
Transnet Freight Rail

an Operating Division **TRANSNET SOC LTD**

[Registration Number 1990/000900/30]

REQUEST FOR PROPOSAL (RFP)

FOR THE: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

RFP NUMBER	: HOAC HO 39576
ISSUE DATE	: 28 October 2022
COMPULSORY BRIEFING	: Monday, 07 November 2022 at 10:00am
CLOSING DATE	: 28 November 2022
CLOSING TIME	: 10:00am
TENDER VALIDITY PERIOD	: 12 weeks from closing date

Contents

Number	Heading
--------	---------

The Tender

Part T1: Tendering Procedures

- | | |
|------|--|
| T1.1 | Tender Notice and Invitation to Tender |
| T1.2 | Tender Data |

Part T2: Returnable Documents

- | | |
|------|-----------------------------|
| T2.1 | List of Returnable Document |
| T2.2 | Returnable Schedules |

The Contract

Part C1: Agreements and Contract Data

- | | |
|------|------------------------------|
| C1.1 | Form of Offer and Acceptance |
| C1.2 | Contract Data (Parts 1 & 2) |
| C1.3 | Form of Guarantee |

Part C2: Pricing Data

- | | |
|------|----------------------|
| C2.1 | Pricing Instructions |
| C2.2 | Price List |

Part C3: Scope of Work

- | | |
|------|---------------------|
| C3.1 | Service Information |
|------|---------------------|

Part C4: Affected Property

- | | |
|------|-------------------|
| C4.1 | Affected Property |
|------|-------------------|

T1.1 TENDER NOTICE AND INVITATION TO TENDER

SECTION 1: NOTICE TO TENDERERS

1. INVITATION TO TENDER

Responses to this Tender [hereinafter referred to as a **Tender**] are requested from persons, companies, close corporations or enterprises [hereinafter referred to as a Tenderer].

DESCRIPTION	On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, Central and Container Corridors
TENDER DOWNLOADING	This Tender may be downloaded directly from the National Treasury eTender Publication Portal at www.etenders.gov.za and the Transnet website at https://transnetetenders.azurewebsites.net (please use Google Chrome to access Transnet link) FREE OF CHARGE.
COMPULSORY TENDER CLARIFICATION MEETING	<p>A Compulsory Tender Clarification Meeting will be conducted at Sentrarrand (Transnet), Du Randt Street, Alberton on Monday 07 November 2022, at 10:00am [10 O'clock] for a period of ± 2 (two) hours. [Tenderers to provide own transportation and accommodation].</p> <p>The Compulsory Tender Clarification Meeting will start punctually and information will not be repeated for the benefit of Tenderers arriving late.</p> <p>A Site visit/walk will take place, tenderers are to note:</p> <ul style="list-style-type: none"> • Tenderers are required to wear safety shoes, goggles, long sleeve shirts, high visibility vests and hard hats. • Tenderers without the recommended PPE will not be allowed on the site walk. • Tenderers and their employees, visitors, clients and customers entering Transnet Offices, Depots, Workshops and Stores will have to undergo breathalyser testing. • All forms of firearms are prohibited on Transnet properties and premises. • The relevant persons attending the meeting must ensure that their identity documents, passports or drivers licences are on them for inspection at the access control gates. <p>Certificate of Attendance in the form set out in the Returnable Schedule T2.2-01 hereto must be completed and submitted with your Tender as proof of attendance is required for a compulsory site meeting and/or tender briefing.</p>

	<p>Tenderers are required to bring this Returnable Schedule T2.2-01 to the Compulsory Tender Clarification Meeting to be signed by the <i>Employer's</i> Representative.</p> <p>Tenderers failing to attend the compulsory tender briefing will be disqualified.</p>
CLOSING DATE	<p>28 November 2022 at 10:00 am</p> <p>Tenderers must ensure that tenders are uploaded timeously onto the system. If a tender is late, it will not be accepted for consideration.</p>

2. TENDER SUBMISSION

Transnet has implemented a new electronic tender submission system, the e-Tender Submission Portal, in line with the overall Transnet digitalization strategy where suppliers can view advertised tenders, register their information, log their intent to respond to bids and upload their bid proposals/responses on to the system.

a) The Transnet e-Tender Submission Portal can be accessed as follows:

Log on to the Transnet eTenders management platform website (<https://transnetetenders.azurewebsites.net>);

