

**KINGDOM OF LESOTHO
LESOTHO HIGHLANDS WATER PROJECT
THE LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY**



REQUEST FOR TENDERS FOR

CONTRACT LHDA No. 2232

DESIGN –BUILD CONTRACT FOR

MUELA WATER SUPPLY SYSTEMS – LOTS 1, 2, 3 AND 4

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DESIGN –BUILD CONTRACT FOR

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SECTION 1 – LETTER OF INVITATION



Lesotho Highlands Development Authority

P.O. Box 7332, Maseru 100, Lesotho. Telephone: (+266) 22 311280 Fax: (+266) 22 310065 Email: lhwp@lhda.org.ls

CONTRACT LHDA NO. 2232

DESIGN –BUILD CONTRACT FOR

MUELA WATER SUPPLY SYSTEMS – LOTS 1, 2, 3 & 4

LETTER OF INVITATION

Dear Sir/Madam

The Lesotho Highlands Water Project (LHWP) is a multi-disciplinary, multi-phase, bi-lateral project undertaken by the Governments of the Kingdom of Lesotho and of the Republic of South Africa in accordance with a Treaty signed between the two countries in 1986. The Lesotho Highlands Development Authority (LHDA) is a statutory body constituted under the Lesotho Highlands Development Authority Order No. 23 of 1986. The LHDA is charged with the responsibility for the implementation, operation and maintenance of the Lesotho Highlands Water Project (LHWP) in Lesotho.

The Lesotho Highlands Development Authority (LHDA) requires competent Category A Construction Companies registered with the Department of Rural Water Supply (DRWS) to provide gravity fed water supply systems as a Design-Build project in the Muela Dam Catchment area.

You are hereby invited to submit Technical and Financial Proposals for the “Design-Build Contract” for the Muela Water Supply Systems project for the Lesotho Highlands Development Authority (LHDA) which could form the basis for future negotiations and a contract between your firm and the Lesotho Highlands Development Authority (LHDA).

Objectives of the contract will be:

- i. To survey, design and execute the construction of the gravity fed water supply systems in the respective designated villages within the Muela Dam Catchment;
- ii. To establish the working logistics with the Department of Rural Water Supply (DRWS), as the organization that is designated to approve all the water supply systems’ designs in the overall execution of this contract;
- iii. To train local Water-Minders through the use of on-the-job training for the future maintenance and sustainability of the project per water supply system;
- iv. To procure and provide one maintenance toolbox for the Water-Minders per

- system;
- v. To attend monthly coordination meetings with LHDA and DRWS during the project implementation;
 - vi. To hand over all successfully completed water supply systems to the LHDA following all approvals by the DRWS.

This Tender document is comprised of the following:

- i. Section 1 - Letter of Invitation
- ii. Section 2 - Instructions to Tenderers
- iii. Section 3 - Scope of Works
- iv. Section 4 - Standard Forms
- v. Section 5 - LHWP Anti-Corruption Policy
- vi. Section 6 - Form of Agreement
- vii. Section 7 - Particular Conditions of Contract
 - a. Part A – Reference from Clauses in the General Conditions
 - b. Part B – Additional Clauses
- viii. Section 8 - General Conditions of Contract
- ix. Section 9 - Tax Requirements

APPENDICES

- a. Appendix A: Villages to be covered per Lot
- b. Appendix B: Map of the Muela Catchment Area

The proposals shall be fully prepared and submitted in accordance with the Instructions to Tenderers, Scope of Work and the Conditions of Contract.

Tenderers shall attend a **Mandatory** Pre-Proposal meeting and Site Visit. The schedule shall be as follows:

- The **Compulsory Pre-proposal meeting** will be held on Thursday the 16th July 2026 at 10:00hrs at ‘Muela Operations Branch, ‘Muela, Butha Buthe,.
- **The Site visit** to the Project Area described in the Scope of Work is scheduled for **Thursday 16th July 2026. The site visit will follow the Pre-proposal meeting and it is MANDATORY. Tenderers are advised to travel using 4x4 vehicles.**
- Attendance of the Pre-Proposal Meeting shall be confirmed by the issuance of a Certificate of Attendance by the authorized LHDA representative who shall conduct the meeting. The Attendance Certificate must be enclosed in the Tender submission together with proof of DRWS Certification to avoid disqualification.

The Proposals must be submitted by 12:00 noon on Friday 4th September 2026. Submissions are to be made at the LHDA offices, in the Tender Deposit Box situated on the 7th floor, LHDA Tower Building, Kingsway Road, Maseru, where a register for receipt of proposals will be maintained. The proposals shall be opened at 14:00hrs on Friday 4th September 2026., at a public opening on the 7th Floor Boardroom, LHDA Tower Building, Kingsway Road, Maseru.

Late submissions will be returned unopened.

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REQUEST FOR TENDERS FOR

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**DESIGN –BUILD CONTRACT FOR
MUELA WATER SUPPLY SYSTEMS - LOTS 1, 2, 3 AND 4**

SECTION 2 – INSTRUCTIONS TO TENDERERS



2. INSTRUCTIONS TO TENDERERS

2.1. INVITATION TO TENDER INFORMATION

2.1.1. Submission of Proposals

Proposals must be in two parts; the Technical Proposal and the Financial Proposal. There must be no financial information in the technical proposal. The signed proposal shall be marked “Original” and its copies marked “Copy” as appropriate. Five (5) copies should accompany the original. All copies should be made from the signed original. If there are discrepancies between the original and the copies, the original shall prevail. The two separate and sealed envelopes labelled Technical and Financial should be put in one envelope that will be deposited in the Tender box.

The original and all signed copies of the Technical Proposal shall be placed inside of one sealed envelope, clearly marked “**TECHNICAL PROPOSAL**”, “Name of the Contract”, Contract Number, Name and Address of the Tenderer and with the warning “**DO NOT OPEN UNTIL [12:00 noon on Friday 4th September 2026.**

Similarly, the original Financial Proposal shall be placed inside of a sealed envelope clearly marked “**FINANCIAL PROPOSAL**” followed by the Name of the Contract, Contract Number, Name and Address of the Tenderer, and with a warning “**DO NOT OPEN WITH THE TECHNICAL PROPOSAL**”.

2.1.2. Proposal Time Frames

- a. The Tender Document is to be issued to Tenderers on Friday 26th June 2026.
- b. The **Mandatory Pre-proposal meeting** is to be held on Thursday 16th July 2026 at **10:00hrs at ‘Muela Operations Branch, ‘Muela, Butha Buthe.**
- c. The **mandatory Site visit** to the Project Area described in the Scope of Work is scheduled Thursday 16th July 2026. **The site visit will be after the Pre-proposal meeting. Tenderers are advised to travel using 4x4 vehicles.**
- d. The proposals **must be submitted by Friday 4th September 2026 at 12:00 noon.** Submissions are to be made at the offices of LHDA, in the Tender Deposit Box situated on the 7th floor LHDA Tower Building, Kingsway Road, Maseru.
- e. The proposals **shall be opened at 14:00hrs on Friday 4th September 2026., at a public opening** in the 7th Floor Boardroom, LHDA Tower Building, Kingsway Road, Maseru.

2.1.3. Contact Information/Request for Clarification

Request for further information and/or clarification must be directed to the following:

E-mail: procurement@lhda.org.ls

Information obtained from any other source should not be relied upon.

2.2. PREPARATION OF TENDER DOCUMENTS

- a. The Tender comprises of the four Lots as listed in (b) below, and Tenderers are encouraged to submit bids for all four Lots. LHDA reserves the right to award one or more Lots to a Tenderer based on factors such as staff capacity, technical capability, financial liquidity, and overall ability to successfully execute the works.
- b. Tenderers should note that any Lots awarded must be completed within a period of twenty-four (24) months, inclusive of the mobilization period.
 - Lot 1 – Muela
 - Lot 2 – Boinyatso
 - Lot 3 – Setlakalleng
 - Lot 4 – Ha Molapo
- c. The Technical Proposal will account for 60% of the total tender score while the Financial Proposal will account for 40% of the tender score. Only tenderers who obtain a technical score of 70% or more will have their financial proposals evaluated.

2.2.1. FORMAT OF TECHNICAL TENDER PROPOSAL

The Tenderer shall submit a technical proposal, as described in this Section, however the Tender Submission forms for the Proposal are given in Section 4 – Standard Forms. To make it easier, consistent and to ensure that each tender receives full consideration, the following format shall be adhered to when preparing the Technical Tender Proposal.

- a. Title Page with a title of the Tender, Tenderers name and address, contact person, contact telephone and email address;
- b. An introductory letter addressed to the LHDA “Chief Executive”, identifying full details of the Tenderer and signed by the person or persons authorized to sign on behalf of, and bind the Tenderer to statements made in the tender document;
- c. The Letter of Tender
- d. Table of Contents including page numbers;
- e. Company experience on similar projects;
- f. References from two (2) previous Clients;
- g. Proposed Workplan and Operational Arrangements for the Scope of Work and contract duration including support system for constructing the systems. The Workplan should extend to the Defects Notification Period;
- h. Copies of Company(s) Trader’s License(s), current and valid Tax Clearance Certificate(s) duly signed and certified at source;
- i. A copy of current and valid DRWS Categorization Certificate duly signed, certified and

- authenticated at source;
- j. CV of Project Manager;
 - k. CVs of relevant staff;
 - l. Details of Partnerships or Joint Venture arrangements, where applicable;
 - m. A refundable Tender Security of M2,000.00 valid for a period of 120 days after the tender submission date, must be submitted with tender proposals.

Tenderers may add any other information that they deem relevant.

a. Overview of Assignment

The Tenderer should demonstrate his/her understanding of the Scope of Work and its requirements. The tenderer should indicate the nature of the project and what he/she considers the objectives and the desired outcomes/outputs of the project are. Should the tenderer vary in any way from the required Scope of Work, it must be clearly stated in the Tenderer's submission.

b. Tenderers Experience Record

The Tenderer must provide full but concise information on the company or joint venture's experience in relation to the Scope of Work.

The proposal should state the Company's experience in implementing similar works and should provide information in the forms provided under Section 4 – Standard Forms.

c. Project Implementation

In this section, the Tenderer shall provide a detailed but concise description of how the project will be implemented with regard to the methodology, approach and monitoring. The Tenderer is to advise of the involvement of other stakeholders in the project e.g. Local Chiefs, Local Councils, Community structures etc. The Tenderer is to advise LHDA of his expectations of LHDA's responsibilities as well as any assumptions made.

The description of the Project Implementation should include notes on:

- i. Base data – Number of water systems to be constructed.
- ii. Implementation methods and strategies,
- iii. Materials to be used.
- iv. Personnel.
- v. Procedures and processes, including quality assurance.
- vi. Resources - machinery, equipment, software, transport, plant, labour etc.

d. Work Programme

The Tenderer shall submit a programme in the form of a **Gantt chart** that indicates time and duration for the implementation as well as logical relationships of the various tasks and sub-tasks required under the project.

e. Curriculum Vitae of Professional Staff

The Tenderer shall submit curricula vitae of the company’s professional staff and key non-professional staff that will be involved in the project. Each CV shall not exceed four (4) pages and shall be in the format provided

The technical proposal will account for 60% of the total evaluation score of the tender,

2.2.2. FORMAT OF FINANCIAL TENDER PROPOSAL

The format of the financial proposal shall be based on the cost of the water supply systems. The Financial Proposal shall be submitted in an itemized format giving a breakdown of how the total cost of each system and total Contract Price were derived.

