



**TRANSNET ENGINEERING**

an Operating Division of **TRANSNET SOC LTD**

[Registration No. 1990/000900/30]

**REQUEST FOR PROPOSAL [RFP] (GOODS INCLUDING LOCAL CONTENT) FOR THE SUPPLY AND  
DELIVERY OF MOTOR AC ELEC LOCO, MOTOR DIRECT CURRENT AND MOTOR AC COOLING  
TOWER TO TRANSNET ENGINEERING,  
ROTATING MACHINES, SALT RIVER**

**RFP NUMBER: TE17-SRX-6FA-7978**  
**ISSUE DATE: TUESDAY, 12 SEPTEMBER 2017**  
**CLOSING DATE: TUESDAY, 03 OCTOBER 2017**  
**CLOSING TIME: 10:00 – SOUTH AFRICAN TIME**  
**BID VALIDITY PERIOD: 29 JANUARY 2018**

**TENDERER: .....**

**(Name of Company / Partnership / Closed Corporation)**

## SCHEDULE OF BID DOCUMENTS

Section No	Page
SECTION 1 : NOTICE TO BIDDERS .....	5
1 INVITATION TO BID.....	5
2 FORMAL BRIEFING .....	6
3 PROPOSAL SUBMISSION .....	6
4 DELIVERY INSTRUCTIONS FOR RFP.....	6
5 BROAD-BASED BLACK ECONOMIC EMPOWERMENT AND SOCIO-ECONOMIC OBLIGATIONS.....	6
6 COMPULSORY LOCAL CONTENT THRESHOLD .....	8
7 COMMUNICATION .....	9
8 CONFIDENTIALITY .....	10
9 INSTRUCTIONS FOR COMPLETING THE RFP.....	10
10 COMPLIANCE .....	10
11 DISCLAIMERS .....	11
12 LEGAL REVIEW .....	12
13 SECURITY CLEARANCE .....	13
14 NATIONAL TREASURY’S CENTRAL SUPPLIER DATABASE.....	13
15 TAX COMPLIANCE .....	13
16 PROTECTION OF PERSONAL DATA .....	14
SECTION 2 : BACKGROUND, OVERVIEW AND SCOPE OF REQUIREMENTS.....	15
1 BACKGROUND.....	15
2 EXECUTIVE OVERVIEW.....	15
3 SCOPE OF REQUIREMENTS .....	15
4 GREEN ECONOMY / CARBON FOOTPRINT .....	15
5 GENERAL SUPPLIER OBLIGATIONS.....	16
6 EVALUATION METHODOLOGY .....	16
SECTION 3: PRICING AND DELIVERY SCHEDULE .....	22
NOTES TO PRICING: .....	23
1 DISCLOSURE OF PRICES TENDERED.....	24
2 PRICE REVIEW .....	24
3 “FIXED QUANTITY (STAGGERED DELIVERY RATE)”: .....	24
4 RETURN OF SURPLUS GOODS .....	25
5 RESPONDENT’S SAMPLES .....	25
6 PRE-PRODUCTION SAMPLES/PROTOTYPES .....	25
7 MANUFACTURERS .....	25
8 INSPECTION DETAILS .....	26
9 IMPORTED CONTENT .....	26
10 EXCHANGE AND REMITTANCE.....	27
11 EXPORT CREDIT AGENCY SUPPORTED FINANCE.....	27
12 NATIONAL RAILWAY SAFETY REGULATOR ACT .....	28

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 Respondent’s Signature

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 Date & Company Stamp

13	SERVICE LEVELS .....	28
14	TOTAL COST OF OWNERSHIP AND CONTINUOUS IMPROVEMENT INITIATIVES .....	29
15	RISK .....	29
16	REFERENCES .....	30
17	FINANCIAL STABILITY .....	30
	SECTION 4 : PROPOSAL FORM AND LIST OF RETURNABLE DOCUMENTS.....	31
	SECTION 5 : CERTIFICATE OF ACQUAINTANCE WITH RFP, TERMS & CONDITIONS & APPLICABLE DOCUMENTS..	36
	SECTION 6 : RFP DECLARATION AND BREACH OF LAW FORM.....	38
	SECTION 7 : RFP CLARIFICATION REQUEST FORM.....	41
	SECTION 8 : B-BBEE PREFERENCE POINTS CLAIM FORM .....	42
ANNEXURE A	SABS APPROVED TECHNICAL SPECIFICATION NUMBER SATS 1286-2011	
ANNEXURE B	DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT [FORM SBD 6.2]	
ANNEXURE C	LOCAL CONTENT DECLARATION: SUMMARY SCHEDULE	
ANNEXURE D	IMPORTED CONTENT DECLARATION: SUPPORTING SCHEDULE TO ANNEXURE C	
ANNEXURE E	LOCAL CONTENT DECLARATION SUPPORTING SCHEDULE TO ANNEXURE C	

**RFP APPENDICES:**

- APPENDIX (i) GENERAL BID CONDITIONS (APRIL 2017)
- APPENDIX (ii) STANDARD TERMS AND CONDITIONS OF CONTRACT (APRIL 2017)
- APPENDIX (iii) NATIONAL RAILWAY SAFETY REGULATOR ACT, 16 OF 2002

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Respondent's Signature

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Date & Company Stamp

**LIST OF ACRONYMS**

B-BBEE	Broad-Based Black Economic Empowerment
CAT	Central Africa Time
CD	Compact/computer disc
DAC	Divisional Acquisition Council
DTI	Department of Trade and Industry
EME	Exempted Micro Enterprise
GBC	General Bid Conditions
GM	General Motors
ID	Identity Document
JV	Joint Venture
LOA	Letter of Award
NGP	New Growth Path
NDA	Non-Disclosure Agreement
OD	Transnet Operating Division
PPPFA	Preferential Procurement Policy Framework Act
PTN	Post-Tender Negotiations
QSE	Qualifying Small Enterprise
RFP	Request for Proposal
R&D	Research and Development
SABS	South African Bureau of Standards
SBD	Standard Bid Document
SD	Supplier Development
SME	Small Medium Enterprise
SOC	State Owned Company
TCO	Total Cost of Ownership
TE	Transnet Engineering
TFR	Transnet Freight Rail
VAT	Value-Added Tax
ZAR	South African Rand

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 Respondent's Signature

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 Date & Company Stamp

TE17-SRX-6FA-7978

**RFP FOR THE SUPPLY AND DELIVERY OF MOTOR AC ELEC LOCO, MOTOR DIRECT  
CURRENT AND MOTOR AC COLLING TOWER TO ROTATING MACHINES, SALT RIVER**

**Section 1 : NOTICE TO BIDDERS**

**1 INVITATION TO BID**

Responses to this RFP [hereinafter referred to as a **Bid** or a **Proposal**] are requested from persons, companies, close corporations or enterprises [hereinafter referred to as an **entity, Respondent** or **Bidder**].

<b>DESCRIPTION</b>	For the supply and delivery of Motor AC Elec Loco, Motor Direct Current and Motor AC Cooling Tower to Transnet Engineering, Salt River <b>[the Goods]</b>
<b>INSPECT / COLLECT DOCUMENTS FROM</b>	Transnet Engineering, Procurement Office, Rotating Machines, 19 Voortrekker Street, Salt River
<b>ISSUE DATE AND COLLECTION DATE DEADLINE</b>	<p>Between 09:00 and 12:00 from Thursday, 14 September 2017 until 29 September 2017.</p> <p>Bidders wishing to collect a hard copy of such RFP documents from the Transnet issuing office, are required to inform that office at the contact numbers listed in paragraph 7 below on the day <u>before</u> collection in order to allow for timeous reproduction of the documentation.</p> <p>Bidders are to note that the RFP may also be downloaded directly from the National Treasury eTender Publication Portal (<a href="http://www.etenders.gov.za">www.etenders.gov.za</a>) free of charge.</p> <p>If Bidders download the RFP off the Portal, they are required to send their contact details to the following address: Maggie Reinhardt at email <a href="mailto:maggie.reinhardt@transnet.net">maggie.reinhardt@transnet.net</a> on or before 12h00 on Friday, 29 September 2017. This is to ensure that any required communication (e.g. addenda to the RFP) in relation to this RFP reaches those intending to respond. Transnet will not be held liable if Bidders do not respond by this date and do not receive the latest information regarding this RFP with the possible consequence of either being disadvantaged or disqualified as a result thereof.</p>
<b>COMPULSORY/NON-COMPULSORY BRIEFING SESSION</b>	NOT APPLICABLE
<b>CLOSING DATE</b>	<p><b>10h00 on Tuesday, 03 October 2017 in the Transnet Engineering Corporate Tender Box at the Security Gate Office at the entrance to the Corporate Office, 160 Lynette Street, Kilner Park, Pretoria.</b></p> <p>Bidders must ensure that bids are delivered timeously to the correct address.</p> <p>As a general rule, if a bid is late or delivered to the incorrect address, it will not be accepted for consideration.</p>
<b>VALIDITY PERIOD</b>	<p><b>29 JANUARY 2018</b></p> <p>Bidders are to note that they may be requested to extend the validity period of their bid, on the same terms and conditions, if the internal evaluation process has not been finalised within the validity period. However, once the adjudication body has approved the process and award of the business to the successful bidder(s), the validity of the successful bidder(s)' bid will be deemed to remain valid until a final contract has been concluded.</p> <p>Bidders are to note that Transnet reserves the right to disqualify a Bidder should they not accept Transnet's requested validity period.</p>

Any additional information or clarification will be faxed or emailed to all Respondents, if necessary.

Respondent's Signature

Date & Company Stamp

## 2 FORMAL BRIEFING

A formal briefing session will not be held but should Respondents have specific queries they should email these to the Transnet employee(s) indicated in paragraph 7 [Communication] below.

## 3 PROPOSAL SUBMISSION

Proposals must be submitted **IN DUPLICATE** (Bidder shall mark "original" on original file; and "copy" on the duplicate file) in a sealed envelope addressed as follows:

The Secretariat, Transnet Engineering Acquisition Council

RFP No: TE17-SRX-6FA-7978

Description: SUPPLY AND DELIVERY OF MOTOR AC ELEC LOCO, MOTOR DIRECT CURRENT AND MOTOR AC COOLING TOWER TO TRANSNET ENGINEERING, SALT RIVER

Closing date and time: **10:00 on Tuesday 03 October 2017**. Envelope must be deposited in the Transnet Engineering, Kilner Park Building, Corporate Tender Box at the Security Gate Office at the entrance to the Corporate Office Complex, 160 Lynette Street, Kilner Park, Pretoria.

All envelopes must reflect the return address of the Respondent on the reverse side.

## 4 DELIVERY INSTRUCTIONS FOR RFP

### 4.1 Delivery by hand and/or Courier Services

If delivered by hand and/or Courier Services, the envelope must be deposited in the Transnet Engineering tender box which is located at the security gate office at the entrance to the Corporate Office Complex, 160 Lynette Street, Kilner Park, Pretoria, and must be addressed as follows:

THE SECRETARIAT

TRANSNET ENGINEERING DIVISIONAL ACQUISITION COUNCIL

TENDER BOX AT SECURITY OFFICE AT SECURITY ENTRANCE

TE CORPORATE OFFICE COMPLEX

160 LYNETTE STREET

KILNER PARK

PRETORIA

- a) The measurements of the "tender slot" are 00mm wide x 75mm high, and Respondents must please ensure that response documents or files are no larger than the above dimensions. Responses which are too bulky [i.e. more than 100mm thick] must be split into two or more files, and placed in separate envelopes, each such envelope to be addressed as required in paragraph 3 above.
- b) It should also be noted that the above tender box is accessible to the public 24 hours a day, 7 days a week.