- Click on "ADVERTISED TENDERS" to view advertised tenders;
- Click on "SIGN IN/REGISTER – for bidder to register their information (must fill in all mandatory information);
- Click on "SIGN IN/REGISTER" - to sign in if already registered;
- Toggle (click to switch) the "Log an Intent" button to submit a bid;
- Submit bid documents by uploading them into the system against each tender selected.
- **Tenderers are required to ensure that electronic bid submissions are done at least a day before the closing date to prevent issues which they may encounter due to their internet speed, bandwidth or the size of the number of uploads they are submitting. Transnet will not be held liable for any challenges experienced by bidders as a result of the technical challenges. Please do not wait for the last hour to submit. A Tenderer can upload 30mb per upload and multiple uploads are permitted.**

b) The tender offers to this tender will be opened as soon as possible after the closing date and time. Transnet shall not, at the opening of tenders, disclose to any other company any confidential details pertaining to the Tender Offers / information received, i.e. pricing, delivery, etc. The names and locations of the Tenderers will be divulged to other Tenderers upon request.

-
- c) Submissions must not contain documents relating to any Tender other than that shown on the submission.

3. CONFIDENTIALITY

All information related to this RFP is to be treated with strict confidentiality. In this regard Tenderers 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 Works, which is either directly or indirectly related to Transnet's business, written approval to divulge such information must be obtained from Transnet.

4. DISCLAIMERS

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

- 4.1. Award the business to the highest scoring Tenderer/s unless objective criteria justify the award to another tenderer.
- 4.2. Not necessarily accept the lowest priced tender or an alternative Tender;
- 4.3. Go to the open market if the quoted rates (for award of work) are deemed unreasonable;
- 4.4. Should the Tenderers be awarded business on strength of information furnished by the Tenderer, which after conclusion of the contract is proved to have been incorrect, Transnet reserves the right to terminate the contract;
- 4.5. Request audited financial statements or other documentation for the purposes of a due diligence exercise;
- 4.6. Not accept any changes or purported changes by the Tenderer to the tender rates after the closing date;
- 4.7. Verify any information supplied by a Tenderer by submitting a tender, the Tenderer/s hereby irrevocably grant the necessary consent to the Transnet to do so;
- 4.8. Conduct the evaluation process in parallel. The evaluation of Tenderers at any given stage must therefore not be interpreted to mean that Tenderers have necessarily passed any previous stage(s);

- 4.9. Unless otherwise expressly stated, each tender lodged in response to the invitation to tender shall be deemed to be an offer by the Tenderer. The Employer has the right in its sole and unfettered discretion not to accept any offer.
- 4.10. Not be held liable if tenderers do not provide the correct contact details during the clarification session and do not receive the latest information regarding this RFP with the possible consequence of being disadvantaged or disqualified as a result thereof.
- 4.11. Transnet reserves the right to exclude any Tenderers from the tender process who has been convicted of a serious breach of law during the preceding 5 [five] years including but not limited to breaches of the Competition Act 89 of 1998, as amended. Tenderers are required to indicate in tender returnable [clause 12 on T2.2-16], [**Breach of Law**] whether or not they have been found guilty of a serious breach of law during the past 5 [five] years.
- 4.12. Transnet reserves the right to perform a risk analysis on the preferred tenderer to ascertain if any of the following might present an unacceptable commercial risk to the employer:
- *unduly high or unduly low tendered rates or amounts in the tender offer;*
 - *contract data of contract provided by the tenderer; or*
 - *the contents of the tender returnables which are to be included in the contract.*
- 4.13. Transnet reserves the right to award the tender to more than one tenderer.
5. Transnet will not reimburse any Tenderer for any preparatory costs or other work performed in connection with this Tender, whether or not the Tenderer is awarded a contract.

6. NATIONAL TREASURY'S CENTRAL SUPPLIER DATABASE

Tenderer 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. The CSD can be accessed at <https://secure.csd.gov.za/>. Tenderer are required to provide the following to Transnet in order to enable it to verify information on the CSD:

Supplier Number..... and Unique registration reference number.....(**Tender Data**)

Transnet urges its clients, suppliers and the general public
to report any fraud or corruption to
TIP-OFFS ANONYMOUS: 0800 003 056 OR Transnet@tip-offs.com

T1.2 TENDER DATA

The conditions of tender are the Standard Conditions of Tender as contained in Annex C of the CIDB Standard for Uniformity in Engineering and Construction Works Contracts. The Standard for Uniformity in Construction Procurement was first published in Board Notice 62 of 2004 in Government Gazette No 26427 of 9 June 2004. It was subsequently amended in Board Notice 67 of 2005 in Government Gazette No 28127 of 14 October 2005, Board Notice 93 of 2006 in Government Gazette No 29138 of 18 August 2006, Board Notice No 9 of 2008 in Government Gazette No 31823 of 30 January 2009, Board Notice 86 of 2010 in Government Gazette No 33239 of 28 May 2010, Board Notice 136 of 2015 in Government Gazette 38960 of 10 July 2015 and Board Notice 423 of 2019 in Government Gazette No 42622 of 8 August 2019.