The following format should be adhered to when preparing the financial tender proposal:

- a. Title page with a title of the Tender, Tenderer’s name, address, contact person and contact telephone and email details;
- b. Priced Bill of Quantities
- c. Payment Plan
- d. Price Validity

Tenderers may add any other information that they deem relevant. The financial proposal will account for 40% of the total evaluation score of the tender.

The Contractor is requested to structure their financial proposal such that the proposal provides a total project cost however the Employer will process the payment based on the number of completed facilities as stated in the Scope of Work.

It should be noted that the Contractor will be required to comply with the LHWP Anti-Corruption Policy as given in Section 5 and the Tax Requirements as given in Section 10 – Tax Requirements of this document.

2.3. EVALUATION CRITERIA

The Technical proposal will account for 60% of the total tender evaluation score while the Financial proposal will account for 40% of the tender evaluation score. Only tenderers who obtain technical evaluation scores of 70% or more will have their financial proposals evaluated.

2.3.1. Evaluation of Technical Proposals:

Only Tenders compliant with the requirements for submission described above will be evaluated. Technical Proposals will be evaluated on the following criteria.

CRITERION	POINTS
The clarity and completeness of proposals	5
The approach and clarity of the methodology, implementation strategy and process/procedures	20

Company experience in similar projects and on similar terrain and the time it took to complete the project	15
Adequacy of organization's resources	20
Suitability of personnel based on their work experience, design capacity, knowledge of gravity fed water supply systems construction, community liaison, project implementation, mountain terrain, villages and their curriculum vitae	20
Schedule of two (2) client references with contactable details where tenderer has been engaged with Rural Water Supply Systems	10
Current and valid Traders and Clearance Certificates of the Company	5
Work programme	5
TOTAL	100

In cases where technical proposals have scored below 70%, the financial proposals shall not be evaluated.

2.3.2. Evaluation of Financial Proposals

The financial proposal will account for forty percent (40%) of the total score of the tenders. It should be noted that the successful tenderer will be required to comply with the Tax Laws of Lesotho and LHDA deems the financial proposal to have taken them into consideration in preparation of the proposal.

The Financial Proposal of tenderers who obtain Technical Proposal scores equal to or greater than 70% will then be evaluated on the basis of the following procedure:

- a) The Lowest priced qualifying proposal will score 100 points
- b) For the remainder, the financial scores will be calculated using the following formula:

$$F_F = \frac{(P_o \times 100)}{P}$$

Where

P_o = Lowest Priced Tender

P = Price of the Tender being evaluated.

F_F = Financial proposal score of company being evaluated.

It should be noted that financial proposals that deviate by greater than $\pm 30\%$ of the Engineer's Estimate, will be disqualified and will not be considered for further evaluation.

2.3.3. Combined Evaluation Score

The Combined Evaluation Score shall be a combined total of the technical and financial scores. The weighted Technical Score shall make-up sixty percent (60%) of the final score and the Financial Score shall make-up forty percent (40%) of the final score and shall be calculated as follows:

$$\text{Final Score (F}_S\text{)} = (0.6 \times F_T) + (0.4 \times F_F)$$

Where,

F_T = Technical score

F_F = Financial score

2.4. ADDITIONAL INFORMATION

2.4.1. Sub-Contracting

Use of sub-contractors (who should be clearly identified in the proposal) is acceptable. The names of approved sub-contractors listed in the Proposal will be included in the contract, where applicable. Sub-contracted works should not exceed forty percent (40%) of the value and scope of works. No additional sub-contractors will be permitted or amendments made to the list once in the Contract, without the written consent of the LHDA.

2.4.2. Cost of Tender Document

The LHDA's Invitation to Tender document is obtainable free of charge from the LHDA Website. A printed copy of the Tender documents shall be available from the 26th June 2026. upon payment of a non-refundable fee of M1,000.00 to the LHDA Procurement Office, 7th Floor, LHDA Tower Building (formerly the Lesotho Bank Tower Building) Kingsway Road, Maseru, Lesotho.

Tenderers are solely responsible for their own expenses in attending pre-bid meetings and site visits, in preparation and submission of tenders and any other related costs, including subsequent negotiations with the LHDA. If the LHDA elects to annul the procurement process, the LHDA will not be liable to any tenderer for any claims relating to this tender, whatsoever.

2.4.3. Tender Security

All Tenders should be accompanied by a valid Tender Security (bank guarantee) in the amount of **M5,000.00**.

The Tender Security shall be valid for a period of 120 days after the closing date for submission of tenders.

The Tender Security will be returned to unsuccessful tenderers on award of the Contract. For the successful Tenderer, the Tender Security shall be refunded on submission of the "Performance Guarantee".

2.4.4. Tender Validity and Pricing

Tenders will be valid for at least 120 days after the closing date for submission of proposals. Prices shall remain fixed for the entire contract period.

2.4.5. Performance Guarantee

The successful tenderer shall be requested to provide a Performance Guarantee to the value of ten percent (10%) of the Contract Price. The Performance Guarantee shall be a Bank Guarantee in a form acceptable to the Employer. The Performance Guarantee must be submitted to the LHDA within the period of twenty-eight (28) days after the award of the Contract(s).

2.4.6. Acceptance of Tenders

This Invitation to Tender should not be construed as an agreement to supply the required solution. LHDA is not bound to enter into a contract with the tenderer who submits the lowest priced tender. Tenders will only be assessed in terms of the Evaluation Criteria, given under Clause 2.3 of this document.

2.4.7. Modification of Terms

LHDA reserves the right to modify the terms of this Invitation to Tender at any time in its sole discretion. This includes the right to cancel this Invitation to Tender at any time prior to entering into a contract with the preferred tenderer; notice to that effect shall be given to all tenderers.

2.4.8. Ownership of Tenders

All documents, including tenders, submitted to the LHDA shall become the property of the LHDA.

2.4.9. Confidentiality of Information

All tenders submitted by tenderers shall be held in strict confidence and will not be revealed to any other party.

All information pertaining to the LHDA obtained by the tenderer as a result of participation in this project is confidential and must not be disclosed without written authorization from the LHDA.

2.4.10. Acceptance of Terms

All terms and conditions of this Invitation to Tender are assumed to be accepted by the tenderers as incorporated by reference in this document except such conditions and provisions that are expressly excluded. There will be an opportunity to review these conditions upon selection of the preferred tenderer(s) and during subsequent negotiations.

The preferred tenderers' proposal or sections thereof, may form part of the final contract.

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REQUEST FOR TENDERS FOR

CONTRACT LHDA NO. 2232

DESIGN –BUILD CONTRACT FOR

MUELA WATER SUPPLY SYSTEM – LOTS 1, 2, 3 AND 4

SECTION 3 – SCOPE OF WORK

- A. Scope of Work
- B. Employer's Requirements
- C. Project Specification

**KINGDOM OF LESOTHO
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REQUEST FOR TENDERS FOR

CONTRACT LHDA NO. 2232

DESIGN –BUILD CONTRACT FOR

MUELA WATER SUPPLY SYSTEM – LOTS 1, 2, 3 AND 4

SECTION 3A – Scope of Work

SECTION 3A – SCOPE OF WORK

Contract LHDA No: 2232

Contract Name: **Design–Build Contract for Muela Water Supply Systems – Lots 1, 2, 3 & 4**

3.1 BACKGROUND

The Lesotho Highlands Development Authority (LHDA) is a statutory body constituted under the Lesotho Highlands Development Authority Order No. 23 of 1986. The LHDA is charged with the responsibility for the implementation, operation and maintenance of the Lesotho Highlands Water Project(LHWP) in Lesotho.

The Muela Water Supply Systems project is aimed at providing communities in the Muela project areas of the Lesotho Highlands Water Project with access to potable water.

The project further aims to provide primary health education, training and community capacity building for the long-term sustainability of the proposed infrastructure and the improvement in the standard of living of the affected communities.

3.2 STATUS

The Project Specification forms an integral part of the contract and supplements the standard specifications.

In the event of any discrepancy between the Specifications, including Project Specifications, and the drawings and/or the Bill of Quantities, the discrepancy shall be resolved (in writing) by the Employer/Employer’s Representative before the execution of the work under the relevant item.

3.3 PURPOSE OF THE PROJECT

To provide safe portable water supply to the communities around the Muela Catchment Areas some of which have been affected by the impoundment of the Muela Dam and associated infrastructure. The project is to Design and Construct gravity fed water supply systems for these communities to ensure that their livelihoods are improved through drinking safe potable water from protected water supply systems in an effort to improve their standard of living.

3.4 NATURE OF GROUND AND SUBSOIL CONDITIONS

The nature and ground conditions vary considerably per site. In some villages, the geology is characterised by highly weathered gravel materials and/or weathered basalt underlain by thick intact deposits of basalt rock.

In other villages, thick deposit of sound basalt rock has formed visible outcrops on the surface.

There are a few areas within the project area where there are thick layers of soil. The Contractor shall familiarise him/herself with the geology of the area during the project site visit.

3.5 SCOPE OF THE PROJECT

The Muela Water Supply Project is a “Design-Build (D-B) Contract”. The Design Build Contractor is expected to survey, design, construct and handover the completed water supply systems to LHDA after passing the inspections, tests and commissioning by the Department of Rural Water Supply (DRWS).

The four (4) water supply systems should be surveyed, designed and constructed by the contractor and then inspected, tested and commissioned jointly by DRWS and LHDA.

These four (4) systems have been grouped into 4 LOTS. The list of villages plus local schools to be provided with the water supply systems, are broken down into LOTS as given in **Appendix I**.

The successful Tenderer shall be required to liaise with the Village Water Committees and all relevant stakeholders to identify and select springs for catching.

The Contractor shall be responsible for the design of the works and shall submit all water supply system designs (individually or in groups) to DRWS for approval. The Contractor will further be required to provide the Employer with a copy of each of the DRWS approved designs within a maximum of seven (7) days of the date of receipt of approved designs from DRWS prior to commencing any construction work of such a system on site.

The Contractor shall give prior notification to LHDA and DRWS for site inspections, tests and commissioning of completed water supply systems. Following the successful inspections, tests and commissioning by DRWS, the Contractor will be instructed by the Employer’s Representative to handover those structures that have been passed by DRWS to the communities to utilise. The systems that have not passed the inspections and tests undertaken by DRWS will be rectified by the contractor at his/her own cost.

The Contractor shall provide all the equipment, materials, skilled labour and any services required for the design and construction of these gravity fed water supply systems within the Muela catchment area.

Both the design and construction of the project shall be undertaken with a level of professional care, skill and workmanship throughout, consistent with applicable industry standards stipulated by the Department of Rural Water Supply (DRWS) of Lesotho.

3.6 PARTICIPATION OF THE COMMUNITIES

3.6.1 Community Structures

The design-build Contractor shall execute the works in collaboration with the existing Village Water Committee and Local Legal Entity (LLE) Committee structures established in the villages. LLE is a community structure established to manage communal compensation funds on behalf of the affected communities. The employment of labour should be in accordance with the Lesotho Labour Laws.