## 5 BROAD-BASED BLACK ECONOMIC EMPOWERMENT AND SOCIO-ECONOMIC OBLIGATIONS

As explained in more detail in the B-BBEE Preference Points Claim Form in Section 8 and as prescribed in terms of the Preferential Procurement Policy Framework Act (PPPFA), Act 5 of 2000 and its Regulations, Respondents are to note that Transnet will award preference points to companies who provide valid proof of

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their B-BBEE status using either the latest version of the generic Codes of Good Practice or Sector Specific Codes (if applicable).

The value of this bid is estimated to be above R50 000 000 (all applicable taxes included; and therefore the 80/20 system shall be applicable. Despite the stipulated preference point system, Transnet shall use the lowest acceptable bid to determine the applicable preference point system in a situation where all received acceptable bids are received outside the stated preference point system.

Respondents are required to complete Section 8 [the B-BBEE Preference Point Claim Form] and submit it together with valid proof of their B-BBEE Status as stipulated in the Claim Form in order to obtain preference points for their B-BBEE status. Respondents are required at all times to comply with the latest B-BBEE legislation and/or instruction notes as issued from time to time by the DTI.

**Note: Failure to submit valid and original (or a certified copy of) proof of the Respondent's compliance with the B-BBEE requirements stipulated in Section 8 of this RFP (the B-BBEE Preference Points Claim Form) at the Closing Date of this RFP, will result in a score of zero being allocated for B-BBEE.**

#### 5.1 B-BBEE Joint Ventures or Consortiums

Respondents who would wish to respond to this RFP as a Joint Venture [**JV**] or consortium with B-BBEE entities, must state their intention to do so in their RFP submission. Such Respondents must also submit a signed JV or consortium agreement between the parties clearly stating the percentage [%] split of business and the associated responsibilities of each party. If such a JV or consortium agreement is unavailable, the partners must submit confirmation in writing of their intention to enter into a JV or consortium agreement should they be awarded business by Transnet through this RFP process. This written confirmation must clearly indicate the percentage [%] split of business and the responsibilities of each party. In such cases, award of business will only take place once a signed copy of a JV or consortium agreement is submitted to Transnet.

Respondents are to note the requirements for B-BBEE compliance of JVs or consortiums as required by Section 8 [the B-BBEE Preference Point Claim Form] and submit it together with proof of their B-BBEE Status as stipulated in the Claim Form in order to obtain preference points for their B-BBEE status.

Note: Failure to submit a valid and original B-BBEE certificate for the JV or a certified copy thereof at the Closing Date of this RFP will result in a score of zero being allocated for B-BBEE.

#### 5.2 Subcontracting

If contemplating subcontracting, a Respondent will not be awarded points for B-BBEE if it is indicated in its Proposal that such Respondent intends subcontracting more than twenty-five percent [25%] of the value of the contract to an entity / entities that do not qualify for at least the same points that the Respondent qualifies for, unless the intended subcontractor is an EME with the capability to execute the contract.

The successful Respondent awarded the contract may only enter into a subcontracting arrangement with Transnet's prior approval.

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Respondent's Signature

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A Respondent awarded a contract in relation to a designated sector, may not subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

A person awarded a contract may not subcontract more than [twenty-five percent] 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

In terms of Section 8 of this RFP [the B-BBEE Preference Point Claim Form] Respondents are required to indicate the percentage of the contract that will be sub-contracted as well as the B-BBEE status of the sub-contractor/s.

### 5.3 **B-BBEE Improvement Plan (Not applicable)**

Transnet encourages its Suppliers to constantly strive to improve their B-BBEE rating. Whereas Respondents will be allocated points in terms of a preference point system based on its B-BBEE scorecard to be assessed as detailed in paragraph 5 above, in addition to such scoring, Transnet also requests that Respondents submit a B-BBEE improvement plan. Respondents are therefore requested to indicate the extent to which they will maintain or improve their B-BBEE status over the contract period.

Respondents are requested to submit their B-BBEE Improvement Plan as an essential returnable document with their Proposals by completion of **Annexure F** appended hereto. [Refer to Section 11 and Annexure F for further instructions].

## 6 **COMPULSORY LOCAL CONTENT THRESHOLD**

In terms of section 9(1) of the Preferential Procurement Regulations, 2011, and the Instruction Note issued by National Treasury on the "Invitation and Evaluation of Bids based on a stipulated minimum threshold for local content and production for the **Rail Rolling Stock Sector - Electric Motors**, Transnet is required to set a stipulated minimum threshold be set for this RFP.

### 6.1 **Local Content Threshold**

A Local Content threshold of **sixty percent (60%)** will be required for the goods specified in SBD 6.2, to be manufactured by a successful Respondent for the duration of the contract period.

For further guidance with regard to the determination of "Local Content", Respondents must refer to the following documentation:

- SABS approved technical specification number SATS 1286:2011
- Guidance on the calculation of Local Content

[available on the DTI website: <http://www.thedti.gov.za>]

### 6.2 **Mandatory RFP Annexures**

The regulatory and mandatory RFP Annexures, which must be completed by all Respondents in order to declare Local Content, are as follows:

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Respondent's Signature

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Date & Company Stamp



- Annexure B – Declaration Certificate for Local Production and Content [SBD 6.2]
- Annexure C – Local Content Declaration: Summary Schedule

Annexures D and E are Supporting Schedules to Annexure C. They are named as follows:

- Annexure D – Imported Content Declaration: Supporting Schedule to Annexure C
- Annexure E – Local Content Declaration: Supporting Schedule to Annexure C

After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. Declaration C should be submitted with the bid documentation at the closing date and time of the bid. Declarations D and E should be kept by Respondents for verification purposes for a period of at least 5 years. The successful Respondent is required to continuously update Declarations C, D and E with the actual values for the duration of the contract. In addition to what is stated above regarding Annexures D and E, please note that these declarations are to be submitted as part of the Essential Returnable Documents.

### 6.3 Challenges meeting the Local Content Threshold

Should, after the award of a Bid, the Supplier experience challenges in meeting the stipulated minimum threshold for Local Content, Transnet is required to inform the DTI accordingly in order for the DTI to verify the circumstances and provide directives in this regard.

### 6.4 Local Content Obligations

Respondents are to note that the Local Content commitments made by the successful Respondent(s) will be incorporated as a term of the contract and monitored for compliance. Should the successful Respondent fail to meet its Local obligations, non-compliance penalties shall be applicable as per the contract or Standard Terms and Conditions of Contract. Breach of Local Content obligations also provide Transnet cause to terminate the contract in certain cases where material non-compliance with Local Content requirements are not achieved.

## 7 COMMUNICATION

- 7.1 For specific queries relating to this RFP, an RFP Clarification Request Form should be submitted to Maggie Reinhardt at [maggie.reinhardt@transnet.net](mailto:maggie.reinhardt@transnet.net) before **12:00 on Friday, 29 September 2017** substantially in the form set out in Section 7 hereto. In the interest of fairness and transparency Transnet's response to such a query will then be made available to the other Respondents who have collected RFP documents. For this purpose, Transnet will communicate with Respondents using the contact details provided to the Secretariat on issue of the bid documentation to the Respondent. Kindly ensure that you provide the Secretariat with the **correct** contact details, as Transnet will not accept responsibility for being unable to contact a bidder who provided incorrect contact details.
- 7.2 After the closing date of the RFP, a Respondent may only communicate with the Secretariat of the Transnet Acquisition Council, on e-mail: [Vuyisile.dhlamini@transnet.net](mailto:Vuyisile.dhlamini@transnet.net) or at telephone number 012 391 1412, on any matter relating to its RFP Proposal.
- 7.3 Respondents are to note that changes to its submission will not be considered after the closing date.

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Respondent's Signature

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Date & Company Stamp

Respondents are warned that a Proposal may be liable to disqualification should any attempt be made by a Respondent either directly or indirectly to canvass any officer or employee of Transnet in respect of this RFP between the closing date and the date of the award of the business. Furthermore, Respondents found to be in collusion with one another will be automatically disqualified and restricted from doing business with Transnet in the future.

## 8 CONFIDENTIALITY

- 8.1 All information related to this RFP is to be treated with strict confidence. In this regard Respondents are required to certify that they have acquainted themselves with the Non-Disclosure Agreement. All information related to a subsequent contract, both during and after completion thereof, will be treated with strict confidence. Should the need however arise to divulge any information gleaned from provision of the Goods, which is either directly or indirectly related to Transnet's business, written approval to divulge such information must be obtained from Transnet.

## 9 INSTRUCTIONS FOR COMPLETING THE RFP

- 9.1 Proposals must be submitted in **duplicate hard copies [1 original and 1 copy]** and must be bound.
- 9.2 Sign one set of original documents [sign, stamp (if stamp is available) and date the bottom of each page]. This set will serve as the legal and binding copy, and must be marked "original". A duplicate set of documents is required. This second set must be a copy of the original signed Proposal and marked "copy".
- 9.3 Both sets of documents are to be submitted to the address specified in paragraph 4 above, and Bidders must ensure that the original and copies (where applicable) are identical in all respects as Transnet will not accept any liability for having disqualified a bidder for failing to provide a mandatory returnable document in either the original or the copy of the RFP albeit that it was included in the other.
- 9.4 A CD copy of the RFP Proposal must also be submitted. Please provide files in MS Word / Excel format, not PDF versions, noting that the signed original set will be legally binding.
- 9.5 **All returnable documents tabled in the Proposal Form [Section 4] must be returned with your Proposal.**
- 9.6 Unless otherwise expressly stated, all Proposals furnished pursuant to this RFP shall be deemed to be offers. Any exceptions to this statement must be clearly and specifically indicated.
- 9.7 Any additional conditions must be embodied in an accompanying letter. Subject only to clause 16 [Alterations made by the Respondent to Bid Prices] of the General Bid Conditions, alterations, additions or deletions must not be made by the Respondent to the actual RFP documents.

## 10 COMPLIANCE

The successful Respondent [hereinafter referred to as the "**Supplier**"] shall be in full and complete compliance with any and all applicable laws and regulations.