This edition incorporates the amendments made in Board Notice 423 of 2019 in Government Gazette 42622 of 8 August 2019. (see www.cidb.org.za).

The Standard Conditions of Tender make several references to Tender data for detail that apply specifically to this tender. The Tender Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the Standard Conditions of Tender.

Each item of data given below is cross-referenced in the left-hand column to the clause in the Standard Conditions of Tender to which it mainly applies.

Clause	Data
C.1.1 The <i>Employer</i> is	Transnet SOC Ltd (Reg No. 1990/000900/30)
C.1.2 The tender documents issued by the <i>Employer</i> comprise:	
Part T: The Tender	
Part T1: Tendering procedures	T1.1 Tender notice and invitation to tender T1.2 Tender data
Part T2 : Returnable documents	T2.1 List of returnable documents T2.2 Returnable schedules
Part C: The contract	
Part C1: Agreements and contract data	C1.1 Form of offer and acceptance C1.2 Contract data (Part 1 & 2) C1.3 Form of Securities
Part C2: Pricing data	C2.1 Pricing instructions : Option A

		C2.2 Price List
	Part C3: Scope of work	C3.1 Service Information
	Part C4: Affected Property	C4.1 Affected Property
C.1.4	The Employer's agent is:	Procurement Lead
	Name:	Mbuyiswa Sekele
	Address:	15 Girton Road, Inyanda House 2, Park Town, Johannesburg, 2001
	Tel No.	011 308 1265
	E – mail	Mbuyiswa.Sekele@transnet.net
C.2.1	Only those tenderers who satisfy the following eligibility criteria are eligible to submit tenders:	
	1. Stage One - Eligibility with regards to attendance at the compulsory clarification meeting: An authorised representative of the tendering entity or a representative of a tendering entity that intends to form a Joint Venture (JV) must attend the compulsory clarification meeting in terms C2.7	
	<i>Any tenderer that fails to meet the stipulated pre-qualifying criteria will be regarded as an unacceptable tender.</i>	
	2. Stage Two - Eligibility in terms of the Construction Industry Development Board:	
	a) Only those tenderers who are registered with the CIDB, or are capable of being so prior to the evaluation of submissions, in a contractor grading designation equal to or higher than a contractor grading designation determined in accordance with the sum tendered or a value determined in accordance with Regulation 25 (1B) or 25(7A) of the Construction Industry Development Regulations, designation of 8EP or higher class of construction work, are eligible to have their tenders evaluated.	
	b) Joint Venture (JV) Joint ventures are eligible to submit tenders subject to the following: <ol style="list-style-type: none"> every member of the joint venture is registered with the CIDB; the lead partner has a contractor grading designation of not lower than one level below the required class of construction works under consideration and possesses the required recognition status; and the combined Contractor grading designation calculated in accordance with the Construction Industry Development Regulations is equal to or higher than a 	

Contractor grading designation determined in accordance with the sum tendered for a **8EP** or higher class of construction work or a value determined in accordance with Regulation 25(1B) or 25(7A) of the Construction Industry Development Regulations

4. The tenderer shall provide a certified copy of its signed joint venture agreement.

Any tenderer that fails to meet the stipulated pre-qualifying criteria will be regarded as an unacceptable tender.

3. Stage Three - Pre-qualification criteria for preferential procurement in terms of the Preferential Procurement Regulations, 2017:

- a) A tenderer having a stipulated minimum B-BBEE status level of contributor of 1

Any tenderer that fails to meet the stipulated pre-qualifying criteria will be regarded as an unacceptable tender.

4. Stage Four - Local Production and Content in terms of the Preferential Procurement Regulations, 2017:

3.1 COMPULSORY LOCAL CONTENT THRESHOLD

In terms of section 8(1) of the Preferential Procurement Regulations, 2017, 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 all the Sectors" stipulated in the table below, Transnet is required to set a stipulated minimum threshold for local content.

3.1.1 Local Content Threshold

A Local Content threshold as per table below will be required for the goods specified in Annexure B: Declaration Certificate for Local Production and Content SBD 6.2 & Annexure C: Local Content Declaration: Summary Schedule, to be manufactured by a successful Respondent.