3.6.2 Labour Recruitment & Skills Transfer to Local Communities

Recruitment of unskilled labour by the Contractor shall be sourced from within the local villages with the assistance of the Village Water Committee members and the Local Chiefs or

Local Councils of the concerned Villages.

The Contractor shall ensure that there is skills transfer to the villagers during the implementation of this project. From the community workforce, the contractor must identify two (2) people, per village, who will be trained as water-minders for the routine maintenance of the water systems within their own villages. The training of the water minders will continue for the duration of the project.

3.6.3 Community Property

. The Contractor shall, through the Village Water Committee, obtain prior written consent from affected community members or individual property owners before entering upon or utilizing any land or property for the execution of the works. Any matters relating to compensation, or the absence thereof, arising from such access or use shall be mutually negotiated and agreed between the Contractor and the affected parties. The Village Water Committee shall facilitate communication between all parties but the LHDA shall not assume financial or legal liability arising from such agreements. The permission shall be given in writing and be endorsed with the local Chief's stamp and signature as well as the signatures of the property owners and the Committee Member(s).

The Employer shall be fully indemnified against any loss, damage, claim, dispute, liability, or compensation arising out of or related to any damage, trespass, or impact on communities, households, or individual property.

The format and content of the "consent form" to be signed by the proprietor endorsed by the Local Chief Office stamp and signature of the Committee Member shall be agreed upon by the Contractor and the Employer before utilising it on site, to ensure that the Employer is fully indemnified against any loss, damage, dispute, claims and compensation arising out of any damage, trespassing or impact to communities and individual household property.

3.7 EMPLOYER'S OBLIGATIONS

The Employer shall grant the Contractor right to access, and possession of the Site within the time agreed by both Parties. Such right and possession may not be exclusive to the Contractor.

3.8 CONTRACTOR'S OBLIGATIONS

The Works as completed by the Contractor shall be wholly and in accordance with the Contract and fit for purpose for which they are intended. The Works shall include any work which is necessary to satisfy the Employer's Requirements, the Contractor's Proposal and Schedules, the works that are implied by the Contract, or arises from any obligation of the Contractor, and all works not mentioned in the Contract but which may be inferred to be necessary for stability or completion or the safe, reliable and efficient operation of the Works.

3.9 CO-ORDINATION OF THE WORKS

The Contractor shall be responsible for the co-ordination and proper execution of the works, including co-ordination with other contractors to the extent specified in the Employer's Requirements. The Contractor shall, as specified in the Employer's Requirements, afford all reasonable opportunities for carrying out their work to:

- a) Any other Contractors engaged by the Employer and their workmen, and
- b) The workmen of the Employer.

The Contractor shall obtain, co-ordinate and submit to the Employer's Representative for his information all details, including details of work to be carried out off Site, by Sub-Contractors. The Contractor shall be responsible for the location of their work and their sub-contractors.

3.10 SUB-CONTRACTORS

The Contractor shall not subcontract more than forty percent (40%) of the Works. Unless stated otherwise in the Contract, the Contractor shall:

- a) Not be required to obtain prior approval from the Employer for the procurement of materials or for appointing sub-contractors that have been named in the Contract;
- b) Obtain the Employer's written approval before the appointment of any personnel not named in the Contract and/or sub-contractor, and
- c) Where applicable, give a fair and reasonable opportunity for local contractors (Lesotho Registered Contractors) to be appointed as Sub-contractors.

The Contractor shall be responsible for observance by all Sub-contractors of all the provisions of the Contract. The Contractor shall be responsible for the acts or defaults of any Sub-contractor, his agents or employees, as if they were the acts or defaults of the Contractor, his agents or employees.

3.11 DESIGN

The Contractor shall design, execute and complete the Works, including providing Construction Documents, within the Time for Completion, and shall remedy any defects within the Contract Period. The Contractor shall provide all supervision, labour, plant, materials, Contractor's equipment, temporary works and all other things, whether of a temporary or permanent nature, required in and for such design, execution, completion and remedying of defects.

The Contractor shall take full responsibility for the adequacy, stability and safety of all Site operations, of all methods of construction and of all the Works, irrespective of any approval or consent by the Employer's Representative.

The Contractor shall furnish the Employer with copies of all DRWS approved designs and subsequent construction drawings, prior to the commencement of construction of each individual system. Transmittal letters of these submissions to DRWS and replies from DRWS must be copied to the Employer's Representative.

3.12 EXISTING SERVICES

The Contractor shall make himself acquainted with the position of existing services before any excavation or other work likely to affect the existing services commence. The Contractor will be held responsible and liable for any damage to known existing services caused by or arising

out of his operations. Any such damage shall be rectified by the Contractor, at his cost, as soon as possible.

3.13 SETTING OUT OF THE WORKS

The Contractor shall set out the works in relation to the approved designs. The Contractor shall rectify, at his cost, any error in the positions, levels, dimensions or alignment if they are found not to comply/correspond to the approved designs and Employer's Requirements.

3.14 QUALITY ASSURANCE

The Contractor shall institute a quality assurance system to demonstrate compliance with the requirements of the Contract. Such system shall be in accordance with details stated in the Contract. Compliance with the quality assurance system shall not relieve the Contractor of his duties, obligations or responsibilities.

Details of procedures and compliance documents shall be submitted to the Employer's Representative for his information before each and every execution stage commences. When any document is issued to the Employer's Representative, it shall have the Contract details e.g. Contract Number, Contract Title etc.

The Employer's Representative shall be entitled to audit any aspect of the system and require corrective action to be taken.

3.15 ACCESS ROAD

The Contractor shall be deemed to have satisfied himself as to suitability and availability of access roads and routes he chooses to use. The Contractor shall use reasonable efforts to prevent any road or bridge from being damaged by the Contractor's traffic or by the Contractor's personnel. These efforts shall include the proper use of appropriate vehicles and routes.

- a) The Contractor shall be fully responsible for all access to work areas'
- b) Costs associated with the provision/creation of access to the work areas shall be borne by the Contractor, and be deemed to have been built into the Contractor's proposal.
- c) The Employer shall not be responsible for any claims which may arise from the use or otherwise of any access route;
- d) The Contractor shall be responsible for any maintenance of access routes which may be required for his use
- e) The Contractor shall provide all necessary signs or directions along access routes, and shall obtain any permission which may be required from the relevant authorities for his use of routes, signs and directions; and
- f) Access routes must avoid arable land where possible and should be fully reinstated upon project completion

3.16 PROGRAMME OF WORKS

The Contractor shall include a preliminary construction programme with his Tender in the prescribed form which has to be completed by all Tenderers. The programme shall be in the form of a Gantt chart with sufficient details to clearly show a detailed breakdown of the works and the anticipated time frame for performing each task. The construction programme should also show the anticipated time frame for completion of the works.

The Contractor shall be deemed to have made allowance for all possible delays due to normal or adverse weather conditions and special non-working days in his programme, rates and prices as specified in the **Conditions of Contract for EPC/Turnkey Projects,” First Edition, 1999**, bearing in mind that the contract duration is only twenty-four (24) months for the four (4) Lots

3.17 PROGRESS REPORTS

Unless stated otherwise in the Particular Conditions of Contract, monthly progress reports shall be prepared by the Contractor and submitted to the Employer’s Representative in three (3) copies and one (1) electronic Copy of the Progress Reports shall be submitted monthly, each within seven (7) days of the last day of the period to which it relates.

Reporting shall continue until the Contractor has completed all the work which is known to be outstanding at the Completion Date stated in the Taking Over Certificate for the Works.

Each report shall include:

- a) Charts and detailed descriptions of progress, including each stage of design, Contractor’s documents, procurement, deliveries to site, construction, inspections, testing, commissioning and trial operation;
- b) Photographs showing the status of progress on the site;
- c) Expected dates for;
 - i. Commencement of the Works
 - ii. Contractor’s schedule of inspections
 - iii. Tests, and
 - iv. Shipment and arrival of deliveries at the site
- d) Records of Contractor’s personnel, plant and equipment;
- e) Copies of Quality Assurance documents, tests results and certificates of materials;
- f) List of Variations, Notices, Employer’s Claims and Contractor’s Claims
- g) Safety statistics, including details of any hazardous incidents and activities relating to environmental aspects and public relations; and
- h) Comparisons of actual vs planned progress with details of any events or circumstances which may jeopardize the completion in accordance with the Contract, and the measures being (or to be) adopted to overcome delays.

3.18 AS-BUILT DRAWINGS

The Contractor shall prepare and maintain sets of “as-built” drawings of the executed works, showing the exact location, size and details of work as executed. These records shall be kept on site and shall be used exclusively for the purpose of this Sub-Clause. Two (2) copies shall be supplied to the Employers Representative prior to the commencement of the Tests on Completion.

In addition, the Contractor shall supply the Employer with as-built drawings of the Works showing all Works as executed, and submit them to the Employer for review. The Contractor shall obtain consent of the Employer's Representative as to their size, the referencing system and other relevant details.

Prior to the issue of any Taking Over Certificate, the Contractor shall supply to the Employer the specified number and types of copies of relevant as-built drawings, in accordance with the Employer's Requirements. The Works shall not be considered to be completed for the purpose of Taking Over under **Sub-Clause 10.1 & 10.2 – Taking-Over of the Works, Sections and Parts of the Works** as specified in the **Conditions of Contract for EPC/Turnkey Projects, First Edition, 1999** if the said documents are not submitted.

3.19 TAKING-OVER OF THE WORKS /OR SECTIONS OF THE WORKS

Except as stated otherwise in the Contract, the Works shall be taken over by the Employer when:

- a) The Works have been completed in accordance with the Contract within the stipulated or set Contract duration.
- b) A Taking-Over Certificate for the Works shall be issued or be deemed to have been issued, in accordance with the Contract provisions

3.20 DURATION OF THE CONTRACT

The Works shall subsist for a period of twenty-four (24) months for all the four (4) Lots , but may be extended in accordance with Contract provisions.

3.21 CONTRACTOR'S OPERATIONS ON SITE

The Contractor shall confine his operations to the Site, and to any additional areas which may be required by the Contractor and agreed by the Employer's Representative as working areas. The Contractor shall take all necessary precautions to keep his personnel and equipment within the Site to prevent encroaching on adjacent land.

During the execution of the Works, the Contractor shall keep the Site free from all unnecessary obstruction, and shall store or dispose of any Contractor's equipment or surplus materials. The Contractor shall clear away and remove from the Site any wreckage, rubbish and Temporary Works which are no longer required.

3.22 CONTRACTOR'S CAMP SITE AND DEPOT

The Contractor is responsible for the identification and establishment of a suitable site for his camp and for the provision of accommodation for his workforce (personnel). The Contractor must obtain prior approval from the Communities for such land use.

The Employer has no housing available for use by the Contractor's employees and the Contractor shall make his/her own arrangements.

The Contractor may opt for his workforce to rent houses within the communities that the contractor is actively executing his works.

No informal housing or squatting will be permitted.

The Contractor shall provide the necessary ablution and waste disposal facilities at the camp site for use by his employees. Noting that there is no existing sewer system on site.