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Respondent's Signature

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Date & Company Stamp

## 11 DISCLAIMERS

Respondents are hereby advised that Transnet is not committed to any course of action as a result of its issuance of this RFP and/or its receipt of Proposals. In particular, please note that Transnet reserves the right to:

- 11.1 modify the RFP's Goods and request Respondents to re-bid on any such changes;
- 11.2 reject any Proposal which does not conform to instructions and specifications which are detailed herein;
- 11.3 disqualify Proposals submitted after the stated submission deadline [closing date];
- 11.4 not necessarily accept the lowest priced Proposal or an alternative bid;
- 11.5 reject all Proposals, if it so decides;
- 11.6 withdraw the RFP on good cause shown;
- 11.7 award a contract in connection with this Proposal at any time after the RFP's closing date;
- 11.8 award a contract for only a portion of the proposed Goods which are reflected in the scope of this RFP;
- 11.9 split the award of the contract between more than one Supplier, should it at Transnet's discretion be more advantageous in terms of, amongst others, cost or developmental considerations;
- 11.10 make no award of a contract;
- 11.11 validate any information submitted by Respondents in response to this bid. This would include, but is not limited to, requesting the Respondents to provide supporting evidence. By submitting a bid, Respondents hereby irrevocably grant the necessary consent to Transnet to do so;
- 11.12 request audited financial statements or other documentation for the purposes of a due diligence exercise; and/or
- 11.13 not accept any changes or purported changes by the Respondent to the bid rates after the closing date and/or after the award of the business, unless the contract specifically provided for it.
- 11.14 Transnet reserves the right to disqualify the bid document if the supplier does not accept Transnet's requested validity period.
- 11.15 Transnet reserves the right to request samples of items quoted on and or any documentation or information required to evaluate the suppliers offer. Such samples shall be supplied free of charge to Transnet, and must be clearly marked with the corresponding Transnet material number, reference number of this RFP and the names and addresses of both the Respondent and the manufacturer. Transnet may also request First Article Inspection against all goods quoted on which shall be subject to quality assessment by Transnet Quality Department before full delivery can commence. Should the goods not pass the First Article Inspection the supplier shall be notified accordingly and given a period of ten (10) working days to remedy such defects. Should the supplier fail to remedy such defects within this time period Transnet reserves the right to cancel the contract in part or in whole. Transnet also reserves the right to visit the Respondent's place of manufacture and/or workshop and/or office premises during this RFP process. Transnet's authorised inspector shall have free access to the premises of the Supplier at all times during working hours on a Business Day. Transnet may at any time request relevant supporting documentation in terms of compliance to expertise in the relevant field and or personnel qualifications relevant to this RFP and to call for reference statements of similar and relevant work done in the past 2 years.

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Respondent's Signature

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Should a contract be awarded on the strength of information furnished by the Respondent, which after conclusion of the contract, is proved to have been incorrect, Transnet reserves the right to cancel the contract and/or place the Respondent on Transnet's list of Restricted Suppliers.

Transnet reserves the right to undertake post-tender negotiations [PTN] with selected Respondents or any number of short-listed Respondents, such PTN to include, at Transnet's option, any evaluation criteria listed in this RFP document. In the event of any Respondent being notified of such short-listed/preferred bidder status, his bid, as well as any subsequent negotiated best and final offers (BAFO), will automatically be deemed to remain valid during the negotiation period and until the ultimate award of business.

Tenderers are to insert the name and telephone number of the person with a mandate who can be contacted should Transnet Limited desire to negotiate on the prices tendered.

Name: \_\_\_\_\_

Tel No.: \_\_\_\_\_

Cell No.: \_\_\_\_\_

E-mail address: \_\_\_\_\_

Transnet reserves the right to award the business to the highest scoring bidder/s unless objective criteria justify the award to another bidder. The objective criteria Transnet intends to apply in this bid process is:

**80/20** (Refer to Paragraph 5 on page 6 of this RFP, as well as the official Preferential Procurement Policy Framework Act (PPPFA), Act 5 of 2000 and its Preferential Procurement Regulations (2017).

Should the preferred bidder fail to sign or commence with the contract within a reasonable period after being requested to do so, Transnet reserves the right to award the business to the next ranked bidder, provided that he/she is still prepared to provide the required goods at the quoted price. Under such circumstances, the validity of the bids of the next ranked bidder(s) will be deemed to remain valid, irrespective of whether the next ranked bidder(s) were issued with a Letter of Regret. Bidders may therefore be requested to advise whether they would still be prepared to provide the required goods at their quoted price, even after they have been issued with a Letter of Regret.

Kindly note that Transnet will not reimburse any Respondent for any preparatory costs or other work performed in connection with its Proposal, whether or not the Respondent is awarded a contract.

## 12 LEGAL REVIEW

A Proposal submitted by a Respondent will be subjected to review and acceptance or rejection of its proposed contractual terms and conditions by Transnet's Legal Counsel, prior to consideration for an award of business. A material deviation from the Standard terms or conditions could result in disqualification.

\_\_\_\_\_  
Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp

**13 SECURITY CLEARANCE**

Acceptance of this bid could be subject to the condition that the Successful Respondent, its personnel providing the goods and its subcontractor(s) must obtain security clearance from the appropriate authorities to the level of **CONFIDENTIAL/ SECRET / TOP SECRET**. Obtaining the required clearance is the responsibility of the Successful Respondent. Acceptance of the bid is also subject to the condition that the Successful Respondent will implement all such security measures as the safe performance of the contract may require.

**14 NATIONAL TREASURY'S CENTRAL SUPPLIER DATABASE**

Respondents are required to self-register on National Treasury's Central Supplier Database (CSD) which has been established to centrally administer supplier information for all organs of state and facilitate the verification of certain key supplier information. Respondents must register on the CSD prior to submitting their bids. Business may not be awarded to a Respondent who has failed to register on the CSD. Only foreign suppliers with no local registered entity need not register on the CSD. The CSD can be accessed at <https://secure.csd.gov.za/>. Respondents are required to provide the following to Transnet in order to enable it to verify information on the CSD:

Supplier Number: \_\_\_\_\_ Unique registration reference number: \_\_\_\_\_.

**15 TAX COMPLIANCE**

Regulation 14 of the Preferential Procurement Regulations, 2011 issued in terms of the Preferential Procurement Policy Framework Act (PPPFA) states that no tender may be awarded to any person whose tax matters have not been declared by the South African Revenue Services (SARS) to be in order.

**15.1 NEW TAX COMPLIANCE STATUS (TCS) SYSTEM**

SARS has implemented a new Tax Compliance Status (TCS) system in terms of which a taxpayer is now able to authorize any 3rd party to verify its compliance status in one of two ways: either through the use of an electronic access PIN, or through the use of a Tax Clearance Certificate obtained from the new TCS system.

Respondents are required to provide the following to Transnet in order to enable it to verify their tax compliance status:

Tax reference number: \_\_\_\_\_

Tax Clearance Certificate & TCC Number: \_\_\_\_\_ and PIN: \_\_\_\_\_.

Or, an *officially certified copy* of their currently VAT CLEARANCE CERTIFICATE.

**15.2 TAX COMPLIANCE REQUIREMENTS FOR FOREIGN ENTITIES**

Tax compliance requirements are not applicable to foreign bidders/individuals with no South African tax obligations. Where foreign bidders seek to be exempted from the requirement to submit a tax clearance certificate / tax clearance PIN issued by SARS, such entities are required to complete a sworn affidavit

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on their tax obligation categorization. The affidavit must confirm an answer of "No" to **all** questions below in order for a Respondent to be regarded as being exempt from submitting a tax clearance certificate or tax clearance PIN:

- a) Is the entity a tax resident of the Republic of South Africa (RSA)?
- b) Does the entity have a branch/locally registered entity in the RSA?
- c) Does the entity have a permanent establishment in the RSA?
- d) Does the entity have any source of income (income is defined as per the Income Tax Act 58 of 1962 as the amount remaining of the gross income of any person for any year or period of assessment after deducting therefrom any amounts exempt from normal tax under Part I of Chapter II of the Act) in the RSA in the current tax year?
- e) Is the entity liable in the RSA for any form of taxation in the current tax year?

If a Respondent's answers to any one (or more) of the questions above changes to a "Yes" at any time during the bid process and/or after award of the contract (should a particular Respondent be successful), then the Respondent undertakes to comply with its tax obligations and to report to Transnet accordingly with either a tax clearance certificate / tax clearance PIN issued by SARS.

## 16 PROTECTION OF PERSONAL DATA

In responding to this bid, Transnet acknowledges that it may obtain and have access to personal data of the Respondents. Transnet agrees that it shall only process the information disclosed by Respondents in their response to this bid for the purpose of evaluating and subsequent award of business and in accordance with any applicable law. Furthermore, Transnet will not otherwise modify, amend or alter any personal data submitted by Respondents or disclose or permit the disclosure of any personal data to any Third Party without the prior written consent from the Respondents. Similarly, Transnet requires Respondents to process any personal information disclosed by Transnet in the bidding process in the same manner. The detailed mutual duties of Transnet and the Respondents to protect personal information is contained in paragraph 37 of the General Bid Conditions.

**Transnet urges its clients, suppliers and the general public to report any fraud or corruption to**

**TIP-OFFS ANONYMOUS: 0800 003 056**

\_\_\_\_\_  
Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp

**RFP FOR THE SUPPLY AND DELIVERY OF MOTOR AC ELEC LOCO, MOTOR DIRECT  
CURRENT AND MOTOR AC COLLING TOWER TO ROTATING MACHINES, SALT RIVER**

**Section 2 : BACKGROUND, OVERVIEW AND SCOPE OF REQUIREMENTS**

**1 BACKGROUND**

RFP for the Supply and Delivery of Motor AC Elec Loco, Motor Direct Current and Motor AC Cooling Tower to Rotating Machines, Transnet Engineering, Salt River for on a staggered delivery basis.

**2 EXECUTIVE OVERVIEW**

Whereas Transnet is seeking a partner to provide solutions for its supply and delivery requirements for the specified goods, it also seeks to improve its current processes for providing these goods to its end user community throughout its locations.

The Approved Supplier must share in the mission and business objectives of Transnet. These mutual goals will be met by meeting contractual requirements and new challenges in an environment of teamwork, joint participation, flexibility, innovation and open communications. In this spirit of partnership, Transnet and its Approved Supplier will study the current ways they do business to enhance current practices and support processes and systems. Such a partnership will allow Transnet to reach higher levels of quality, service and profitability.

Specifically, Transnet seeks to benefit from this partnership in the following ways:

- 2.1 Transnet must receive reduced cost of acquisition and improved service benefits resulting from the Approved Supplier's economies of scale and streamlined service processes.
- 2.2 Transnet must achieve appropriate availability that meets user needs while reducing costs for both Transnet and the Approved Supplier.
- 2.3 Transnet must receive proactive improvements from the Approved Supplier with respect to supply of Goods and related processes.
- 2.4 Transnet's overall competitive advantage must be strengthened by the Approved Supplier's leading edge technology and service delivery systems.
- 2.5 Transnet end users must be able to rely on the Approved Supplier's personnel for service enquiries, recommendations and substitutions.
- 2.6 Transnet must reduce costs by streamlining its acquisition of Goods, including managed service processes on a Group basis.

**3 SCOPE OF REQUIREMENTS**

- 3.1 The Good are to be produced in accordance with the long text description issued under Section 3. Failure to comply will result in disqualification of a Bid.

**4 GREEN ECONOMY / CARBON FOOTPRINT**

Transnet wishes to have an understanding of your company's position with regard to environmental commitments, including key environmental characteristics such as waste disposal, recycling and energy conservation. Please submit details of your entity's policies in this regard.

