

GOVERNMENT NOTICE No. 73 published on 4/5/2001

THE LAND ACT  
(No. 4 of 1999)

**THE LAND (CONDUCT OF AUCTIONS AND TENDERS)  
REGULATIONS, 2001**

*(Made under sections 52 and 179)*

**PART I**

**PRELIMINARY**

1. These Regulations may be cited as the Land (Conduct of Auctions and Tenders) Regulations 2001.

2. In these Regulations, unless the context otherwise requires -

“Act” means the Land Act, 1999;

“authorized officer” has the meaning ascribed to this expression by the Act;

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*G.N. No. 13 (contd.)*

"Committee" means the land allocation committee established under section 12 of the Act;

"Commissioner" means the Commissioner for Lands;

"Ministry" means the Ministry responsible for land;

"Minister" means the Minister responsible for land.

**PART II**

**GENERAL**

Tender and  
auction

3.-(1) Prime residential, commercial and industrial land will be allocated in a transparent manner such as open tender or auction.

(2) The local government authority shall recommend to the Commissioner, areas of land that may be made available by tender or auction.

Direction by  
the Minister

4. The Minister may, after considering the advice of the Commissioner, by order published in the Gazette and in at least two local daily circulating newspapers in Kiswahili and English respectively generally or with regard to specific land, direct that general land should be disposed of by means of auction or process of tender.

**PART III**

**AUCTIONS**

Agent

5. The Committee shall appoint as its agent by name a licensed land broker, real estate agent or Court Broker for each parcel of land available for auction.

Publication of  
date of auction

6. The Agent shall publish in one Swahili and one English daily circulating news paper in the district and on public notice boards the date of the auction which shall be not less than twenty one ( 21) days before the auction as well as conditions of the auction.

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7. The Committee may agree upon a reserved price recommended by a qualified valuer but such reserved price shall not be published and shall be disclosed to the Agent by an authorized officer shortly before the auction on the date of the auction.

Reserved  
Price

8. Every auction shall be conducted by the Agent in the presence of an authorized officer.

Presence of  
authorized  
officer

9. The Agent shall declare as winner the name of the highest bidder if his bid is higher than the reserved price.

Highest  
bidder

10.-(1) The winner shall immediately, on the spot, pay or cause to be paid by bankers cheque to the Ministry and in the name of the Permanent Secretary of the Ministry through the Agent twenty five per cent of the purchase price. The balance of the purchase price shall be paid to the Ministry through the Agent within sixty (60) days of the date of the auction.

Payment

(2) If the balance of the purchase price is not paid within the prescribed period half of the amount paid by the winner shall be forfeited to the Government and shall not be recoverable by the winner.

(3) If the balance of the purchase price is not paid within the prescribed period or the winner does not pay twenty five per cent of the purchase price on the date of the auction the auction will be repeated on subsequent occasion or occasions until a winner is found.

(4) The agent shall send a report to the respective local government authority or to the Ministry as the case may be, in respect to the winner of the auction and the purchase price of that land.

11. If the reserved price is not reached, the Agent shall declare so without disclosing the amount and the auction will be repeated on subsequent occasion or occasions until a winner is found.

Reserved price  
not reached

12. Any dispute arising out of the conduct of the auction shall be referred to the District Land and Housing Tribunal.

Arbitration

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**PART IV  
TENDERS**

Calling for  
Tenders

13. The Committee shall call for tenders by public notice at the District Headquarters and where advisable in one local Swahili and one English daily circulating newspaper in the district at least two months before the date of opening of tenders.

Terms of  
Tender

14. The notice calling for tenders shall be brief and explicit and once tenders have been called for, no variations shall be made to the terms, but if changes are essential, the whole process shall commence afresh.

Receipt of  
Tenders

15. Every tender, which should be in a sealed envelope, received either by post or by hand must be placed, unopened, in a locked box provided for the purpose and where tenders are received by an officer empowered to deal with them he should initial and then stamp the envelopes with the official date stamp immediately they are received by him before placing them in the box.

Opening of  
Tenders

16. On the date and hour at which a tender closes, and in no circumstances before, the box must be cleared and the tenders opened by the authorized officer in the presence of at least one other member of the Committee and notices may provide that the tenders shall be opened at a meeting of the Committee in the presence of tenderers.

List

17. Tenders shall be numbered consecutively (the last one being endorsed "and last") and initialed by the authorized officer and the witnessing member and a list (in triplicate) of the tenders showing the number of the tender and the name of the tenderer should be prepared and signed by both persons, and the original shall be retained by the authorized officer for eventual incorporation in the minutes, the duplicate is to be retained by the witnessing member and the triplicate is to be forwarded to the accounting officer of the district or urban authority or the Ministry as the case may be, together with the original tenders, in a sealed envelope or a locked box.

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18. The Committee shall meet within two days of the date of opening of tenders to select the winner and all tenders on the list shall be considered by the Committee, and the Committee need not accept the highest tender if it is below the reserved price or if it is considered not to be in the public interest to do so; details of the reasons for not accepting the highest tender shall be recorded in the minutes.

Meeting of the  
Committee

19. Minutes of meetings shall be recorded by the Secretary and signed by the Chairman after confirmation by the Committee.

Minutes

Within seven days of the meeting of the Committee the Secretary shall notify the successful tenderer and shall notify each unsuccessful tenderer of the non-acceptance of his tender and details of the successful tender.

Notifications

21. The successful tenderer shall pay or cause to be paid by bankers cheque to the Ministry and in the name of the Permanent Secretary of the Ministry through the authorized officer or the Commissioner, as the case may be, the whole amount of the purchase price within thirty days of the date of the Secretary's letter of notification.

Payment

Dar es Salaam,  
3<sup>rd</sup> May, 2001

G. CHEYO,  
*Minister for Lands and  
Human Settlement Development*