3.23 MANAGEMENT OF ENVIRONMENT

The Contractor shall pay special attention to the following aspects of the environment:

- a) **Natural Vegetation** – The Contractor shall protect natural vegetation as far as possible and attempt to restrict the area he utilizes for accommodation of his workforce, ablution facilities etc.
- b) **Wetlands** – The Contractor should observe and protect the wetlands during the execution of this contract
- c) **Fires** – The Contractor shall comply with all local and statutory fire regulations. He/she shall also take the necessary precautions to prevent fires. In the event of fire, the Contractor shall take active steps to limit and extinguish the fire and shall accept full responsibility for damage and claims resulting from such fires which may have been caused by him/her or his/her employees.

3.24 OCCUPATIONAL HEALTH AND SAFETY (OH&S)

It is a requirement of this Contract that the Contractor provides a safe and healthy working environment and to conduct all his activities in such a manner that his employees and any other persons who may be directly affected by his activities, are not exposed to hazards that may affect their health and safety. To this end, the Contractor shall assume full responsibility to conform to all the provisions of the Occupational Health and Safety (OH&S) Specifications used in the construction industry and applicable laws.

The Employer may carry out inspections for safety and occupational health compliance, at his discretion and without notice to the Contractor, at the Site.

Items that may qualify for remuneration are specified in the Safety Specifications. All other costs and expenses in order to comply with Occupational Health and Safety (OH&S) Specifications will be deemed to be included in the rates for items. No payment will be made thereof.

3.25 CONTRACTOR'S UNDERTAKING

The Contractor undertakes that the designs, the Contractor's documents, the execution and the completed Works will be in accordance with:

- a) All legislation, laws and standards applicable to the construction and built environment industry
- b) The documents forming the Contract, as altered or modified by any Variations.

If errors are found in the Construction documents, they and the Works shall be corrected at the Contractor's cost.

3.26 INSURANCE

The Contractor shall take out appropriate insurance during the execution of the Works to cover the Contractor, his/her personnel, his plant and property, works in progress, third party liability and any other liabilities that may arise out of this Contract.

Proof of such Insurance shall be submitted to the Employer prior to the Commencement Date of the Works.

3.27 PERFORMANCE GUARANTEE

The Contractor shall obtain (at his cost) a Performance Guarantee for the proper execution of the Works in the amount of ten (10%) percent of the Contract Price.

The Contractor shall deliver the Performance Guarantee to the Employer within twenty-eight (28) days after the effective date of the Contract. The Performance Guarantee shall be issued by a bank approved by the Employer and shall be in the form approved by the Employer.

The Contractor shall ensure that the Performance Guarantee is valid and enforceable until the Contractor has executed and completed the Works and remedied any defects and the Completion Certificate has been issued

**KINGDOM OF LESOTHO
LESOTHO HIGHLANDS WATER PROJECT
THE LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY**



REQUEST FOR TENDERS FOR

CONTRACT LHDA NO. 2232

**DESIGN –BUILD CONTRACT FOR MUELA WATER SUPPLY SYSTEMS
- LOTS 1, 2, 3 AND 4**

SECTION 3B – EMPLOYER’S REQUIREMENTS

LHDA
Lesotho Bank Tower
Kingsway
Maseru, Lesotho

June 2026

SECTION 3B – EMPLOYER’S REQUIREMENTS

This Section of the Tender document lists the Employer’s Requirements for the execution of this Contract:

- 1) Four (4) gravity fed water supply systems to be designed, constructed and handed over within a period of twenty-four (24) months for the four (4) lots (i.e. Inclusive of the Mobilization time);
- 2) The Design-Build Contractor must be recognized by and registered with the Department of Rural Water Supply (DRWS) of Lesotho **as a category A Contractor**.
- 3) Contractor shall have a minimum of three (3) years’ experience in the construction of the gravity fed water supply systems;
- 4) The Employer will appoint a representative for the duration of the project, from the design stage to completion of the Works;
- 5) The Contractor shall design and execute the Works to the standard required in the Contract
- 6) All designs and construction drawings are to be checked and approved by DRWS;
- 7) As-Built drawings shall be checked and signed by DRWS and the Employer’s Representative;
- 8) Materials to be used are as follows:
 - a. Galvanised steel pipes for spring catching, silt-boxes, distribution boxes, pressure break tanks, air release pipes, storage tanks and stand pipes.
 - b. Class 12 HDPE pipes for the distribution lines/network.
- 9) The Contractor shall establish his own storage facilities, which shall be safely demolished and the sites reinstated after completion of the Works;
- 10) The Contractor shall make his own arrangements with DRWS for the submission and approval of his Works
- 11) The Contractor shall recognize and work hand-in-hand with the existing Community Management Structures including the Local Chiefs and Local Councils;
- 12) Labourers shall be recruited in the village where the water supply system is being constructed in liaison with the Community Management Structures;
- 13) The Contractor shall ensure that a minimum of two (2) people are trained as Water-minders per village or per water supply system.
- 14) The Contractor shall provide Water-minders with a maintenance tool box per system at taking over, comprising the following tools:

- a. Block brush x 1,
 - b. Shift spanner x 1,
 - c. Medium-sized (300-450mm long) pipe wrenches x 2no,
 - d. Thread seal tape x 2,
 - e. Toolbox case and
 - f. A Step ladder.
 - g. Hack Saw and 2 blades
- 15) The Contractor shall observe and protect the wetlands during the execution of this Contract;
 - 16) The Contractor shall attend monthly progress meetings with the Employer and DRWS;
 - 17) The Contractor shall produce Monthly progress reports in a format to be agreed with the Employer and the completion report at the end of the Contract;

LHDA
Lesotho Bank Tower
Kingsway
Maseru, Lesotho

**KINGDOM OF LESOTHO
LESOTHO HIGHLANDS WATER PROJECT
THE LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY**



REQUEST FOR TENDERS FOR

CONTRACT LHDA NO. 2232

**DESIGN –BUILD CONTRACT FOR MUELA WATER SUPPLY SYSTEMS
- LOTS 1, 2, 3 AND 4**

SECTION 3C – DETAILED SCOPE OF WORK

SECTION 3C – DETAILED SCOPE OF WORK

This Section outlines the detailed Scope of Work to be performed by the successful contractor(s) are as follows:

1. Surveying of water supply systems;
2. Designing of water supply systems;
3. Submission of designs (calculations and drawings) for approval to DRWS;
4. Production of Construction drawings;
5. Construction of water supply systems;
6. Attendance of regular meetings (i.e. technical and others) for the duration of the project;
7. Train a minimum of two (2) Water-minders through, on-the-job training per water system;
8. Procure and provide maintenance toolbox for Water-minders per system;
9. Scheduling of inspections, tests and commissioning
10. Disinfecting and flushing of the successfully tested water supply systems;
11. Handing over of disinfected and flushed water supply systems to LHDA;
12. Defects Notification Period of twelve (12) months from date of taking over by LHDA;
13. Remedy any defects on the water supply system during Defects Notification Period.

**KINGDOM OF LESOTHO
LESOTHO HIGHLANDS WATER PROJECT
THE LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY**



REQUEST FOR TENDERS FOR

CONTRACT LHDA NO. 2232

DESIGN –BUILD CONTRACT FOR

MUELA WATER SUPPLY SYSTEM – LOTS 1, 2, 3 AND 4

SECTION 4 – STANDARD FORMS

LHDA
Lesotho Bank Tower Kingsway
Maseru, Lesotho

June 2026

3D-2

LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY

Contract No.: CAD2232

**Contract Description: DESIGN-BUILD CONTRACT FOR MUELA WATER SUPPLY
SYSTEM – LOTS 1, 2, 3 & 4**

Checklist for Tender Completeness

This checklist is provided to assist Contractors in ensuring the completeness of the proposal submitted.

Tender Document Section	Description	Included (Y/NA)?
	Letter of Tender	
	Powers-of-Attorney for Authorized Signatures, as required	
	List of Sub-Contractors, as required	
	JV Agreement or Letter of Intent to form JV, as required	
	Company Data Form	
	Project Data Sheets	
	Work Programme	
	Description of Team Composition	
	Curriculum Vitae	

LETTER OF TENDER

Contract LHDA No.: 2232

Contract Description: DESIGN-BUILD CONTRACT FOR MUELA WATER SUPPLY SYSTEM – LOTS 1, 2, 3 & 4

We have examined the Conditions of Contract, the Employer’s Requirements, the Appendices thereto for the above-named works. We have examined, understood and checked these documents and have ascertained that they contain no errors or other defects. We accordingly offer to design, execute and complete the works and remedy any defects therein in conformity with the Conditions of Contract, Employer’s Requirements, Drawings, Schedules of Prices, and Addenda for the sum of:

Lot 1	_____
Lot 2	_____
Lot 3	_____
Lot 4	_____

We undertake, if our Tender is accepted, to obtain a Performance Security in accordance with the Tender Documents and commence the Works as soon as is reasonably possible after the Commencement Date, and to complete the whole of the Works comprised in the Contract within the Time for Completion.

We agree to abide by this Tender until _____, that is 120 days from the date of submission, and it shall remain binding upon us and may be accepted at any time before that date.

Unless and until a formal Contract is prepared and executed, this Tender, together with your written acceptance thereof, shall constitute a binding contract between us.

We understand that you are not bound to accept the lowest or any Tender you may receive.

We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf is in breach the LHWP Anti-Corruption Policy.

Dated this ____ day of _____ 20 ____

(IF CONTRACTOR IS A CORPORATION)

Signed by:

(name)

(signature)

(Date)

(title)

Authorized signatory, under Board Resolution dated _____

(Attach certified copy of Board Resolution)

(IF CONTRACTOR IS A PARTNERSHIP OR JOINT VENTURE)

Attach Letter of Intent to form JV or JV Agreement, which shall be per the version of the FIDIC Joint Venture Agreement current on the date of issuance of this Tender Document.

JOINT VENTURE MEMBER 1

Signed by:

(name)

(signature)

(title)

Authorized signatory, under Board Resolution dated _____

(Attach certified copy of Board Resolution)

JOINT VENTURE MEMBER 2

Signed by:

(name)

(signature)

(title)

Authorized signatory, under Board Resolution dated _____

(Attach certified copy of Board Resolution)

JOINT VENTURE MEMBER 3

Signed by:

(name)

(signature)

(title)

Authorized signatory, under Board Resolution dated _____

(Attach certified copy of Board Resolution)

JOINT VENTURE MEMBER 4

Signed by:

(name)

(signature)

(title)

Authorized signatory, under Board Resolution dated _____

(Attach certified copy of Board Resolution)

SECTION 4B - CONTRACTOR'S EXPERIENCE

Contract No.: CAD2232

**Contract Description: DESIGN –BUILD CONTRACT FOR MUELA WATER SUPPLY
SYSTEMS LOTS 1, 2, 3 & 4**

CONTRACTOR'S EXPERIENCE

Provide a summary of at least five (5) similar Projects successfully completed in the last ten (10) years using the Project Data Sheet attached. Contractors may also include sheets for current assignments that are at least fifty percent (50%) complete.