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Respondent's Signature

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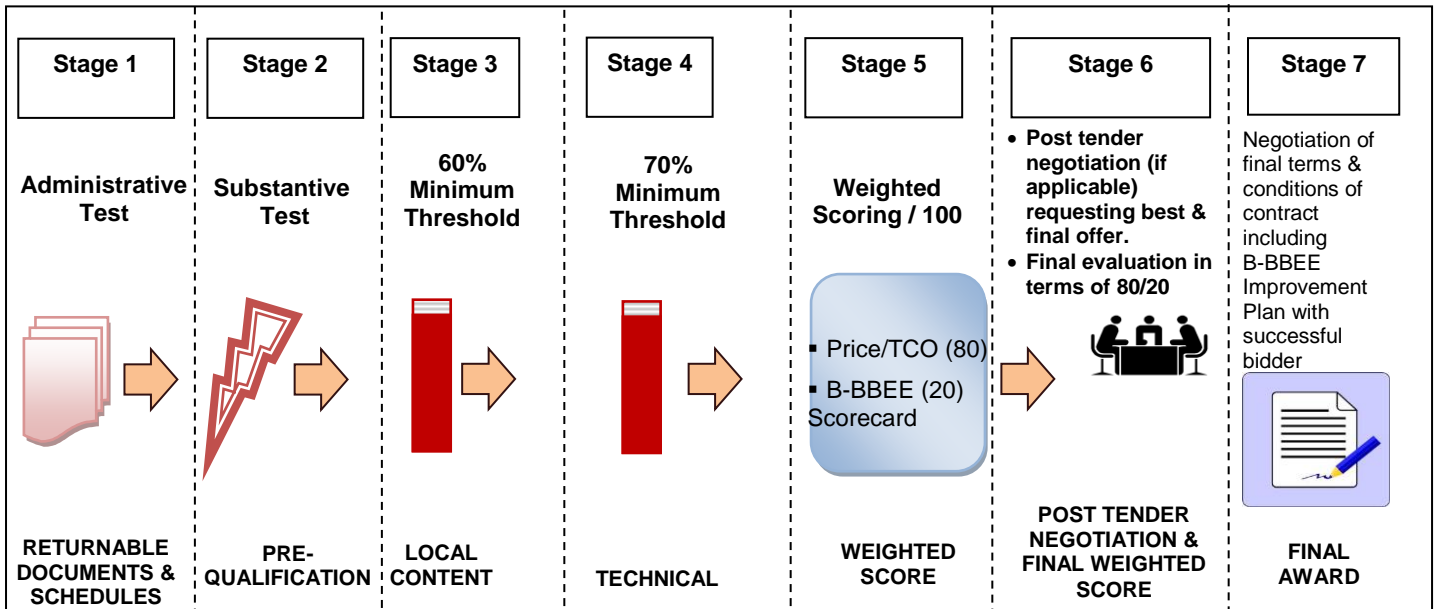
Date & Company Stamp

**5 GENERAL SUPPLIER OBLIGATIONS**

- 5.1 The Supplier(s) shall be fully responsible to Transnet for the acts and omissions of persons directly or indirectly employed by them.
- 5.2 The Supplier(s) must comply with the requirements stated in this RFP.

**6 EVALUATION METHODOLOGY**

Transnet will utilise the following methodology and criteria in selecting a preferred Supplier, if so required:



NB: Evaluation of the various stages will normally take place in a sequential manner. However, in order to expedite the process, Transnet reserves the right to conduct the different stages of the evaluation process in parallel. In such instances the evaluation of bidders at any given stage must not be interpreted to mean that bidders have necessarily passed any previous stage(s).

**6.1 STAGE ONE: Test for Administrative Responsiveness**

The test for administrative responsiveness will include the following:

Administrative responsiveness check	RFP Reference
<ul style="list-style-type: none"> <li>• Whether the Bid has been lodged on time</li> </ul>	<i>Section 1 paragraph 3</i>
<ul style="list-style-type: none"> <li>• Whether all Returnable Documents and/or schedules [where applicable] were completed and returned by the closing date and time</li> </ul>	<i>Section 4</i>
<ul style="list-style-type: none"> <li>• Verify the validity of all returnable documents</li> </ul>	<i>Section 4</i>

***The test for administrative responsiveness [Stage One] must be passed for a Respondent's Proposal to progress to Stage Two for further pre-qualification***

Respondent's Signature

Date & Company Stamp



## 6.2 STAGE TWO: Test for Substantive Responsiveness to RFP

The test for substantive responsiveness to this RFP will include the following:

Check for substantive responsiveness	RFP Reference
<ul style="list-style-type: none"> <li>Whether any general pre-qualification criteria set by Transnet, have been met</li> </ul>	<i>All sections including: Section 1 paragraphs 2.2, 6, 10.3 Section 4 – validity period, General Bid Conditions clause 20 Sections 10, 11</i>
<ul style="list-style-type: none"> <li>Whether the Bid contains a priced offer</li> </ul>	<i>Section 3</i>
<ul style="list-style-type: none"> <li>Whether the Bid materially complies with the scope and/or specification given</li> </ul>	<i>All Sections</i>
<ul style="list-style-type: none"> <li>Whether any Technical pre-qualification set by Transnet have been met as follows: <b>Not applicable</b></li> </ul>	<i>Section 2 – Scope of Work</i>
<ul style="list-style-type: none"> <li>Entity's financial stability</li> </ul>	<i>Section 3 paragraph 17</i>

***The test for substantive responsiveness [Stage Two] must be passed for a Respondent's Proposal to progress to Stage Three for the evaluation of Local Content***

## 6.3 STAGE THREE: Minimum Threshold for Local Content

Local Production and Content Threshold	RFP REFERENCE
<ul style="list-style-type: none"> <li>A minimum threshold of <b>60%</b> is required for Local Content of Goods offered</li> </ul>	<i>Section 1, paragraph 6 Annexures B and C</i>

***The test for meeting the Local Content threshold [Stage Three] must be passed for a Respondent's proposal to progress to Stage Four for further evaluation***

Respondents are to note that Transnet will not round off final Local Content scores for the purposes of determining whether the Local Content threshold has been met.

A bid that fails to meet the minimum stipulated threshold for local production and content will be regarded as an unacceptable bid.

Respondent's Signature

Date & Company Stamp

6.4 **STAGE FOUR: Minimum Threshold of seventy percent (70%) for Technical Criteria and Functional Requirements**

The test for the Technical and Functional threshold will include the following:

Technical Evaluation Criteria	% Weightings	RFP Reference
• Tender as per the tender item description and makers part number (where applicable)	70	<i>Section 2 &amp; Section 3</i>
•Lead Time	30	<i>Section 2 clauses (d) and (h) on page 21</i>
<b>Total Weighting:</b>	<b>100%</b>	
<b>Minimum qualifying score required:</b>	50	

The following applicable values will be utilised when scoring each criterion mentioned above:

Points	Interpretation
0	Non Responsive
1	Poor
2	Average
3	Good
4	Very good
5	Excellent

*Respondents are to note that Transnet will round off final technical scores to the nearest 2 (two) decimal places for the purposes of determining whether the technical threshold has been met.*

***The minimum threshold for technical/functionality [Stage Four] must be met or exceeded for a Respondent's Proposal to progress to Stage Five/Six for final evaluation***

Respondent's Signature

Date & Company Stamp

## 6.5 STAGE FIVE: Evaluation and Final Weighted Scoring

### a) Price and TCO Criteria [Weighted score 80 points]:

Evaluation Criteria	RFP Reference
<ul style="list-style-type: none"> <li>Commercial offer</li> </ul>	<i>Section 3</i>
<ul style="list-style-type: none"> <li>Total Cost of Ownership / Continuous Improvement</li> </ul>	<i>Section 3 paragraph 14</i>
<ul style="list-style-type: none"> <li>Service and maintenance costs</li> <li>Commercial discounts<sup>1</sup></li> <li>Volume discounts<sup>2</sup></li> <li>Price adjustment conditions / factors</li> <li>Exchange rate exposure</li> </ul>	<i>Section 3</i>

Transnet will utilise the following formula in its evaluation of Price:

$$PS = 80 \left( 1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where:

*Ps* = Score for the Bid under consideration

*Pt* = Price of Bid under consideration

*Pmin* = Price of lowest acceptable Bid

### b) Broad-Based Black Economic Empowerment criteria [Weighted score 20 points]

- B-BBEE - current scorecard / B-BBEE Preference Points Claims Form
- Preference points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table indicated in Section 4.1 of the B-BBEE Preference Point Claim Form.

<sup>1</sup> Only unconditional discounts will be taken into account during evaluation. A discount which has been offered conditionally will, despite not being taken into account for evaluation purposes, be implemented when payment is effected.

## 6.6 SUMMARY: Applicable Thresholds and Final Evaluated Weightings

Threshold	Minimum Percentage [%]
Local Content	60%
Technical	70%
Lead time	30%

Evaluation Criteria	Final Weighted Scores
Price and Total Cost of Ownership	80
B-BBEE - Scorecard	20
<b>TOTAL SCORE:</b>	<b>100</b>

## 6.7 STAGE SIX: Post Tender Negotiations (if applicable)

Transnet reserves the right to conduct post tender negotiations with a shortlist of Respondent(s). The shortlist could comprise of one or more Respondents. Should Transnet conduct post tender negotiations, Respondents will be requested to provide their best and final offers to Transnet based on such negotiations. A final evaluation will be conducted in terms of **80/20** and the contract will be negotiated and awarded to the successful Respondent(s).

## 6.8 STAGE SEVEN: Final Contract Award

Transnet will negotiate the final terms and condition the contract with the successful Respondent(s). This may include aspects such as the B-BBEE Improvement Plan, price and delivery. Thereafter the final contract will be awarded to the successful Respondent(s).

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 Respondent's Signature

TE17-SRX-6FA-7978

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 Date & Company Stamp

**IMPORTANT NOTICE TO RESPONDENTS**

Transnet has appointed a Procurement Ombudsman to investigate any material complaint in respect of RFPs exceeding R5million [five million S.A. Rand] in value. Should a Respondent have any material concern regarding an RFP process which meets this threshold, a complaint may be lodged with the Ombudsman for further investigation. The Ombudsman reserves the right to refer the complaint to an external service provider for investigation.

It is incumbent on the Respondent to familiarise himself/herself with the Terms of Reference OF the Ombudsman which are available for review at Transnet's website [www.transnet.net](http://www.transnet.net).

An official complaint form may be downloaded from this website and submitted, together with any supporting documentation, within the prescribed period, to [procurement.ombud@transnet.net](mailto:procurement.ombud@transnet.net).

For transactions below the abovementioned threshold, a complaint may be lodged with the Chief Procurement Officer of the relevant Transnet Operating Division/Specialist Unit.

Respondents are to note that a complaint must be made in good faith. If a complaint is made in bad faith, Transnet reserves the right to place such a Bidder on its List of Excluded Bidders.

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Respondent's Signature

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Date & Company Stamp

**RFP FOR THE SUPPLY AND DELIVERY OF MOTOR AC ELEC LOCO, MOTOR DIRECT  
CURRENT AND MOTOR AC COLLING TOWER TO ROTATING MACHINES, SALT RIVER**

**Section 3 : PRICING AND DELIVERY SCHEDULE**

**Closing date and venue: see Section 1 paragraph 3 and 4**

**Respondents must complete and submit the Pricing Schedule below with your proposal, also print, sign, and insert date and company stamp and submit with your RETURNABLE DOCUMENTS**

Rate of Exchange to be utilized when quoting foreign currency motors: see Pricing Notes - Clause G.

