the development of industries.
		PART VI: GENERAL CLAUSES
16. Review of the Guidelines	16.1	These Guidelines shall be reviewed after every three years or when the need arises.
17. Repeal of Previous Guidelines	17.1	The Guidelines for Procurement of Capital Equipment, Materials, Products, and Related Services for the Development of Industries of October 2017 are hereby repealed.