List only those assignments for which the Contractor was legally contracted by the Client/Employer as a company or was one of the joint venture partners. Assignments completed by the Contractor's personnel working privately or through other construction firms cannot be claimed as the relevant experience of the Contractor, or that of the Contractor's partners or sub-contractor, but can be claimed by the personnel themselves in their CVs.

SECTION 4C

1. **Legal Name of Firm:**
2. **Type of Company (partnership, etc):**
3. **Years in Business:**
4. **Company Address:**
5. **Name and Contact Information for Authorized Representative** (*if submission is made as a JV, include only one person to be contacted in reference to this Proposal*)
6. **Company Organization:** (*attach chart if required*)

7. **General Description of Services Provided (indicate particular specialties):**

8. **Staff:** *Indicate total number of staff including principals, (e.g. Project Manager, Supervisors, Masons, etc.)*

SECTION 4D-PROJECT DATA SHEET

PROJECT REF. NO. :		PROJECT NAME:			
LEGAL NAME OF FIRM:		EMPLOYER/CLIENT:			
COUNTRY:		NAME OF PRIMARY CONTACT AT CLIENT ORGANIZATION:			
TOTAL PROJECT VALUE:	<i>SERVICES</i>	<i>WORKS</i>	PROJECT PERIOD:	START DATE (MMM-YY)	End Date (MMM-YY)
PROPORTION OF WORK PERFORMED BY YOUR FIRM (%):			SOURCE OF PROJECT FUNDING:		
NO. OF STAFF PROVIDED:			NAME OF CONSORTIUM/JV MEMBERS (IF ANY):		
PROJECT DESCRIPTION			DESCRIPTION OF SERVICES PROVIDED BY YOUR FIRM (INCLUDE ROLES AND NAMES OF ANY KEY STAFF INCLUDED IN THIS PROPOSAL)		

Note: Careful completion of this form is sufficient for this section and as such, general company brochures are strongly discouraged. A maximum of ten (10) data sheets shall be submitted with the proposal.

SECTION 4E – WORK PROGRAMME

Contract No.: CAD2232

**Contract Description: DESIGN –BUILD CONTRACT FOR MUELA WATER SUPPLY SYSTEMS
LOTS 1, 2, 3 &4**

Provide a programme in the form of a linked bar (Gantt) chart prepared using MS Project.

This work programme shall use critical path method (CPM) logic and shall show all tasks and sub-tasks; activities within the sub-task; logic relationship between all activities.

SECTION 4F- CV FORMAT

Curriculum Vitae

1. **Name of Personnel:**
2. **Proposed Position:**
3. **Company/Consortium:**
4. **Gender:**
5. **Nationality:**
6. **Date of Birth:**
7. **Education**

Name of Institution

Qualification Obtained

Dates Attended

8. Other Training

Name of Institution

Training Details

Dates Obtained

- 9. Employment Record** *Starting with current position, list in reverse order every employment held by Key Staff since leaving school, giving dates of employment, name of employing organization, positions and responsibilities held.*

Dates: start/end

Employer:

Position Held:

Location of Position:

Responsibilities:

- 10. Relevant Experience** *List job functions that best illustrate candidate's ability to perform assigned tasks.*

Project 1:

Dates: start/end

Locations:

Client:

Project Description:

Positions Held:

Activities Performed:

Contract Value:

Project 2:

Dates: start/end

Locations:

Client:

Project Description:

Positions Held:

Activities Performed:

Contract Value:

Project 3:

Dates: start/end

Locations:

Client:

Project Description:

Positions Held:

Activities Performed:

Contract Value:

11. Certification

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes me, my qualifications, and my experience.

Furthermore, I understand that any willful misstatement described herein may lead to my disqualification or dismissal, if engaged.

Finally, I hereby confirm my availability to commence work on this project, from _____.

Name of Candidate

Signature

Date

Notes:

- 1) Each CV must not exceed four (4) pages (excluding this page). Additional pages will not be considered.*
- 2) CVs to be submitted for all Proposed Key Personnel*

SECTION 4G – PERFORMANCE GUARANTEE

“PERFORMANCE GUARANTEE FORM”

WHEREAS

(Hereinafter referred to as “the Employer”) entered into, on the day of
....., a Contract with

.....

(Hereinafter called “the Contractor” for (CONTRACT TITLE)

..... at

AND WHEREAS it is provided by said Contract that the Contractor shall provide the Employer with security by way of a guarantee for the due and faithful fulfilment of the Contract by the Contractor;

AND WHEREAS(hereinafter referred to as the Guarantor) has/have at the request of the Contractor, agreed to give such security;

NOW THEREFORE WE,

Do hereby guarantee to the Employer under renunciation of the benefits of division and excursion the due and faithful performance by the Contractor of all the terms and conditions of the said Contract, subject to the following conditions:

1. The Employer shall, without reference and/or notice to me/us, have complete liberty of action to act in any manner authorized and/or contemplated by the terms of the said Contract, and/or to agree to any modifications, variations, directions or extensions of the Due Completion Date of the Works under the said Contract, and that its rights under this guarantee shall in no way be prejudiced nor our liability hereunder be affected by reason of any steps which the Employer may take under this Contract, or of any modification, variation, alterations of Due Completion Date which the Employer may make, give, concede or agree to under the said Contract.
2. The Employer shall be entitled, without reference to me/us, to release any securities held by it, and to give time to or compound or make any other arrangement with the Contractor.
3. This guarantee shall remain in full force and effect until the issue of the Certificate of Completion in terms of the Contract, unless we are advised in writing by the Employer before the issue of the said Certificate of his intention to institute claims, in which event this guarantee shall remain in full force and effect until all such claims have been paid or liquidated.

4. Our limited liability in terms hereof shall be limited to the sum of LSL.....(in words) (10% of the quoted sum) which amount I/we agree to hold at your disposal.

5. We declare that we, on behalf of the Guarantor, are fully acquainted with the terms and conditions of the said Contract and that the Guarantor waives the legal exceptions available to a guarantor and undertakes to pay the said amount or such portion thereof as may be demanded, immediately on receipt of a written demand from you.

6. We hereby choose domicilium citandi et executandi for all purposes arising hereof at

7. This guarantee is neither negotiable nor transferable, and must be surrendered to the Guarantor in the event of the full amount of the Guarantee being paid to the Employer.

IN WITNESS WHEREOF this guarantee has been executed by us at on this day of 20....

Signature

Duly authorized to

Sign on behalf of (Guarantor)

Address

.....

As Witnesses:

1.

.....

**KINGDOM OF LESOTHO
LESOTHO HIGHLANDS WATER PROJECT
THE LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY**



REQUEST FOR TENDERS FOR

CONTRACT LHDA NO. 2232

DESIGN –BUILD CONTRACT FOR

MUELA WATER SUPPLY SYSTEMS - LOTS 1, 2, 3 &4

SECTION 5 – LHWP ANTI-CORRUPTION POLICY

LHWP ANTI-CORRUPTION POLICY - 2019

Adopted by the Lesotho Highlands Water Commission in April 2019

1. This Policy has been adopted pursuant to Article 16 of the Agreement on Phase II of the Lesotho Highlands Water Project between the Government of the Kingdom of Lesotho and the Government of the Republic of South Africa.

Definitions:

2. In this Policy:
 - 2.1. the Lesotho Highlands Water Project will be referred to as the Project and includes Phases IA, IB and II thereof;
 - 2.2. the Project Authority includes the Lesotho Highlands Water Commission (“the LHWC”) and the Lesotho Highlands Development Authority (“the LHDA”);
 - 2.3. employees of the Project Authority include employees and board members of the LHDA and employees of and delegates to the LHWC;
 - 2.4. in the context of this Policy, an agent is not a *bona fide* business, practice or individual which provides facilitation services to consultants and contractors for the purposes of registration with government authorities and for obtaining the necessary licences, permits and clearances to practise within the Kingdom of Lesotho (e.g. Income tax clearance, trading licence, work permits, etc.). In the context of this Policy, such facilitators are legitimate service providers for purposes of assisting consultants and contractors to comply with the legal requirements for permitting, licencing and registration.

Background:

3. Phases IA and IB of the Project were tainted by corruption which caused the integrity of the Project to be undermined and questioned.
4. Despite the best efforts of the Lesotho prosecuting authorities, working in conjunction with the Project Authority, and by reason of the insidious nature of corruption, the full extent of the corruption in connection with these Phases is not known, nor is the identity of each and every entity or individual involved.
5. In the light of these experiences the Phase II Agreement provides in Article 16 for the development and adoption of an Anti-Corruption Policy for the Project.

Principles:

6. All persons or entities involved in the Project must observe the highest standards of compliance and ethics. The Project Authority shall take all appropriate measures to combat corruption in all its forms.
7. All contracting parties or entities, and persons otherwise involved in the Project, shall take all appropriate measures to prevent and combat corruption and to refrain from engaging in corruption in connection with their involvement in the Project.

Application of Policy:

8. The provisions of this Policy shall apply to all contractors and consultants involved in the Project, including the pre-qualification of bidders and tenderers (where applicable), the evaluation of bids and tenders and the award of contracts.
9. Henceforth every contract entered into under the Project shall provide for the incorporation of this Policy into such contract.
10. The provisions of this Policy shall apply to the employment and the conduct of employees of the Project Authority.
11. The provisions of this Policy shall apply to recipients of compensation in terms of the Project.
12. For the purposes of this Policy corruption shall include the following:
 - 12.1. A “corrupt practice”, such being the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of any person or entity in connection with the Project.
 - 12.2. A “fraudulent practice”, such being any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, any person or entity in connection with the Project, to obtain a financial or other benefit or to avoid an obligation.
 - 12.3. A “collusive practice”, such being an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of any person or entity in connection with the Project. Such practices may include:
 - 12.3.1. Corporate conflict of interest, where two or more firms are engaged in joint pursuits elsewhere with a common business goal such that the firm or its employees “have the potential or ability to influence or be influenced in their judgement or evaluation of an offer, bid or tender of one of the firms engaged with them elsewhere such that the

evaluation/assessment cannot be completely impartial/unbiased and objective”; or

12.3.2. Perceived conflict of interest, defined as “when a third party observing the procurement process considers the process to be influenced or biased based on the perception of business or other relationships between the corporate entities”.

12.4. Bias when dealing with claims and variation orders during administration of the contract. A “coercive practice”, such being impairing or harming, or threatening to impair or harm, directly or indirectly, or to influence improperly, any person or entity in connection with the Project.

12.5. An “obstructive practice”, such being:

12.5.1. the destroying, falsifying, altering or concealing of evidential material relevant to an investigation, as referred to in paragraphs 28 and 29 hereunder, or the making of false statements to investigators in order to materially impede such investigation; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to such investigation or from pursuing such investigation; or

12.5.2. acts intended to materially impede the exercise of the Project Authority’s right to access to information, as referred to in paragraphs 28 and 29 hereunder.

Participation in Contracts:

13. Where a contractor or consultant, or any employee or former employee of such contractor or consultant, or any individual, was previously involved or implicated in corruption, such contractor, consultant or individual may be excluded from any involvement in the Project. Such exclusion will be at the sole discretion of the Project Authority based on a reasonable assessment of all the facts at its disposal.

14. Any contract awarded in relation to the Project will commit the contractor, consultant or individual concerned not to involve itself or himself/herself in corruption, whether relating to the specific contract or not, concerning any employee of the Project Authority or any other entity or person having an interest in the Project.