<b>Item No</b>	<b>Description of Item</b>	<b>Quantity</b>	<b>Rate per each</b>	<b>Total Price [ZAR CURRENCY]</b>
1	<p><b>MOTOR, ALTERNATING CURRENT</b> MOTOR TYPE ELECTRIC LOCOMOTIVE CLASS 15E TRACTION BLOWER POWER RATING 37 KW NUMBER OF POLES 2 POTENTIAL RATING 380 V THREE PHASE INDUCTION MOTOR # SQUIRREL CAGE; FRAME: 200L <b>TENDER ITEM NUMBER :</b> 085824037</p>	12 each	R_____	R_____
2	<p><b>MOTOR, DIRECT CURRENT</b> TYPE ELECTRIC LOCOMOTIVE CLASS 15E, BRAKE RESISTOR BLOWER POWER RATING 21.4 KW NUMBER OF POLES 2 POTENTIAL RATING 380 VDC SPECIAL FEATURES FRAME 160 <b>TRANSNET ITEM NUMBER :</b> 085825537</p>	4 each	R_____	R_____
3	<p><b>MOTOR, ALTERNATING CURRENT;</b> MOTOR TYPE: COOLING TOWER, POWER RATING: 20 KW, NUMBER OF POLES: 2 N/A, POTENTIAL RATING: 380 V; COMBIN ED COOLING TOWER MOTOR TIKK- FCKLW8; ELECTRIC LOCOMOTIVE CLASS 15E <b>TRANSNET ITEM NUMBER :</b> 085825573</p>	2 each	R_____	R_____

\_\_\_\_\_  
Respondent's Signature  
TE17-SRX-6FA-7978

\_\_\_\_\_  
Date & Company Stamp

<b>Total Value</b>	R_____	
<b>14% VAT</b>	R_____	
<b>Total Value (inclusive of VAT)</b>	R_____	

Discounts offered:

Trade Discount \_\_\_\_\_ %

Settlement Discount: \_\_\_\_\_ % for payment made within 30 days from receipt of month end statement.

Volume: \_\_\_\_\_ %

**Notes to Pricing:**

- a) Respondents are to note that if the price offered by the highest scoring bidder is not market-related, Transnet may not award the contract to that Respondent. Transnet may-
  - (i) negotiate a market-related price with the Respondent scoring the highest points or cancel the RFP;
  - (ii) if that Respondent does not agree to a market-related price, negotiate a market-related price with the Respondent scoring the second highest points or cancel the RFP;
  - (iii) if the Respondent scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the Respondent scoring the third highest points or cancel the RFP.

If a market-related price is not agreed with the Respondent scoring the third highest points, Transnet must cancel the RFP.
- b) All Prices must be quoted in South African Rand.
- c) To facilitate like-for-like comparison bidders must submit pricing strictly in accordance with this pricing schedule and not utilise a different format. Deviation from this pricing schedule could result in a bid being declared non-responsive.
- d) Quantities given are **fixed and to be staggered delivered** as follows :
  - Tender item 1:** Quantity 12 each which must be delivered at a rate of 2 per month
  - Tender item 2 :** Quantity 2 each which must be delivered at a rate of 2 per month
  - Tender item 3 :** Quantity 2 (once-off delivery)
- e) Prices are to be quoted on a **delivered basis** to **Rotating Machines, Salt River**
- f) Please note that should you have offered a discounted price(s), Transnet will only consider such price discount(s) in the final evaluation stage if offered on an unconditional basis.

- g) Where a Respondent's price(s) includes imported content, the rate of exchange to be used must be the currency's rate published by the South African Reserve Bank [seven] 7 calendar days prior to the closing date of this RFP:

Currency rate of exchange (ROE) utilised: Yen -----ZAR1.00 AND/OR USD -----/ZAR1.00 dated 5 September 2017 (on any Contract award to the ROE will be adjusted up/or down on consensus reached).

Manufacturing and **delivery lead time** calculated from date of receipt of purchase order :

Tender item 1 : \_\_\_\_\_ (working days) Tender item 2 : \_\_\_\_\_ (working days)

Tender item 3 : \_\_\_\_\_ (working days)

Respondents, if awarded the contract, are required to indicate that their prices quoted would be kept firm and fixed for the contract duration. [Not to be confused with bid validity period Section 1, clause 1]

YES	
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## 1 DISCLOSURE OF PRICES TENDERED

- 1.1 Respondents are to note that, on award of business, Transnet is required to publish the tendered prices and preferences claimed of the successful and unsuccessful Respondents *inter alia* on the National Treasury e-Tender Publication Portal, ([www.etenders.gov.za](http://www.etenders.gov.za)), as required per National Treasury Instruction Note 01 of 2015/2016.

## 2 PRICE REVIEW

- 2.1 The prices will not be subjected to adjustment and best and final offers are to be submitted.

## 3 "FIXED QUANTITIES":

- 3.1 Purchase orders will be placed on the Supplier(s) for staggered delivery rate to take place as set out in this tender document.
- 3.2 Delivery requirements will be stipulated in purchase orders and staggered deliveries will be called for. However, delivery periods and maximum monthly rates of delivery offered by the Respondents will be used as guidelines in establishing lead times and monthly delivery requirements with the Supplier.
- 3.3 Delivery requirements may be stipulated in purchase orders and scheduled deliveries may be called for. However, delivery periods and maximum monthly rates of delivery offered by the Respondents will be used as guidelines in establishing lead times and monthly delivery requirements with the Supplier.
- 3.4 Where scheduled deliveries are required, the delivery period(s) specified must be strictly complied with, unless otherwise requested by Transnet. Material supplied earlier than specified may not be paid for or may be returned by Transnet, with the Supplier being held liable for all expenses so incurred, e.g. handling and transport charges.
- 3.5 If the delivery period offered by the Respondents is subject to a maximum monthly production capacity, full particulars must be indicated in Section 3 [*Pricing and Delivery Schedule*]



3.6 The Respondent must state hereunder its annual holiday closedown period [if applicable] and whether this period has been included in the delivery lead time offered:

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3.7 Respondents are required to indicate below the action that the Respondent proposes to take to ensure continuity of supply during non-working days or holidays and periods occupied in stocktaking or in effecting repairs to plant or in overhaul of plant which would ordinarily occur within the stated delivery lead time/s:

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**4 RETURN OF SURPLUS GOODS**

Respondents are required to indicate whether they have a return policy in place (if so attach a copy):

<b>YES</b>		<b>NO</b>	
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Respondents are required to indicate a reasonable timeframe during which Transnet may return any surplus goods:

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**5 RESPONDENT'S SAMPLES**

5.1 Will be requested if deemed necessary.

**6 PRE-PRODUCTION SAMPLES/PROTOTYPES**

6.1 Transnet Engineering may at any time request samples to be submitted for tests to confirm compliance with original technical approval.

**7 MANUFACTURERS**

7.1 The Respondents must state hereunder the actual manufacturer(s) of the Goods tendered for: (should the space provided be insufficient, bidder to populate the information on a letterhead, clearly referencing the specific clause in the RFP document).

7.2 Local Manufacturer(s):

RFP ITEM NO.	NAME	BUSINESS ADDRESS

7.3 Foreign Manufacturer(s):

RFP ITEM NO.	NAME	BUSINESS ADDRESS

**8 INSPECTION DETAILS**

The Respondents must state the actual name(s) and address/addresses of the suppliers of the Goods for inspection purposes only:

8.1 Local Manufacturer(s)

RFP ITEM NO.	NAME	BUSINESS ADDRESS

8.2 Foreign Manufacturer(s):

RFP ITEM NO.	NAME	BUSINESS ADDRESS

**9 IMPORTED CONTENT**

The Respondents must state hereunder the value and percentage of the imported content as well as the country of origin in respect of each item tendered for:

RFP ITEM NO / DESCRIPTION.	VALUE	% COST	COUNTRY OF ORIGIN

Note: Where more than one country is applicable to one item, the Respondents must furnish this information separately.

## 10 EXCHANGE AND REMITTANCE

The attention of the Respondents is directed to clause 17 [*Exchange and Remittance*] of the General Bid Conditions. If Transnet is requested by the Respondent to effect payment overseas direct to the Respondent's principal or supplier, which is not a registered South African Company please complete the details below, using the rate of exchange published by the South African Reserve Bank [seven] 7 calendar days before the closing date of this RFP:

10.1 ZAR 1.00 [South African currency] being equal to \_\_\_\_\_ [*foreign currency*]

10.2 \_\_\_\_\_ % in relation to tendered price(s) to be remitted overseas by Transnet

10.3 \_\_\_\_\_ [*Name of country to which payment is to be made*]

10.4 Beneficiary details:

Name [*Account holder*] \_\_\_\_\_

Bank [*Name and branch code*] \_\_\_\_\_

Swift code \_\_\_\_\_

Country \_\_\_\_\_

10.5 \_\_\_\_\_ [*Applicable base date of Exchange Rate used*]

Respondents are advised that should a contract be awarded for deliveries on an "as and when required" basis, any future remittance(s) to overseas principals/suppliers, as instructed above, will be based on an agreed rate of exchange related to the contractual price of the Goods at that time.

Respondents should note that Transnet would prefer to receive fixed price offers expressed in South African Rand [ZAR].

## 11 EXPORT CREDIT AGENCY SUPPORTED FINANCE

In order to finance its payment obligations under a future contract where foreign transactions are involved, Transnet may consider raising debt financing [an **ECA Facility**] from one or more banks or financial institutions, with the benefit of export credit agency [**ECA**] credit support to be provided by an ECA.

Under such circumstances the successful Respondent will agree to undertake:

- a) to provide [and/or cause the Parent/OEM to provide, as applicable] to Transnet and the banks and financial institutions that may participate in the ECA Facility all such assistance as an importer of Goods and/or Services, which are eligible for ECA credit supported finance by an ECA, is generally required to provide for the purposes of obtaining ECA support;
- b) not to do or [as Supplier of the relevant eligible Goods or services] omit to do anything, which may adversely affect Transnet's prospects of qualifying for or, once obtained, maintaining ECA credit support by an ECA in respect of an ECA Facility.

All cost, expenses, charges and liabilities incurred by Transnet in establishing an ECA Facility with credit support from an Export Credit Agency, may be for the account of Transnet.

## 12 NATIONAL RAILWAY SAFETY REGULATOR ACT

In compliance with the National Railway Safety Regulator Act, 16 of 2002, the successful Respondent [the Supplier] shall ensure that the Goods to be supplied to Transnet, under the terms and conditions of a contract between the parties, comply fully with the tender item descriptions set out in **Section 1** of this RFP, and shall also adhere to railway safety requirements and/or regulations [as applicable]. Permission for the engagement of a subcontractor by the Supplier, as applicable, both initially and during the course of a contract, shall be subject to a review of the capability of the proposed subcontractor to comply with the specified railway safety requirements and/or regulations. The Supplier and/or its subcontractor shall grant Transnet access, during the term of the contract, to review any safety-related activities, including the coordination of such activities across all parts of the organisation.

### Accepted:

<b>YES</b>	
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<b>NO</b>	
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## 13 SERVICE LEVELS

13.1 The Supplier guarantees that it will achieve a ninety-five per cent [95%] service level on the following measures:

- a) On-time delivery

If the Supplier does not achieve this level as an average over each three (3) delivery periods, Transnet will receive a one and a half per cent [1.5%] rebate on quarterly sales payable in the next quarter.

13.2 The Supplier must provide a telephone number for customer service calls.

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13.3 Failure of the Supplier to comply with stated service level requirements will give Transnet the right to cancel the contract in whole, without penalty to Transnet, giving thirty [30] calendar days' notice to the Supplier of its intention to do so.

