



# **CONSTRUCTION OF EAC HEADQUARTERS**

*Project Brief prepared and presented to the former  
German President, Prof. Dr. Horst Koehler*

*By:*

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## **THE IDEA TO BUILD THE EAC HEADQUARTERS**

The need for a dedicated building to cater for EAC Headquarters did not only arise out of the high profile nature of the organization but also from the need to optimize resources of the organization with respect to recurrent expenditure involved in renting premises. Also, having a Permanent Headquarters symbolizes the commitment of the Partner States to a lasting and sustainable regional integration.

The idea to build the EAC Headquarters was conceived way back to 1996, when the Secretariat of the Permanent Tripartite Commission was established.

However, the concept could not be implemented immediately for two reasons, namely, availability of land / a plot on which to build the headquarters; and funding for the project.

## **PROJECT PLOT**

In order to address the first issue, the EAC Secretariat formally wrote to the Government of United Republic of Tanzania in January 1998, requesting for a piece of land to construct the EAC Headquarters.

On 30 November 2001 the former President of the United Republic of Tanzania, Benjamin W. Mkapa, in full support of the integration, presented a Title of this plot measuring 9.85 acres to the Secretary General of EAC.

The plot plus its unexhausted improvements was by then valued at a price of US\$ 2.52million. As of now it stands at US\$ 2.64m/=

## **RATIONALE OF THE PROJECT LOCATION**

The location and plot have been chosen to match with a sense of history, by establishing the Headquarters near the AICC, where the first Community Headquarters was established.

Further, getting down to the location of the plot, we have the Afrika ya Mashariki Road and the EAC Close that runs parallel to the plot, both in honour of the EAC.

## **FUNDING**

EAC Secretariat started looking for financial support for the Headquarters Project in Dec. 2002 when it formally wrote to the Federal Government of Germany.

As expected, the process took quite a while as it had to involve several procedures including preparation of the Project Brief and numerous consultations between EAC and the Federal Government of Germany.

This process was eventually successfully concluded in March 2005 when the Federal Government of Germany and the Secretariat entered into a Financing Agreement for the construction of the Headquarters Project, at a grant of €8.0m Euros, based on the prepared Project Brief.

## **FLOATING OF TENDERS FOR CONSULTANCY SERVICES**

Tenders were floated internationally inviting competent firms to provide Consultancy Services (General Building Consultants) in July / August 2005.

Five firms pre-qualified in the tender.

## **AWARD OF TENDER FOR CONSULTANCY SERVICES**

The contract for Consultancy Services for the project was awarded to the Consortium comprising of BGS International (Engineering Firm), Archis Architects of Frankfurt, Germany; and a local Engineering Partner firm from Kenya, Runji & Partners Limited.

This was after successful negotiations in December 2006 that led to signing of the Consulting Contract with the Consortium on 9th January, 2007.

## **PROJECT MANAGEMENT**

The Project is supervised by EAC Secretariat supported by a Project Management Team (PMT), comprising of 2 senior professionals in engineering / architecture from each Partner State.

## **PROJECT CONCEPT IN A SUMMARY**

The Project comprise of simple and free-flowing buildings combining tradition and modernity, truly conforming to the environmentally friendly Arusha suburbs.

The Plenary Hall is taken to be the symbol of the Unity of the Partner States and the EAC Headquarters. The construction with crossed columns symbolizes the Cooperation of all Member States. The three big buildings ("cubes") along the EAC Close symbolize the 3 organs of the EAC, namely EACS, EACJ and EACJ.

## **SUMMARY OF PROJECT DETAILS**

The development entails constructing a complex covering a total area of 15,025 m<sup>2</sup>, comprising of three twin buildings of 4-storey each; with provision for future extensions when such a need arises.

The complex will be housing all the three organs of EAC, namely, the Secretariat, the East African Legislative Assembly (EALA) and the East African Court of Justice (EACJ);

It also comprise of other relevant state-of-the-art facilities such as ultra modern Plenary Hall, Restaurant, Conference Halls / Rooms, VIP Rooms, Committee Rooms (for EALA), Court Rooms, Library, Archives, Banking and Postal Services.

## **KICK-STARTING THE PROJECT**

The Project was kick-started here at the Secretariat through an Inception Workshop that involved all stakeholders on 21st and 22nd February, 2007.

## **REVIEWING THE PRELIMINARY DESIGN**

As the PMT looked deeper into the Preliminary Design presented during the Inception Workshop, we discovered that it did not fully address requirements of the current EAC Organization Structure and the expected admission of Rwanda and Burundi which was to take place with effect from 1st July 2007.

Reorganization of spaces and functions followed by production of revised Preliminary Design has to be done from May to September 2007.

## **PROPORTIONATE INCREASE IN PROJECT SIZE AND COST**

As a result of the above design review, the subsequent project size increase translated to a proportional cost increase of €6.0m. In September 2007, EAC made a formal submission to the Federal Republic of Germany informing them of this inevitable project size increase and requested for the additional funding.