15. The Project Authority in dealing with the pre-qualification of bidders and tenderers, the evaluation of bids and tenders, as well as the award of contracts, will have regard to the use of agents by contractors or consultants, both in the procurement or execution of previous contracts as well as their intended involvement in the Project. Here the Project Authority will be entitled to assume, unless shown otherwise, that such use or

intended use of agents involved or will involve corruption.

Confidential Business Information/Client Privilege

16. Confidential Business Information (CBI) shall include all forms of client privilege information pertaining to fees, cost estimates, engineering design, specifications, method statements, reports, prototypes, bid and tender evaluation reports, etc. All CBI shall be protected by signed declarations by all individuals engaged on the Project or contracted to the Project Authority for purposes of carrying out consultancy services related to the implementation of LHWP. Such declarations shall take the form of Non-Disclosure Agreements (NDA), which will be signed by the other party and retained by the Project Authority.

Specific Obligations of Prospective Contractors and Consultants:

17. Every prospective contractor or consultant shall at the earliest opportunity in any bid or tendering process disclose to the Project Authority any prior involvement by it or any of its current or former employees in corruption.
18. Every prospective contractor or consultant shall disclose both its past and present use of agents in the procurement or execution of contracts and such disclosure will specifically include the contractual arrangement with such agent including the basis upon which such agent was or will be remunerated.
19. Every prospective contractor or consultant shall at the earliest opportunity in the bidding or tendering processes or at any point during the execution of a contract, disclose to the Project Authority any conflict or potential conflict of interest, whether personal or corporate, whether real or perceived, including but not limited to any employee of the Project having an interest, financial or otherwise, in the contractor or consultant or such contractor's or consultant's proposed involvement in the Project.
20. All contractors and consultants, as well as their employees and agents, as well as employees of the Project Authority, involved in the Project, shall commit themselves to taking all appropriate measures to prevent corruption and shall immediately report to the Project Authority any corruption that comes to their attention, and any failure to so report shall be deemed to constitute corruption.
21. The Project Authority shall do everything in its power to protect the identity of employees who act in terms of their aforesaid obligation to report instances of corruption. In addition, the Project Authority shall seek to ensure that such employees are not victimised or otherwise discriminated against as a result of their so reporting.
22. The Project Authority has implemented a "whistle-blower" policy which shall be available for anonymous reporting of corruption or perceived corruption to ensure early warning and reaction by the Authority. All reports shall be treated as confidential

and will provide protection/asylum to any party making a disclosure. The reports from the hotline number go to an independent hotline service provider. After a preliminary investigation, they report to the Chief Executive (CE) if the matter does not involve the CE otherwise the case is reported to the Audit and Risk Chairperson for further investigation.

23. All contractors and consultants, as well as their employees and agents, as well as employees of the Project Authority, involved in the Project, shall, if called upon to do so, fully co-operate with the Project Authority and/or the Lesotho Director of Public Prosecutions or any person designated by him, in any investigation into allegations of corruption, whether against them or their employee or agent, or against any other entity or person.

Sanctions:

24. In addition to any contractual rights in terms of specific contracts, the Project Authority shall have the right to cancel any contract under the Project in the event that the award of such contract or its execution is shown to have involved corruption. The Project Authority shall be entitled to exercise this right once it is reasonably satisfied on the information at its disposal that such corruption has indeed occurred. It will not however exercise such right without giving the contracting party involved a reasonable opportunity to refute any allegation or evidence of corruption levelled against it.
25. Any breach of this Policy by an employee of the Project Authority shall be deemed a material breach of his or her conditions of employment.
26. Compliance with this Policy through early disclosure will not necessarily result in punitive action or disqualification but will be subject to the ruling and determination of the Project Authority's Conflict of Interest Committee or legal counsel.
27. Determination of a Conflict-of-Interest rests with the Project Authority and not with the respondent.

Investigation and Access to Information:

28. The Project Authority shall have the right, in the event of allegations of corruption against any contractor or consultant, or any of their employees, former employees or agents, as well as employees of the Project Authority, to investigate such allegations, and such right shall include the right of access to the said entity or person's records and/or other evidential material which in the opinion of the Project Authority may be relevant to such investigation.
29. The entity or person referred to in paragraph 28 shall be obliged to fully co-operate with any such investigation and shall make available to the Project Authority any records or other evidential material as the Project Authority may require for purposes of such investigation.

30. The investigation referred to in paragraphs 28 and 29 shall be conducted by independent investigators appointed by the LHDA Board or the LHWC.

Ethics, Training and Compliance:

31. The Project Authority requires that all employees, consultants and contractors undergo Ethics and Compliance training at the commencement of services and annual refresher courses for as long as the individual/entity is engaged on the Lesotho Highlands Water Project Phase II. The Project Authority will direct and cause to be presented appropriate training and will conduct regular audits to ensure compliance by consultants and contractors on the Project.

KINGDOM OF LESOTHO
LESOTHO HIGHLANDS WATER PROJECT
THE LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY



REQUEST FOR TENDERS FOR

CONTRACT LHDA NO. 2232

DESIGN –BUILD CONTRACT FOR

MUELA WATER SUPPLY SYSTEMS - LOTS 1, 2, 3 AND 4

SECTION 6 – FORM OF AGREEMENT

LHDA
Lesotho Bank Tower
Kingsway
Maseru, Lesotho

June 2026

LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY

CONTRACT LHDA NO. 2232

**DESIGN – BUILD CONTRACT FOR MUELA WATER SUPPLY SYSTEMS -
LOTS 1, 2, 3 & 4**

AGREEMENT

THIS AGREEMENT was made this _____ day of _____ 2025
between

THE LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY (LHDA),
of 3rd Floor, LHDA Tower Building, Maseru, Lesotho
(hereinafter called the "the Employer") **of the one part**

And

(Insert Name of Contractor),
of (Insert address of Contractor)
(hereinafter called "the Contractor") **of the other part.**

WHEREAS the Employer is desirous that design and build works should be executed and other obligations more particularly specified therein be performed under **CONTRACT LHDA NO.: DESIGN – BUILD CONTRACT FOR MUELA**

WATER SUPPLY SYSTEMS LOTS 1, 2, 3 &4 (hereinafter called "the Works") for the Lesotho Highlands Water Project, and has accepted a quotation by the Contractor for the execution and completion of such Works and the remedying of any defects therein and the performance of other obligations.

NOW THEREFORE it is hereby agreed and declared by and between the parties hereto as follows:

1. The Employer hereby appoints the Contractor and the Contractor accepts the appointment to carry out the Works.
2. The following documents shall be deemed to form and be read and construed as part of the Contract and shall have the order of precedence as defined below:
 - a. Section 1 - Contract Agreement
 - b. Section 2 - Letter of Acceptance
 - c. Section 3 - Memorandum of Understanding
 - d. Section 4 - Particular Conditions of Contract
 - i. Part A – Reference from Clauses in the General Conditions
 - ii. Part B – Additional Clauses
 - e. Section 5 - General Conditions of Contract
 - f. Section 6 - Scope of Work (as detailed in the Project specifications)
 - g. Section 7 - Contractor’s Tender
 - i. Contractor’s Financial Proposal
 - ii. Contractor’s Technical Proposal
 - h. Section 8 - Work Programme
 - i. Section 9 - LHWP Anti-Corruption Policy,
 - j. Section 10 - Tax Requirements
 - k. Section 11 - Banking Details.
3. In consideration of the payment to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby jointly and severally agrees with the Employer and warrants to execute and complete the Works and remedy any defects therein and to perform other obligations agreed to by the Contractor in conformity in respect of the provisions of the Contract and to carry out the Works with all reasonable skill, care and diligence.
4. The Employer hereby agrees to pay or cause to be paid to the Contractor in consideration of the execution and completion of the Works and remedying of the defects therein and the performance by the Contractor of his obligations under the Contract, the Contract Price or such other sum as may be payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.
5. By signing this Contract each signatory warrants that he/she is duly authorised to do so.

IN WITNESS whereof this Contract has been accepted by the Parties hereto and signed by their representatives on the date first written above. Whereof the parties hereto have set their hands and seals (if any) in the presence of the subscribing witnesses:

For and on behalf of the LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY:

Signature: _____

Name: _____

Position: _____

Date: _____

As Witness:

Signature: _____

Signature: _____

Name: _____

Name: _____

Position: _____

Position: _____

Date: _____

Date: _____

For and on behalf of the Contractor: *(Insert Name of Contractor)*:

Signature: _____

Name: _____

Position: _____

Date: _____

As Witness:

Signature: _____

Signature: _____

Name: _____

Name: _____

Position: _____

Position: _____

Date: _____

Date: _____

**KINGDOM OF LESOTHO
LESOTHO HIGHLANDS WATER PROJECT
THE LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY**



REQUEST FOR TENDERS FOR

CONTRACT LHDA NO. 2232

**DESIGN –BUILD CONTRACT FOR MUELA WATER SUPPLY SYSTEMS -
LOTS 1, 2, 3 AND 4**

SECTION 7 – PARTICULAR CONDITIONS OF CONTRACT

Part A – Reference from Clauses in the General Conditions

Part B – Additional Clauses

LHDA
Lesotho Bank Tower
Kingsway
Maseru, Lesotho

June 2026

**KINGDOM OF LESOTHO
LESOTHO HIGHLANDS WATER PROJECT
THE LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY**



REQUEST FOR TENDERS FOR

CONTRACT LHDA NO. 2232

**DESIGN –BUILD CONTRACT FOR MUELA WATER SUPPLY SYSTEMS -
LOTS 1, 2, 3 AND 4**

SECTION 7: Part A – Reference from Clauses in the General Conditions

LHDA
Lesotho Bank Tower
Kingsway
Maseru, Lesotho

SECTION 7 - PARTICULAR CONDITIONS OF CONTRACT

Part A – Reference from Clauses in the General Conditions

Commencement Date	Sub-Clause 1.1.3.2 The date for commencement of the Works is within 28 days of issuance of the Letter of Acceptance
The Employer	Sub-Clause 1.1.2.2 The Employer is the Lesotho Highlands Development Authority (LHDA).
The Contractor	Sub-Clause 1.1.2.3 The Contractor is _____.
Time for Completion	Sub-Clause 1.1.3.3 The Time for Completion is 24 months for Lot 1, 2, 3, 4 from the Commencement Date.
Ruling Language	Sub-Clause 1.4 The Ruling Language for this Contract is English The language for day to day communication is English
Programme to be Furnished	Sub-Clause 8.3 The programme must be submitted in the form of a Gantt Chart.
Delay Damages	Sub-Clause 8.7 Failure to meet the Time for Completion entitles the Employer to deduct delay damages for the Works in the amount of the stated percentages of the Final Contract Price: - Percentage per day 0.05% Maximum amount recoverable from the Contractor by the Employer for delay damages is ten percent (10%) of the Final Contract Price.
Communication	Sub-Clause 1.3 The address of the Employer for Notices is: The Chief Executive Lesotho Highlands Development Authority 3 rd Floor LHDA Tower Kingsway Road Maseru Lesotho The address of the Contractor for notices is: <i>(Contractor's Name)</i> <i>(Street Address)</i> <i>(Post Office Box)</i> <i>(City or Town)</i> <i>(Country)</i>