13.4 Late delivery penalties

Failure to achieve ninety-five percent [95%] of the delivery lead time(s) as detailed in a purchase order that emanates from this RFP on any award if successful against Section 3, and averaged over each consecutive three (3) delivery periods, shall result in the Supplier refunding to Transnet, a retrospective discount of one and half percent (1.5%) on the amounts invoiced for that period and shall be payable to Transnet and shall be set off against the Supplier's submitted month-end statement.

Transnet shall impose a one percent (1%) penalty per day on the total value of the issued Purchase Order up to the maximum of seven (7) days, for late delivery of the Goods. The penalty fee shall be set off against the Supplier's submitted month-end statement.

A penalty fee of seven percent (7%) of the total value of the Purchase Order which shall be equivalent to one (1) month of Transnet's consumption, shall be levied against the Supplier for failure to keep safety stock as required by Transnet.

**Acceptance of Service Levels:**

<b>YES</b>	
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<b>NO</b>	
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**14 TOTAL COST OF OWNERSHIP AND CONTINUOUS IMPROVEMENT INITIATIVES**

14.1 Respondents shall indicate whether they would be committed, for the duration of any contract which may be awarded through this RFP process, to participate with Transnet in its continuous improvement initiatives to reduce the total cost of ownership [TCO], which will reduce the overall cost of transportation services and related logistics provided by Transnet's operating divisions within South Africa to the ultimate benefit of all end-users.

**Accepted:**

<b>YES</b>	
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<b>NO</b>	
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If "yes", please specify details in paragraph 14.2 below.

14.2 Respondents must briefly describe their commitment to TCO and continuous improvement initiatives and give examples of specific areas and strategies where cost reduction initiatives can be introduced. Specific areas and proposed potential savings percentages should be included. Additional information can be appended to the Respondent's Proposal if there is insufficient space available below.

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**15 RISK**

Respondents must elaborate on the control measures put in place by their entity, which would mitigate the risk to Transnet pertaining to potential non-performance by a Supplier, in relation to:

15.1 **Quality and specification of Goods delivered:**

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15.2 **Continuity of supply:**

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15.3 **Compliance with the Occupational Health and Safety Act, 85 of 1993:**

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15.4 **Compliance with the National Railway Safety Regulator Act, 16 of 2002 [Annexure (iii)]:**

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**16 REFERENCES**

Please indicate below a minimum of three (3) company names and contact details of previous and/or existing customers (excluding Transnet) whom Transnet may contact to seek third party evaluations of your service levels in relation to similar transactions:

NAME OF COMPANY	CONTACT PERSON	TELEPHONE

**17 FINANCIAL STABILITY**

Respondents are required to submit their latest audited financial statements for the past 3 years with their Proposal in order to enable Transnet to establish financial stability.

SIGNED at \_\_\_\_\_ on this \_\_\_\_ day of \_\_\_\_\_ 20\_\_

SIGNATURE OF WITNESSES

ADDRESS OF WITNESSES

1 \_\_\_\_\_  
Name \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

2 \_\_\_\_\_  
Name \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE: \_\_\_\_\_

NAME: \_\_\_\_\_

DESIGNATION: \_\_\_\_\_

**RFP FOR THE SUPPLY AND DELIVERY OF MOTOR AC ELEC LOCO, MOTOR DIRECT  
CURRENT AND MOTOR AC COLLING TOWER TO ROTATING MACHINES, SALT RIVER**

Section 4 : PROPOSAL FORM AND LIST OF RETURNABLE DOCUMENTS

I/We \_\_\_\_\_  
[name of entity, company, close corporation or partnership] of [full address]

\_\_\_\_\_

carrying on business trading/operating as

represented by \_\_\_\_\_

in my capacity as \_\_\_\_\_

being duly authorised thereto by a Resolution of the Board of Directors or Members or Certificate of Partners, dated \_\_\_\_\_ to enter into, sign execute and complete any documents relating to this proposal and any subsequent Agreement. The following list of persons are hereby authorised to negotiate on behalf of the abovementioned entity, should Transnet decide to enter into Post Tender Negotiations with shortlisted bidder(s).

FULL NAME(S)	CAPACITY	SIGNATURE
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

I/We hereby offer to supply the abovementioned Goods at the prices quoted in the schedule of prices in accordance with the terms set forth in the documents listed in the accompanying schedule of RFP documents.

I/We agree to be bound by those conditions in Transnet's:

- (i) Terms and Conditions of Contract - Goods and the Master Agreement and/or Purchase Order;
- (ii) General Bid Conditions; and
- (iii) any other standard or special conditions mentioned and/or embodied in this Request for Proposal.

I/We accept that unless Transnet should otherwise decide and so inform me/us in the letter of award/intent, this Proposal [and, if any, its covering letter and any subsequent exchange of correspondence], together with Transnet's acceptance thereof shall constitute a binding contract between Transnet and me/us.

Should Transnet decide that a formal contract should be signed and so inform me/us in a Letter of Intent (LOI) / Letter of Award (LOA) [the **Letter of Intent (LOI) / Letter of Award (LOA)**], this Proposal [and, if any, its covering letter and any subsequent exchange of correspondence] together with Transnet's Letter of Intent (LOI) / Letter of Award (LOA), shall constitute a binding contract between Transnet and me/us until the formal contract is signed.

I/We further agree that if, after I/we have been notified of the acceptance of my/our Proposal, I/we fail to enter into a formal contract if called upon to do so, or fail to commence the supply of Goods within four (4) weeks

\_\_\_\_\_  
Respondent's Signature  
TE17-SRX-6FA-7978

\_\_\_\_\_  
Date & Company Stamp

thereafter, Transnet may, without prejudice to any other legal remedy which it may have, recover from me/us any expense to which it may have been put in calling for Proposals afresh and/or having to accept any less favourable Proposal.

I/We accept that any contract resulting from this offer will be over a fixed period (staggered delivery).

Furthermore, I/we agree to a penalty clause/s to be negotiated with Transnet, which will allow Transnet to invoke a penalty against us for non-compliance with material terms of this RFP including the delayed delivery of the Goods due to non-performance by ourselves, failure to meet Local Content, and/or B-BBEE Improvement Plan commitments.

I/we agree that non-compliance with any of the material terms of this RFP, including those mentioned above, will constitute a material breach of contract and provide Transnet with cause for cancellation.

### ADDRESS FOR NOTICES

The law of the Republic of South Africa shall govern any contract created by the acceptance of this RFP. The *domicilium citandi et executandi* shall be a place in the Republic of South Africa to be specified by the Respondent hereunder, at which all legal documents may be served on the Respondent who shall agree to submit to the jurisdiction of the courts of the Republic of South Africa. Foreign Respondents shall, therefore, state hereunder the name of their authorised representative in the Republic of South Africa who has the power of attorney to sign any contract which may have to be entered into in the event of their Proposal being accepted and to act on their behalf in all matters relating to such contract.

Respondent to indicate the details of its *domicilium citandi et executandi* hereunder:

Name of Entity:

---

Facsimile:

---

Address:

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### NOTIFICATION OF AWARD OF RFP

As soon as possible after approval to award the contract(s), the successful Respondent [**the Supplier**] will be informed of the acceptance of its Proposal. Unsuccessful Respondents will be advised in writing of the name of the successful Supplier and the reason as to why their Proposals have been unsuccessful, for example, in the category of price, delivery period, quality, B-BBEE status or for any other reason.

### VALIDITY PERIOD

Transnet requires a validity period up to **29 January 2018** against this RFP.



**NAME(S) AND ADDRESS / ADDRESSES OF DIRECTOR(S) OR MEMBER(S)**

The Respondent must disclose hereunder the full name(s) and address(s) of the director(s) or members of the company or close corporation [C.C.] on whose behalf the RFP is submitted.

- (i) Registration number of company / C.C. \_\_\_\_\_
  - (ii) Registered name of company / C.C. \_\_\_\_\_
  - (iii) Full name(s) of director/member(s)                      Address/Addresses                      ID Number(s)
- \_\_\_\_\_
- \_\_\_\_\_

**RETURNABLE DOCUMENTS**

All Sections, as indicated in the footer of each page, must be signed, stamped and dated by the Respondent.

**Returnable Documents** means all the documents, Sections and Annexures, as listed in the tables below.

**a) Mandatory Returnable Documents**

***Failure to provide all Mandatory Returnable Documents at the closing date and time of this bid will result in a Respondent’s disqualification. Bidders are therefore urged to ensure that all these documents are returned with their Proposals.***

Please confirm submission of the mandatory Returnable Documents detailed below by indicating Yes or No in the table below:

MANDATORY RETURNABLE DOCUMENTS	Submitted [Yes/No]
SECTION 3 : Pricing and Delivery Schedule	
ANNEXURE B – Declaration Certificate for Local Production and Content [SBD6.2]	
ANNEXURE C – Local Content Declaration: Summary Schedule	

**b) Essential Returnable Documents**

In addition to the requirements of section (a) above, Respondents are further required to submit with their Proposals the following **essential Returnable Documents** as detailed below.

**Essential Returnable Documents required for evaluation purposes:**

***Failure to provide all essential Returnable Documents used for purposes of scoring a bid, by the closing date and time of this bid will not result in a Respondent’s disqualification. However, Bidders will receive an automatic score of zero for the applicable evaluation criterion. Bidders are therefore urged to ensure that all these documents are returned with their Proposals.***

Please confirm submission of these essential Returnable Documents by indicating Yes or No in the table below:

<b>ESSENTIAL RETURNABLE DOCUMENTS USED FOR SCORING</b>	<b>SUBMITTED [Yes or No]</b>
Certified copy of valid SARS VAT Clearance Certificate	
Valid and original (or a certified copy) of proof of Respondent's compliance to B-BBEE requirements stipulated in Section 8 of this RFP	
Submission of Respondent's latest audited financial statements for the past 3 years with their Proposal	

**Other Essential Returnable Documents:**

***Failure to provide other essential Returnable Documents may result in a Respondent's disqualification. Bidders are therefore urged to ensure that all these documents are returned with their Proposals.***

Please confirm submission of these essential Returnable Documents by indicating Yes or No in the table below:

<b>OTHER ESSENTIAL RETURNABLE DOCUMENTS &amp; SCHEDULES</b>	<b>SUBMITTED [Yes or No]</b>
SECTION 5 : Certificate Of Acquaintance with RFP, Terms and Conditions and Applicable Documents	
Accepted and signed Appendix (ii): Standard Terms and Conditions of Contract (April 2017)	
Accepted and signed Appendix (i): General Bid Conditions (April 2017)	
ANNEXURE D: IMPORTED CONTENT DECLARATION: SUPPORTING SCHEDULE TO ANNEXURE C	
ANNEXURE E: LOCAL CONTENT DECLARATION: SUPPORTING SCHEDULE TO ANNEXURE C	
ANNEXURE F: B-BBEE Improvement Plan	
SECTION 6 : RFP Declaration and Breach of Law Form	
SECTION 8 : B-BBEE Preference Points Claim Form	

**CONTINUED VALIDITY OF RETURNABLE DOCUMENTS**

The successful Respondent will be required to ensure the validity of all returnable documents, including but not limited to its Tax Clearance Certificate and valid B-BBEE Verification Certificate, for the duration of any contract emanating from this RFP. Should the Respondent be awarded the contract [**the Agreement**] and fail to present Transnet with such renewals as and when they become due, Transnet shall be entitled, in addition to any other rights and remedies that it may have in terms of the eventual Agreement, to terminate such Agreement forthwith without any liability and without prejudice to any claims which Transnet may have for damages against the Respondent.