While the application was receiving the attention of the donor, EAC was advised not to continue with activities which would involve tendering until when the requested additional funding was confirmed.

## **CONFIRMATION OF ADDITIONAL FUNDING**

Confirmation of the requested additional funding was made by the Federal Republic of Germany during the EAC/ Germany Annual Bilateral Consultations in Bonn in July 2008 and the Financing Agreement signed here at the Secretariat on 3rd November 2008.

The total Project Cost is therefore €14m; which covers both Project Consultancy and Construction Costs.

## **COMPLETION OF PLANNING AND DESIGN STAGE**

Following confirmation of additional funding, The Planning and Design Stage of the project was 100% completed by 15th November 2009. This included finalization of the following activities:

- (i) A full-scale topographic survey of the plot and amalgamation of land uses on the project plot obtained from the Arusha Municipal Council.

- (ii) Environmental Impact Assessment carried out and a Certificate granted by NEMC.
- (iii) Soil investigations thoroughly undertaken by University of Dar-es-Salaam and some top foundation experts from Germany; and technical solutions relating to the most suitable foundation to the soft volcanic subsoil prevalent on the plot identified.
- (iv) Preliminary and Final Design Reports completed.
- (v) Full sets of architectural and engineering drawings, structural and calculations completed and submitted to Arusha Municipal Council and a Building Permit obtained.
- (vi) Full sets of Tender Documents and a confidential Cost Estimate completed and cleared by EAC and the Donor Agency, KfW.
- (vii) Completion of the Tendering Process, one Main Contractor and Six Sub Contractors selected after international competitive bidding.

### **AWARD OF CONTRACTS AND LYING OF FOUNDATION STONE**

The Main Contract was awarded to M/S African Real Estate Company Ltd of DSM, Tanzania, after emerging the lowest evaluated bidder. The Main Contractor supervises 6 Sub Contractors of different trades.

After this award, the Ceremony of Laying of the Foundation Stone for the Project was performed by our EAC Heads of State on 20th November 2009, coinciding with commemoration of the EAC 10th Anniversary.

## **COMMENCEMENT OF CONSTRUCTION STAGE**

As per the Tender Documents and the Construction Contract, the Main Contractor was entitled to a specified Mobilization Period after receiving advance payment, as such it was agreed that the Date of Commencement becomes 28th January 2010.

Construction Period is 18 months after official Commencement Date, i.e. 28th January 2010. This implies that according to the contract the project was expected to be completed by July 2011.

The Contractors have so far done a commendable job as all structural works, including block walling, plastering and flooring of the entire complex are almost completed; and overall work progress is at 63%.

This achievement has been due to the very close cooperation existing between all parties involved (EAC / Project Consultants and Contractors; as well as efficient supervisory machinery by the EAC through the Project Consultants.

## **REVISED COMPLETION PERIOD**

Requests for time extension by the Contractor have only been considered under very strict conditions. So far it is only 35 days extension that has been granted, making the Revised Completion date 30th August 2011, at no additional construction cost. The Project has a "Defects Liability Period" of 1 year which lapses on 30th August 2012.



## **CHALLENGE**

Before the construction contract was awarded, several works / items had to be omitted and their funds transferred to construction works, due to a budget deficit (to enable commencement of construction). The omitted items include furniture and furnishing for the building, rehabilitation of the two historic buildings (forming part of the project), fencing of the complex, some IT equipment and kitchen equipment for the restaurant. The total cost estimate for these works / items is approximately €3m.

Efforts to source the funds from Partner States budget are on going. However, given the fact that the Partner States national budgets are currently under consideration; and the limitation of resources that all Partner States are experiencing, we are not certain yet as to when the required funds will be available. This is quite some challenge since it is important that all omitted works are completed while the contractors are still on site, to avoid extra cost and without causing a delay to our project. Further, the Financing Agreement (between EAC and Federal Republic of Germany) provides for all works to be completed before commissioning of the building. This therefore implies that final completion and commissioning of the project depends on the availability of the said funds in time.

## **EXPECTED PROJECT ACHIEVEMENT**

EAC is committed to ensuring that the Project is achieved within the set parameters of quality, cost and time; so that it truly becomes a lighthouse for the German support to the EAC integration, and also a learning case study to future professionals in the built environment.

When the project is completed, EAC will be able to save not less than USD 500,000 per year currently used for rental payment, which could otherwise be diverted to other important development programs in fostering the Integration Process.

**With this briefing**, it is now my honour and pleasure to welcome the EAC Secretary General, Amb. Dr. Richard Sezibera to make his remarks and invite you Mr. Former President, for a review of the Headquarters construction designs and model; before we take you around to view the site and the on-going construction activities.

I thank you for your attention and I beg to submit.