Applicable Law	<p>Sub-Clause 1.4</p> <p>The applicable law is the statutes, ordinances, laws and any other regulations having the force of law in Lesotho as they may be issued and be in force from time to time.</p> <p>This Contract, its meaning and interpretation, and the relation between the parties shall be governed by the Applicable Lesotho Law(s).</p>
Performance Security	<p>Sub-Clause 4.2</p> <p>The Contractor shall obtain a Performance Security (Performance Guarantee/Bond) in the amount of ten percent (10%) of the Contract Price.</p>
Currencies of Payment	<p>Sub-Clause 14.15</p> <p>The currency of payment is the Lesotho currency of Maloti.</p>
General Requirements for Insurance	<p>Sub-Clause 18.1</p> <p>Insuring Party shall submit evidence of insurance: within fourteen (14) days of the Commencement Date.</p> <p>Insuring Party shall submit copies of insurance policies: within fifty-six (56) days of the Commencement Date.</p>
Insurance for Works and Contractor's Equipment	<p>Sub-Clause 18.2(d)</p> <p>Deductibles per occurrence shall not exceed: LSL100, 000 per occurrence.</p>
Insurance against Injury to Persons and Damage	<p>Sub-Clause 18.3</p> <p>Limit per occurrence shall not be less than: LSL100,000 per occurrence for property. LSL50,000 per occurrence for persons</p>
Arbitration	<p>Sub – Clause 20.2</p> <p>The DAB shall comprise one suitably qualified person (“the Member”). The Member shall be sourced from the SAICE list of Mediators, Arbitrators and Adjudicators.</p> <p>Sub-Clause 20.3</p> <p>If the Parties fail to agree upon the appointment of the sole member of the DAB by the date stated in Sub-Clause 20.2 – Appointment of the Dispute Adjudication Board, then the South African Institute of Civil Engineers (SAICE) shall appoint the sole member.</p> <p>Sub-Clause 20.6</p> <p>The procedural law for arbitration shall be the Arbitration Act No. 12 of 1980 of Lesotho and the applicable Lesotho Law(s).</p> <p>The language of arbitration shall be the English language.</p> <p>The place of arbitration shall be Maseru, Lesotho.</p>

**KINGDOM OF LESOTHO
LESOTHO HIGHLANDS WATER PROJECT
THE LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY**



REQUEST FOR TENDERS FOR

CONTRACT LHDA NO. 2232

**DESIGN –BUILD CONTRACT FOR MUELA WATER SUPPLY SYSTEMS -
LOTS 1, 2, 3 & 4**

SECTION 7: Part B – Additional Clauses

LHDA
Lesotho Bank Tower
Kingsway
Maseru, Lesotho

SECTION 7 - PARTICULAR CONDITIONS OF CONTRACT

Part B – Additional Clauses

1 GENERAL PROVISIONS

1.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- | | | |
|---------|---------------------------|---|
| 1.1.1.1 | Contract | shall mean this Construction Contract signed between the Employer and Contractor together with all the documents referred to therein as forming part thereof and such further documents as may be expressly incorporated in the Letter of Acceptance. |
| 1.1.1.2 | Contract Agreement | shall mean this Contract signed between the Employer and the Contractor. |
| 1.1.1.6 | Project | shall mean the Muela Water Supply Project |
| 1.1.1.7 | Treaty | the Treaty means the treaty signed as the Lesotho Highlands Water Project concluded by and between the Republic of South Africa and the Kingdom of Lesotho on 24 th October 1986 as amended. It includes the Phase II Agreement, the Protocols, Annexures and Annexes adopted as part of the Treaty. |
| 1.1.2.1 | Party | shall mean the Employer or the Contractor, as the case may be. |
| 1.1.2.2 | Employer | shall mean the Lesotho Highlands Development Authority; where the words “Client” and/or “LHDA” can however also be used and shall carry the same context |
| 1.1.2.3 | Contractor | means the person(s) named as contractor in the Contract Agreement and the legal successors in title to this person(s). |
| 1.1.2.4 | Employer’s Representative | shall be any one duly chosen by the Lesotho Highlands Development Authority to liaise on the Employer’s behalf with the Contractor to ensure quality and cost control throughout the project life and to safeguard the |

Employer's interests. The Employer's Representative can be one or more employees of the Lesotho Highlands Development Authority.

- 1.1.2.8 Sub-Contractor shall mean any entity to which the Contractor subcontracts any part of the Works in accordance with the provisions of Clause 3.8 hereinafter;
- 1.1.2.11 Member(s) in the event only that the Contractor is a joint venture or consortium of persons, firms or companies. "Member" shall mean any of the entities and "Members" shall mean all of the entities
- 1.1.2.12 Personnel is used interchangeably with "Staff" and shall mean persons hired by the Contractor or by any Sub-Contractor as employees and assigned to the performance of the Works or any part thereof;
- 1.1.2.13 Local Personnel shall mean such persons who at the time of being so hired had their domicile inside Lesotho
- 1.1.2.14 Foreign Personnel means such persons who at the time of being so hired had their domicile outside Lesotho.
- 1.1.2.15 Third Party shall mean any person or entity other than the Government, the Employer, the Contractor or any Sub-Contractor.
- 1.1.3.7 Defects Notification Period shall be used interchangeably with "Defects Liability Period" and shall mean the period during which the Contractor is responsible for making good on defects and damages.
- 1.1.3.9 Day shall mean calendar day
- 1.1.3.10 Effective Date shall mean the date on which this Contract comes into force and effect pursuant to Clause 2.1 hereof, irrespective of the date of signing the Contract
- 1.1.4.5 Local Currency shall mean Lesotho Maloti and/or South African Rand
- 1.1.5.8 Works shall be used interchangeably with "Services", "Task" and "Facilities" and shall mean any task(s)/works to be carried out under the contract as defined in the Scope of Work hereto
- 1.1.6.5 Applicable Law(s) shall mean the statutes, ordinances, laws and any other regulations having the force of law in Lesotho as they may be issued and in force from time to time.

1.1.6.7	Site	shall mean the place(s) where the Works are to be executed. For the purposes of this Contract, Site shall be in the Muela Catchment area.
1.1.6.8	Government	shall mean the Government of the Kingdom of Lesotho
1.1.6.9	Confidential Information	shall mean any and all technical information, methods and processes used by the Contractor and mutatis mutandis by LHDA, including, without limitation patents, patent applications, trademarks, trade secrets, designs, copyrights, specifications and know-how relating to the Works and/or financial information, including, without limitation, information concerning business and business operations and methods of the Contractor acquired either directly or indirectly by the LHDA from the Contractor and mutatis mutandis by the Contractor from LHDA and the data acquired by the Contractor in the course of the Works.
1.1.6.11	Joint Venture	Shall mean a business arrangement where two or more parties agree to work together on a specific project or business activity while sharing responsibilities, risks, resources, and profits.

1.3 Communication

Replace Sub-Clause (a) as follows;

- (a) in writing and delivered by hand (against receipt), sent by mail or courier, or transmitted by using a scanned signed letter or a fax. It should be noted that email correspondence shall not be deemed as a contractual means of communication under the said Clause.

1.4 Law and Language

Add to the provisions of Clause 1.4;

The Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the applicable law(s) of Lesotho.

The Contractor shall perform the Works in accordance with the Applicable Law(s) and shall take all practicable steps to ensure that he complies with the Applicable laws. The Employer shall advise the Contractor in writing of relevant local customs and the Contractor shall after such notification, respect such customs.

1.9 Confidentiality

In addition to the provisions of the Clause, add;

In accepting this Contract, the Contractor agrees that all knowledge and information not already considered within the public domain, which the Contractor and his Sub-Contractors may acquire by virtue of this Contract, shall at all times and for all purposes be regarded by the Contractor and his Sub-Contractors as being strictly confidential, be held by the Contractor and his Sub-Contractor in confidence and shall not be directly or indirectly disclosed by the Contractor and his Sub-Contractors to any person, company, organisation and institution whatsoever except with written permission of the Employer (LHDA).

1.13 Compliance with Law

In addition to the provisions of the Clause add;

The Contractor shall comply with the Tax Laws of the Kingdom of Lesotho, inclusive of any duties and other levies that may be charged to the Contractor, which include but are not limited to withholding tax, customs clearance duties and temporary import taxes.

The Contractor shall disclose with each payment certificate in hard copies the full amount of tax paid, including corporate taxes, withholding taxes, VAT, duties and charges and PAYE shown separately for local staff and expatriate staff.

In the event of failure to so disclose, such failure shall constitute grounds for the LHDA to terminate the contract.

All goods imported into Lesotho shall be declared at the Border and the invoices must be stamped by the Revenue Services Lesotho (RSL) at the Border. LHDA will not pay invoices for imported goods that have not been declared and do not bear the RSL stamp.

1.14 Anti – Corruption

The Contractor, its staff, subcontractors, agents and servants shall not accept, offer to give or agree to offer to give to any person any bribe, gift, gratuity or commission as an inducement or reward for doing or forbearing to do any action in relation to this agreement. Furthermore, the Contractor, its staff, subcontractors, agents and servants shall comply with the relevant Lesotho Anti-Corruption Law(s) and the Lesotho Highland Water Project Anti-Corruption Policy as given in Section 9 – Anti-Corruption Policy of the Contract.

2 THE EMPLOYER

2.1 Right of Access to the Site

In addition to the provisions of the Clause, add;

The Employer shall give the Contractor right of access to, and possession of all parts of the site within 28 days of contract commencement.

4 THE CONTRACTOR

4.2 Performance Security

The first paragraph of this Clause is amended to read as follows;

The Contractor shall obtain (at his cost), a Performance Security (Performance Guarantee) for the proper performance of the contract, which is to a value of ten percent (10%) of the Contract Price.

13 VARIATIONS AND ADJUSTMENTS

13.1 Right to Vary

In addition to the provisions of this Clause;

Variation of terms and conditions of this Contract, including any modification of the Scope of Works, may only be made by written agreement between the Parties. Each Party shall give due consideration to any proposals for modification made by the other party.

The Contractor shall not make any alteration and/or modification of the Permanent Works, unless and until the Employer or his Representative instructs or approves such a Variation in writing.

14 CONTRACT PRICE AND PAYMENT

14.1 Contract Price

In addition to the provisions of the Clause add;

- (c) The Employer shall pay the Contractor for the performance of the Works in accordance with the provisions of the Contract.

14.3 Application for Interim Payments

Sub-Clause 14.3 (c) is amended to read as follows;

- (c) The Employer shall be entitled to limit progress payments to a cumulative maximum of 90% of the total Contract Price, as Retention Money
 - i. Ten percent (10%) deductions will be made from the Contractor's Interim Payment Certificates from the Effective Date of the Contract until a ceiling amount of ten percent (10%) of the Contract Price has been deducted.

The retained 10% of the Contract Price shall be paid as stipulated below;

- ii. Fifty percent (50%) of the retention will be released upon the issuance of the Taking Over Certificate of the Works (the commencement of the Defects Notification Period).
- iii. The remaining fifty percent (50%) of the retention money will be released following the issuing of the Defects Notification Certificate/Completion Certificate (end of the Defects Notification Period).