SIGNED at \_\_\_\_\_ on this \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

SIGNATURE OF WITNESSES

ADDRESS OF WITNESSES

1 \_\_\_\_\_  
Name \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

2 \_\_\_\_\_  
Name \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE: \_\_\_\_\_

NAME: \_\_\_\_\_

DESIGNATION: \_\_\_\_\_

**RFP FOR THE SUPPLY AND DELIVERY OF MOTOR AC ELEC LOCO, MOTOR DIRECT  
CURRENT AND MOTOR AC COLLING TOWER TO ROTATING MACHINES, SALT RIVER**

**Section 5 : CERTIFICATE OF ACQUAINTANCE WITH RFP, TERMS & CONDITIONS & APPLICABLE  
DOCUMENTS**

By signing this certificate the Respondent is deemed to acknowledge that he/she has made himself/herself thoroughly familiar with, and agrees with all the conditions governing this RFP. This includes those terms and conditions contained in any printed form stated to form part hereof, including but not limited to the documents stated below. As such, Transnet SOC Ltd will recognise no claim for relief based on an allegation that the Respondent overlooked any such condition or failed properly to take it into account for the purpose of calculating tendered prices or any other purpose:

1	Transnet’s General Bid Conditions*
2	Transnet’s Terms and Conditions of Contract for the supply of Goods to Transnet*
3	Transnet’s Supplier Integrity Pact*
4	Non-disclosure Agreement*
5	Vendor Application Form* and all supporting documents (first time vendors only). Alternatively, for all existing vendors, please complete the table below under the heading “Existing vendors”.
<b>Note: documents marked with a “*” are available on request or on the Transnet website (<a href="http://www.transnet.net">www.transnet.net</a>). Please click on “Business with Us”, proceed to the tab “Tenders” and then click on “Standard Bid Documents”.</b>	

Existing vendors: existing vendors are required to confirm whether all the information (e.g. company address, contact details, banking details, etc.) relating to the existing vendor number is still correct at the time of submission of this bid failing which such Respondents are required to indicate so below and provide the updated information in their bid submission:

<b>Transnet Operating Division [e.g. TFR, TE, etc.]</b>	<b>Vendor Number</b>	<b>Information still current [tick if applicable]</b>	<b>Information change [indicate detail of change/s &amp; attach appropriate proof]</b>

Should the Bidder find any terms or conditions stipulated in any of the relevant documents quoted in the RFP unacceptable, it should indicate which conditions are unacceptable and offer alternatives by written submission on its company letterhead, attached to its submitted Bid. Any such submission shall be subject to review by Transnet’s Legal Counsel who shall determine whether the proposed alternative(s) are acceptable or otherwise, as the case may be. A material deviation from any term or condition may result in disqualification.

\_\_\_\_\_  
Respondent’s Signature

\_\_\_\_\_  
Date & Company Stamp

Bidders accept that an obligation rests on them to clarify any uncertainties regarding any bid which they intend to respond on, before submitting the bid. The Bidder agrees that he/she will have no claim based on an allegation that any aspect of this RFP was unclear but in respect of which he/she failed to obtain clarity.

The bidder understands that his/her Bid will be disqualified if the Certificate of Acquaintance with RFP documents included in the RFP as a returnable document, is found not to be true and complete in every respect.

SIGNED at \_\_\_\_\_ on this \_\_\_\_ day of \_\_\_\_\_ 20\_\_

SIGNATURE OF WITNESSES

ADDRESS OF WITNESSES

1 \_\_\_\_\_

Name \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

Name \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE: \_\_\_\_\_

NAME: \_\_\_\_\_

DESIGNATION: \_\_\_\_\_

\_\_\_\_\_  
Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp

**RFP FOR THE SUPPLY AND DELIVERY OF MOTOR AC ELEC LOCO, MOTOR DIRECT  
CURRENT AND MOTOR AC COLLING TOWER TO ROTATING MACHINES, SALT RIVER**

**Section 6 : RFP DECLARATION AND BREACH OF LAW FORM**

NAME OF ENTITY: \_\_\_\_\_

We \_\_\_\_\_ do hereby certify that:

1. Transnet has supplied and we have received appropriate responses to any/all questions [as applicable] which were submitted by ourselves for RFP Clarification purposes;
2. we have received all information we deemed necessary for the completion of this Request for Proposal **[RFP]**;
3. we have been provided with sufficient access to the existing Transnet facilities/sites and any and all relevant information relevant to the Supply of the Goods as well as Transnet information and Employees, and has had sufficient time in which to conduct and perform a thorough due diligence of Transnet's operations and business requirements and assets used by Transnet. Transnet will therefore not consider or permit any pre- or post-contract verification or any related adjustment to pricing, service levels or any other provisions/conditions based on any incorrect assumptions made by the Respondent in arriving at his Bid Price.
4. at no stage have we received additional information relating to the subject matter of this RFP from Transnet sources, other than information formally received from the designated Transnet contact(s) as nominated in the RFP documents;
5. we have complied with all Obligations of the Bidder/Supplier as indicated in paragraph 3 of the Transnet Supplier Integrity which includes but is not limited to ensuring that we take all measures necessary to prevent corrupt practices, unfairness and illegal activities in order to secure or in furtherance to secure a contract with Transnet;
6. we are satisfied, insofar as our entity is concerned, that the processes and procedures adopted by Transnet in issuing this RFP and the requirements requested from Bidders in responding to this RFP have been conducted in a fair and transparent manner; and
7. furthermore, we declare that a family, business and/or social relationship **exists / does not exist** [delete as applicable] between an owner / member / director / partner / shareholder of our entity and an employee or board member of the Transnet Group including any person who may be involved in the evaluation and/or adjudication of this Bid.
8. In addition, we declare that an owner / member / director / partner / shareholder of our entity **is / is not** [delete as applicable] an employee or board member of the Transnet Group.

\_\_\_\_\_  
Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp

9. If such a relationship as indicated in paragraph 6 and/or 7 exists, the Respondent is to complete the following section:

FULL NAME OF OWNER/MEMBER/DIRECTOR/  
PARTNER/SHAREHOLDER:

ADDRESS:

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Indicate nature of relationship with Transnet:

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***[Failure to furnish complete and accurate information in this regard will lead to the disqualification of a response and may preclude a Respondent from doing future business with Transnet]***

10. We declare, to the extent that we are aware or become aware of any relationship between ourselves and Transnet [other than any existing and appropriate business relationship with Transnet] which could unfairly advantage our entity in the forthcoming adjudication process, we shall notify Transnet immediately in writing of such circumstances.
11. We accept that any dispute pertaining to this Bid will be resolved through the Ombudsman process and will be subject to the Terms of Reference of the Ombudsman. The Ombudsman process must first be exhausted before judicial review of a decision is sought.
12. We further accept that Transnet reserves the right to reverse an award of business or decision based on the recommendations of the Ombudsman without having to follow a formal court process to have such award or decision set aside.

#### **BREACH OF LAW**

13. We further hereby certify that *I/we* (the bidding entity and/or any of its directors, members or partners) ***have/have not been*** [delete as applicable] found guilty during the preceding 5 [five] years of a serious breach of law, including but not limited to a breach of the Competition Act, 89 of 1998, by a court of law, tribunal or other administrative body. The type of breach that the Respondent is required to disclose excludes relatively minor offences or misdemeanours, e.g. traffic offences. This includes the imposition of an administrative fine or penalty.

Where found guilty of such a serious breach, please disclose:

NATURE OF BREACH:

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DATE OF BREACH: \_\_\_\_\_

Furthermore, I/we acknowledge that Transnet SOC Ltd reserves the right to exclude any Respondent from the bidding process, should that person or entity have been found guilty of a serious breach of law, tribunal or regulatory obligation.

SIGNED at \_\_\_\_\_ on this \_\_\_\_ day of \_\_\_\_\_ 20\_\_

For and on behalf of _____ duly authorised hereto	AS WITNESS:
Name:	Name:
Position:	Position:
Signature:	Signature:
Date:	Registration No of Company/CC
Place:	Registration Name of Company/CC

\_\_\_\_\_  
Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp





**RFP FOR THE SUPPLY AND DELIVERY OF MOTOR AC ELEC LOCO, MOTOR DIRECT  
CURRENT AND MOTOR AC COLLING TOWER TO ROTATING MACHINES, SALT RIVER**

**Section 8 : B-BBEE PREFERENCE POINTS CLAIM FORM**

This preference form must form part of all bids invited. It contains general information and serves as a claim for preference points for Broad-Based Black Economic Empowerment [**B-BBEE**] Status Level of Contribution.

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated to exceed R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable. Despite the stipulated preference point system, Transnet shall use the lowest acceptable bid to determine the applicable preference point system in a situation where all received acceptable bids are received outside the stated preference point system.

1.3 Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contribution.

1.4 The maximum points for this bid are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	<b>80</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTION</b>	<b>20</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System [**SANAS**], or a sworn affidavit confirming annual turnover and level of black ownership in case of all EMEs and QSEs with fifty one percent (51%) black ownership or more together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed. Certificates issued by a Registered Auditor approved by the Independent Board of Auditors [**IRBA**] to Large Enterprises or QSEs with less than fifty one percent (51%) black ownership have been discontinued but such valid certificates that were issued before 01 January 2017 may be used until they phase out completely by December 2017.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

\_\_\_\_\_  
Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp

## 2. DEFINITIONS

- (a) **"all applicable taxes"** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- (b) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (c) **"B-BBEE status level of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (d) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- (e) **"Black designated group"** has meaning assigned to it in codes of good practice issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act.
- (f) **"Black People"** meaning assigned to in Section 1 of Broad-Based Black Economic Empowerment Act.
- (g) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (h) **"CIPC"** means the Companies and Intellectual Property Commission, formerly known as CIPRO, the Companies and Intellectual Property Registration Office.
- (i) **"comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- (j) **"consortium or joint venture"** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- (k) **"contract"** means the agreement that results from the acceptance of a bid by an organ of state;
- (l) **"co-operative"** means a co-operative registered in terms of section 7 of Cooperatives Act, 2005 (Act No. 14 of 2005)
- (m) **"Designated Group"** means - i) Black designated groups; ii) Black People; iii) Women; iv) people with disabilities or v) Small enterprise, as defined in Section 1 of National Small Enterprise Act, (102 of 1996)
- (n) **"Designated Sector"** means, sub-sector or industry or product designated in terms of regulation 8(1)(a)
- (o) **"EME"** means an Exempted Micro Enterprise as defines by Codes of Good Practice under section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (p) **"firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- (q) **"functionality"** means the ability of a bidder to provide goods or services in accordance with specification as set out in the bid documents
- (r) **"Military Veteran"** has meaning assigned to it in Section 1 of Military Veterans Act, 2011 (Act No. 18 of 2011)
- (s) **"National Treasury"** has meaning assigned to it in Section 1 of Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (t) **"non-firm prices"** means all prices other than "firm" prices;

- (u) **"person"** includes a juristic person;
- (v) **"People with disabilities"** meaning assigned to it in terms of Section 1 of Employment Equity Act, 1998 (Act No. 55 of 1998)
- (w) **"Price"** includes all applicable taxes less all unconditional discounts.
- (x) **"Proof of B-BBEE Status Level of Contributor"** i) the B-BBEE status level certificate issued by an unauthorised body or person; ii) a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or iii) any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act.
- (y) **"Rural Area"** i) a sparsely populated area in which people farm or depend on natural resources, including villages and small towns that are dispersed through the area; or ii) an area including a large settlement which depends on migratory labour and remittances and government social grants for survival, and may have traditional land tenure system.
- (z) **"QSE"** means a Qualifying Small Enterprise as defined by Codes of Good Practice under section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (aa) **"rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- (bb) **"sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- (cc) **"total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- (dd) **"Township"** means an urban living area that any time from the late 19<sup>th</sup> century until 27 April 1994, was reserved for black people, including areas developed for historically disadvantaged individuals post 27 April 1994
- (ee) **"Treasury"** meaning assigned to it in Section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999)
- (ff) **"trust"** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- (gg) **"trustee"** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.
- (hh) **"Youth"** meaning assigned to it in terms of Section 1 of National Youth Development Agency Act, 2008 (Act No. 54 of 2008)

### 3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

### 4. POINTS AWARDED FOR PRICE

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Respondent's Signature

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Date & Company Stamp

A maximum of 80 points is allocated for price on the following basis:

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

$P_s$  = Points scored for comparative price of bid under consideration

$P_t$  = Comparative price of bid under consideration

$P_{\min}$  = Comparative price of lowest acceptable bid

## 5. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

5.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

- 5.2 A bidder who qualifies as an EME in terms of the B-BBEE Act must submit a sworn affidavit confirming Annual Total Revenue and Level of Black Ownership. Furthermore EMEs may also obtain a sworn affidavit from CIPC (formerly CIPRO) Self Service Terminals when registering a business or filing annual returns. In these instances Transnet would require proof of turnover as well as proof of ownership. Sworn affidavits must substantially comply with the format that can be obtained on the DTI's website at [www.dti.gov.za/economic\\_empowerment/bee\\_codes.jsp](http://www.dti.gov.za/economic_empowerment/bee_codes.jsp).
- 5.3 QSEs that are at least fifty one percent (51%) Black owned or higher are only required to obtain a sworn affidavit on an annual basis confirming that the entity has an Annual Total Revenue of R50 million or less and the entity's Level of Black ownership.
- 5.4 A Bidder other than EME or a QSE that is at least fifty one percent (51%) Black owned must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.5 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level verification certificate for every separate bid.
- 5.6 Tertiary Institutions and Public Entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than twenty five (25%) of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for,

unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

5.8 A person awarded a contract may not sub-contract more than twenty five (25%) of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.

5.9 Bidders are to note that the rules pertaining to B-BBEE verification and other B-BBEE requirements may be changed from time to time by regulatory bodies such as National Treasury or the DTI. It is the Bidder's responsibility to ensure that his/her bid complies fully with all B-BBEE requirements at the time of the submission of the bid.

**6. BID DECLARATION**

6.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

**7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 5.1**

7.1 B-BBEE Status Level of Contribution: . = .....(maximum of 10 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or a sworn affidavit.

**8. SUB-CONTRACTING**

8.1 Will any portion of the contract be sub-contracted?

(*Tick applicable box*)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

8.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME.

(*Tick applicable box*)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last fifty one percent (51%) owned by:	EME <input type="checkbox"/>	QSE <input type="checkbox"/>
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

9. **DECLARATION WITH REGARD TO COMPANY/FIRM**

9.1 Name of company/firm:.....

9.2 VAT registration number:.....

9.3 Company registration number:.....

9.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

9.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....  
.....

9.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

9.7 Total number of years the company/firm has been in business:.....

9.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If a bidder submitted false information regarding its B-BBEE status level of contributor, local production and content, or any other matter required in terms of the Preferential Procurement Regulations, 2017 which will affect or has affected the evaluation of a bid, or where a bidder has failed to declare any subcontracting arrangements or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) if the successful bidder subcontracted a portion of the bid to another person without disclosing it, Transnet reserves the right to penalise the bidder up to 10 percent of the value of the contract;

\_\_\_\_\_  
Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp

- (e) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
- (f) forward the matter for criminal prosecution.

<b>WITNESSES</b>
1. ....
2. ....

..... <b>SIGNATURE(S) OF BIDDERS(S)</b>
DATE: .....
ADDRESS.....



**RFP FOR THE SUPPLY AND DELIVERY OF MOTOR AC ELEC LOCO, MOTOR DIRECT  
CURRENT AND MOTOR AC COLLING TOWER TO ROTATING MACHINES, SALT RIVER**

**Section 11 : B-BBEE IMPROVEMENT PLAN**

Transnet encourages its Suppliers to constantly strive to improve their B-BBEE rating and requests that Respondents submit a B-BBEE improvement plan. Respondents are therefore requested to indicate whether they will maintain or improve their BBEE status over the contract period.

**Additional contractual requirements**

Should a contract be awarded through this RFP process, the successful Respondent(s) may be contractually committed, *inter alia*, to the following conditions:

- a) The original B-BBEE Improvement Plan may require certain additions or updates in order to ensure that Transnet is satisfied that developmental objectives will be met.
- b) The Supplier will need to ensure that the relevant mechanisms and procedures are in place to allow Transnet access to information to measure and verify the Supplier's compliance with its stated B-BBEE Improvement commitments.
- c) The Supplier will be required to provide:
  - (i) quarterly status reports for Transnet; and
  - (ii) a final B-BBEE Improvement Plan report, to be submitted to Transnet prior to the expiry date of the contract, detailing delivery, implementation and completion of all B-BBEE Improvement components.
- d) All information provided by the Supplier in order to monitor and evaluate its progress against its stated targets will be auditable.

Respondents are requested to submit their B-BBEE Improvement Plan as an **essential document** with their Proposals by completion of **Annexure F** appended hereto.

I/We do hereby agree to the following should I/we fail to meet the required commitments in relation to B-BBEE Improvement Plan:

**Non-compliance Penalties:**

- a) If the Supplier fails, at any agreed milestone, to achieve its commitments under and in accordance with the B-BBEE Improvement Plan ("a **Non-compliance**"), the Supplier shall pay a Non-compliance penalty ("Non-compliance Penalty") to Transnet in respect of such Non-compliance. The penalties shall be imposed per milestone measurement.
- b) Respondents are to note that Transnet will determine the size of the entity (i.e. EME, QSE and Large) and the applicable Non-compliance Penalties annually based on the Supplier's turnover in the year the penalty applies.

**Applicable Rates of Non-compliance Penalties in respect of B-BBEE Improvement plan:**

- c) The Non-compliance Penalty shall be based on a percentage of the cumulative amount paid to the Supplier by Transnet during the preceding year of a contract. Penalties shall only apply in respect of

contracts lasting three (3) years or more and shall be imposed at the Applicable Rates mentioned in Table 1 below.

- d) In order to ensure that payment of any applicable Non-compliance penalty is guaranteed, Transnet is entitled to make stipulated monthly/milestone deductions from amounts due to the Supplier. These amounts shall be retained as security to ensure that the Supplier will be able to discharge its obligations in respect of any applicable Non-compliance Penalty and shall be the "BBBEE Retention Amount". The relationship between the Non-compliance Penalty and the B-BBEE Retention Amount is illustrated in Table 2 below. The deduction of the B-BBEE Retention Amount shall be based on the following:
- i. Transnet shall be entitled to deduct a stipulated percentage from each monthly/milestone payment based on the penalty percentage stipulated in the next year as indicated in Table 1 below.
  - ii. By way of illustration, in respect of EMEs, in year 2 Transnet shall deduct 0,5% of each monthly/milestone payment to ensure that the Supplier will be able to meet its obligations in respect of any applicable Non-compliance Penalty due at the end of year three (3). The same approach in calculation of the B-BBEE Retention Amount applies in respect of years three (3) and beyond, based on the penalty percentage as stipulated in Table 2 below.

**Table 1: 5 Year Contracts (General Commodities)**

Year	QSEs and EMEs other than Black Owned EMEs	Large Enterprises	51% Black Owned Large Enterprise	Designated Groups (51% Ownership): BWO, BYO, BDO & BO EMEs
1	Not Applicable (Engagement with Transnet-M&E)	Not Applicable (Engagement with Transnet-M&E)	Not Applicable (Engagement with Transnet-M&E)	Not Applicable (Engagement with Transnet-M&E)
2	Not Applicable (Engagement with Transnet-M&E)	Not Applicable (Engagement with Transnet-M&E)	Not Applicable (Engagement with Transnet-M&E)	Not Applicable (Engagement with Transnet-M&E)
3	0.5% of the preceding year's monthly/milestone payments	1% of the preceding year's monthly/milestone payments	0.75% of the preceding year's monthly/milestone payments	0.5% of the preceding year's monthly/milestone payments
4	1% of the preceding year's monthly/milestone payments	1.5% of the preceding year's monthly/milestone payments	1% of the preceding year's monthly/milestone payments	0.75% of the preceding year's monthly/milestone payments
5 **	1% of the preceding year's monthly/milestone payments	2.5% of the preceding year's monthly/milestone payments	2% of the preceding year's monthly/milestone payments	1% of the preceding year's monthly/milestone payments

\*\*This includes contracts in excess of 5 years in duration.

Table 2: Relationship between Non-compliance Penalty and B-BBEE Retention amount

Year	B-BBEE Retention Amount	Non-compliance Penalty
1	Not Applicable	Not Applicable
2	Deduction from monthly/milestone payments based on the penalty percentage stipulated for year 3	Not Applicable
3	Deduction from monthly/milestone payments based on the penalty percentage stipulated for year 4	B-BBEE Retention Amount deducted in year 2 will be used to discharge any applicable Non-compliance Penalty due at the end of year 3
4	Deduction from monthly/milestone payments based on the penalty percentage stipulated for year 5	B-BBEE Retention Amount deducted in year 3 will be used to discharge any applicable Non-compliance Penalty due at the end of year 4
5 **	Deduction from monthly/milestone payments based on the penalty percentage stipulated for year 5 and subsequent years	B-BBEE Retention Amount deducted in year 4 will be used to discharge any applicable Non-compliance Penalty due at the end of year 5

\*\*The B-BBEE Retention Amount and applicable Non-compliance Penalties will apply similarly to contracts in excess of 5 years in duration.

- e) The BBBEE Retention Amount shall be retained by Transnet as security for the obligations of the Supplier in terms of the BBBEE Improvement Plan.
- f) Should there be a change in the status of the Supplier between the year the B-BBEE Retention Amount is deducted and the year the penalty is imposed, Transnet will be entitled to recover any shortfall between the B-BBEE Retention Amount and Non-compliance Penalty imposed, withhold payment due to the Supplier in lieu of payment of the remaining shortfall or deduct (set off) the amount not paid by the Supplier from the account of the Supplier in the ensuing month.
- g) Should the Supplier's obligations:
  - be met in terms of the BBBEE Improvement Plan, the BBBEE Retention Amount shall be released within thirty (30) days of the date of verification of compliance by the Supplier of its obligations in terms of the BBBEE Improvement Plan, at which time the monies shall be paid over to the Supplier; and
  - not be met, unless such failure is attributable to the occurrence of a Force Majeure Event, the Supplier shall forfeit the BBBEE Retention Amount and shall have no further claim against Transnet for the repayment of such amount.

SIGNED at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
SIGNATURE OF WITNESS

\_\_\_\_\_  
SIGNATURE OF RESPONDENT