In addition to the provisions of Clause 14.3, Sub-Clause 14.3(g) shall read as follows;

- (g) Invoices shall be submitted on a monthly basis following the Contract Commencement Date. Invoices will be settled within thirty (30) days of receipt by direct transfer to the bank account provided under Banking Details of this Contract.

14.4 Schedule of Payments

The Sub-Clauses under this Clause are amended to read as follows;

- (a) Down Payment

The Contractor may be paid the mobilisation cost, advance payment (if applied for), cost of approved designs plus related overheads and the cost of the first lot of procured construction materials.

- (b) Interim or Progressive Payments

The progressive payments will be paid on completed systems or otherwise as stipulated in the Contractor's financial proposal.

14.6 Interim Payments

Add Sub-Clause 14.6(c), to the provisions of this Clause, to read as follows;

If any item or part of an item in an interim payment certificate submitted by the Contractor is disputed by the Employer, the Employer shall give notice before the due date of the payment with reasons, but shall not delay payment on the remainder of the invoice. Payment shall only be delayed if the rest of the certificate is disputed, but the Employer shall duly inform the Contractor of such queries. Where the Employer inadvertently overpays the Contractor, then the overpayment shall be deducted from the next interim payment certificate and vice versa.

14.7 Timing of Payments

The provisions of this Clause are amended to read as follows;

Amounts due to the Contractor shall be paid subject to the provisions of Sub-Clause 14.6 above, on the agreed dates or within thirty (30) days of the date of receipt of the Interim Payment Certificate by the Employer. If the Contractor does not receive payment within the time stated, then the Contractor shall be entitled to claim interest on late payment. Interest on late payment shall be calculated using the prime interest rate of the Central Bank of Lesotho from the date that payment was due.

14.16 Suspension of Payments

Add this Sub-Clause to the provisions of Clause 14.

The Employer may, by written notice to the Contractor suspend all payments to the Contractor, should the Contractor fail to perform any obligation under this contract, provided that such notice of suspension;

- (a) shall specify the nature of the failure, and
- (b) shall request the Contractor to remedy such failure within a period to be specified by the Employer.

During such suspension, the Contractor shall protect, store and secure such part of the works against any deterioration, loss or damage.

15 TERMINATION BY EMPLOYER

15.2 Termination by Employer

In addition to the provisions of Clause 15.2,

The Employer may terminate this Contract as per Clause 15.1 and 15.2 of FIDIC Conditions of Contract for EPC/Turnkey Projects 1999, by not less than fourteen (14) days' Notice of Termination to the Contractor, subject to the following:

- (g) If the Contractor fails to remedy a failure in performance of his Works hereunder, within fourteen (14) days or within such period as the Employer may specify in writing, following the receipt of Notification of Suspension.
- (h) If the Contractor submits to the Employer a statement which has a material effect on the rights, obligations or interest of the Employer and which the Contractor knows to be false.
- (i) Any breach of Contract by the Contractor.

16 SUSPENSION AND TERMINATION BY CONTRACTOR

16.2 Termination by the Contractor

In addition to the provisions of Clause 16.2,

The Contractor may terminate this Contract after any occurrence as per Clause 16.2 of FIDIC Conditions of Contract for EPC/Turnkey Projects 1999, by not giving less than fourteen (14) days' Notice of Termination to the Employer,

- (g) If the Employer fails to pay any money due to the Contractor pursuant to this Contract within thirty (30) days after receiving written notice from the Contractor that such payment is overdue (provided such payment is not wholly subject to dispute).
- (h) If the Employer is in material breach of its obligations pursuant to this Contract and has not remedied the same within fourteen (14) days (or such longer period as the Contractor may have subsequently agreed in writing) following the receipt by the Employer of the Contractor's notice specifying such breach.

17 RISK AND RESPONSIBILITY

The following Sub-Clause shall be added to the provisions of Clause 17.

17.7 Liability of Contractor

The Contractor shall be liable to the Employer for the performance of the Works in accordance with the provisions of this Contract and for any loss or damage suffered by the Employer as the result of negligence, default or omission of the Contractor in such performance, subject to the following:

- (a) The Contractor shall not be liable for any loss or damage caused by or arising out of negligence, default or omission of any person, who is not acting under the instruction of the Contractor;
- (b) The Contractor shall not be liable for any loss or damage caused by or arising out of the circumstances over which the Contractor had no control.
- (c) The Contractor shall keep the Employer fully and effectively indemnified against all loss, damage, injuries, deaths, expenses, actions proceedings, demands, costs and claims including but not limited to legal fees and expenses, suffered by the Employer or any Third Party, where such loss, damage, injury or death is the result of negligence, default, omission or breach of Contract by the Contractor or his Sub-Contractors, or their personnel or agents of either of them, including the use or violation of any copyright work or literary property or patented invention, article or appliance. The Contractor shall keep the Employer fully and effectively indemnified during and after the expiry of this Contract.

Such obligations shall also be limited to the extent that such claims, damages, losses or expenses are caused in whole or in part by breach of a duty of care, imposed by law on the Contractor or any one directly or indirectly employed by the Contractor.

19 FORCE MAJEURE

Replace the provisions of Clause 19.1, as follows;

19.1 Definition of Force Majeure

In this Clause, "Force Majeure" means an exceptional event or circumstances;

- (a) which are beyond a Party's control.
- (b) which such Party could not reasonably have provided against before entering into this Contract.
- (c) which have arisen and such Party could not have avoided, and
- (d) which are not substantially attributed to the other Party.

Force Majeure may include, but is not limited to, exceptional events or circumstances of the kind listed below, so long as conditions (a) to (d) above are satisfied.

- i. war, hostilities (whether war is declared or not), invasions, acts of foreign enemies,
- ii. rebellion, terrorism, revolution, insurrections, military or usurped power, or civil war,
- iii. riots, commotion, disorder, strikes or lockouts by persons other than the Contractor's personnel and other employees of the Contractor and Sub-Contractor,
- iv. munitions of war, explosive materials, ionizing radiation or contamination by radio activity, except as may be attributable to the Contractor's use of such munitions, explosives, radiation or radioactivity, and
- v. natural catastrophes such as earthquakes, hurricanes, typhoons, volcanic activity, pandemics and outbreaks.

If a Party is or will be prevented from performing any of its obligations under this Contract by Force Majeure, then it shall give notice to the other Party of the event or circumstances constituting the Force Majeure and shall specify the obligations, of which the performance will be prevented. The notice shall be given within fourteen (14) days after the Party became aware, or should have been aware, of the relevant event or circumstances constituting Force Majeure.

The Party shall, having given notice, be excused performance of such obligations for so long as such Force Majeure prevents it from performing them.

Notwithstanding any other provisions of this Clause, Force Majeure shall not apply to obligations of either Party to make payments to the other Party under this Contract.

20 CLAIMS, DISPUTES AND ARBITRATION

20.6 Arbitration

Replace the provisions of Sub-Clauses 20.6(a) and (b) as follows:

- (a) the dispute shall be settled by a sole arbitrator appointed in accordance with the Rules given in Sub-Clause 20.6(a). The place of Arbitration shall be Maseru, Lesotho.
- (b) the dispute shall be finally settled under the "UNCITRAL Arbitration Rules. The procedural law for arbitration shall be the Arbitration Act No. 12 of 1980 of Lesotho and the applicable Lesotho Law(s).

**KINGDOM OF LESOTHO
LESOTHO HIGHLANDS WATER PROJECT
THE LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY**



REQUEST FOR TENDERS FOR

CONTRACT LHDA NO. 2232

**DESIGN –BUILD CONTRACT FOR MUELA WATER SUPPLY SYSTEMS -
LOTS 1, 2, 3, & 4**

SECTION 9 – GENERAL CONDITIONS OF CONTRACT

LHDA
Lesotho Bank Tower
Kingsway
Maseru, Lesotho

June 2026

GENERAL CONDITIONS OF CONTRACT

The Conditions of Contract are the General Conditions of Contract for Engineering Procurement and Construction (EPC) /Turnkey Projects, First Edition, 1999 published by the Federation Internationale des Ingenieurs Conseils (FIDIC)

**KINGDOM OF LESOTHO
LESOTHO HIGHLANDS WATER PROJECT
THE LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY**



REQUEST FOR TENDERS FOR

CONTRACT LHDA NO. 2232

**DESIGN –BUILD CONTRACT FOR MUELA WATER SUPPLY SYSTEMS -
LOTS 1, 2, 3 & 4**

SECTION 10 – TAX REQUIREMENTS

LHDA
Lesotho Bank Tower
Kingsway
Maseru, Lesotho

June 2026

SECTION 10 – TAX REQUIREMENTS

Contract LHDA No. **CAD2232**

Contract Name: **DESIGN-BUILD CONTRACT FOR MUELA WATER SUPPLY SYSTEMS – LOTS 1, 2, 3 & 4.**

Taxation

The Consultant/Contractor shall comply with the relevant and applicable taxation laws of Lesotho, as amended, in terms of the Treaty, and with the requirements and reporting as specified in article 14 and Annexures III and IV of The Phase II Agreement. Article 14 amends the Treaty and regulates specifically the following Lesotho taxes:

- 1) Value Added Tax
- 2) Withholding Taxes
- 3) Income Taxes Corporate and Individual
- 4) Dues and Charges paid
- 5) Fringe Benefit Tax

It is imperative that the Consultant/Contractor takes note of the detailed requirements to fully disclose payment of all taxes when presenting Value Added Tax Invoices/certificates for payment and such disclosure to be in the format as advised by the LHDA. Failure to do so shall constitute sufficient grounds for the LHDA to terminate this contract.

Tax Registration

Entities planning to submit tenders for contracts with LHDA should research the requirements which can be found in:

- Companies Act no 18 of 2011.
- The Income Tax Act 1993.
- VAT Act 2001
- The Phase II Agreement.
- Double Taxation Agreement between Lesotho and South Africa.

Invoice Compliance and Tax Declaration

Payment of Invoices/Certificates will be subject to submission of the contracting party's declaration on a separate tax declaration form, with original receipts attached, of all taxes paid in terms of Article 14(20) of the Agreement on Phase II – including Expatriate PAYE; Corporate taxes; Dues & Charges; Fringe Benefits tax, etc.

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APPENDICES

LHDA
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**APPENDIX A – List of Villages to be Provided with Water Supply Systems
(including schools within these villages)**

LHDA
Lesotho Bank Tower
Kingsway
Maseru, Lesotho

June 2026

AREA : MUELA

Item	Village	# of Households	Population	Ref. #	Remarks
1.	Setlakalleng	409	2486		
	Hololo Primary	1			
	Hololo ECCD	1			
2.	Molapo	478	2384		
	St Peters Primary	1			
	St Peters High School	1			
	St Peters ECCD	1			
	Ntoetsi ECCD	1			
	Machefo ECCD	1			
	Nyakoaneng ECCD	1			
3.	Muela	278	1410		
	Thusano ECCD	1			
	Retselisitsoe ECCD	1			
4.	Boinyatso	235	1115		
	Muela Primary	1			
	Muela High School	1			
	Boinyatso ECCD	1			
	St Helena ECCD	1			