DESCRIPTION OF SERVICES, WORKS OR GOODS	STIPULATED MINIMUM THRESHOLDS
Transformers, shunt reactors and associated equipment	
Copper - Winding Material	100%
Transformer oil	100%
Bushings	100%
Spray-paint the whole transformer	100%
Testing	100%
Valve Products and Actuators	
Drain valves	70%

Only locally produced or locally manufactured services, works or goods with a minimum threshold for local production and content will be considered. If the quantity of materials and/or products required cannot be wholly sourced from South African based manufacturers and/or at the designated local content threshold at any particular time, a bidders should obtain written approval from the dtic to supply the remaining portion at a lower local content threshold. Such approval application should be submitted and obtained prior to the closing of the bid. The dtic, in consultation with Transnet, will grant such approval on a case-by-case basis and will consider the following:

- required volumes in the particular bid;
- available collective South African industry manufacturing capacity at that time;
- delivery times;
- availability of input materials and components;
- technical considerations including operating conditions;
- materials of construction; and
- Security of supply and emergencies.

3.1.2 Local Content Notes

3.1.2.1 The exchange rate to be used for the calculation of local production and content must be the exchange rate published by the South African Reserve Bank (SARB) on the date of the advertisement of the tender;

3.1.2.2 Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content;

3.1.2.3 The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the following formula which must be disclosed in the bid documentation:

$$LC = [1 - x/y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the SARB at 12:00 on the date of advertisement of the bid.

3.1.2.4 The SABS approved technical specification number SATS 1286:2011 and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)] are accessible to all

potential tenderers on the DTI's official website; <http://www.the dti.gov.za/industrial development/ip.jsp> at no cost.

3.1.2.5 The rates of exchange quoted by the tenderer in paragraph 4.1 of Returnable Schedule (the Declaration Certificate for Local Production and Content for Designated Sectors) will be verified for accuracy.

3.1.2.6 Declaration Certificate for Local Production and Content (SBD 6.2) together with the Annex C (Local Content Declaration: Summary Schedule) must be completed, duly signed and submitted at the closing date and time of the bid;

3.1.2.7 Tenderers must familiarise themselves with all the information provided in the Local Content instruction notes with particular reference to paragraph 4 of the instruction notes.

3.1.2.8 Respondents are to ensure that they complete the local content annexures in line with the provisions made in the Guidance Document for the calculation of Local Content. Failure to comply will lead to disqualification.

3.1.3 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:

Annexure B – Declaration Certificate for Local Production and Content [SBD 6.2]

Annexure C – Local Content Declaration: Summary Schedule

Annexure B and C must be completed and submitted even if a complete Local Content exemption letter from DTI has been obtained.

To the extent that an exemption from Local Content has been granted by the DTI, the exemption letter from DTI will be a mandatory returnable document.

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
- Annexure F - Guidance Document for the calculation of Local Content

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.

Although Annexure D and Annexure E need not be submitted with Proposals, Transnet reserves the right to call for these Supporting Schedules if required.

3.1.4 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.

3.1.5 Exchange Rate Verification

The rate of exchange quoted by the Respondent in the declaration certificates (Annexure B – Declaration Certificate for Local Production & Content [SBD 6.2] and Annexure C – Local Content Declaration: Summary Schedule) will be verified for accuracy as per the requirement of National Treasury Instruction Notes and Circulars.

3.1.6 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.

Any tenderer that fails to meet the stipulated pre-qualifying criteria will be regarded as an unacceptable tender.

5. Stage Five - Functionality

Only those tenderers who obtain the minimum qualifying score for functionality will be evaluated further in terms of price and the applicable preference point system. The minimum qualifying for score for functionality is **70** points.

The evaluation criteria for measuring functionality and the points for each criteria and, if any, each sub-criterion are as stated in C3.11 below.

Any tenderer that fails to meet the stipulated pre-qualifying criteria will be regarded as an unacceptable tender.

C.2.7 The arrangements for a compulsory clarification meeting are as stated in the Tender Notice and Invitation to Tender. **Tenderers must complete and sign the attendance register.** Addenda will be issued to and tenders will only be received from those tendering entities including those entities that intends forming a joint venture appearing on the attendance register.

Tenderers are also **required to bring their RFP document to the briefing session and have their returnable document T2.2-1 certificate of attendance** signed off by the Employer's authorised representative.

C.2.12 No alternative tender offers will be considered.

C.2.13.3 Each tender offer shall be in the **English Language**.

C.2.13.5 The *Employer's* details and identification details that are to be shown on each tender offer package are as follows:

Identification details:	<p>The tender documents must be uploaded with:</p> <ul style="list-style-type: none"> ▪ Name of Tenderer: (insert company name) ▪ Contact person and details: (insert details) ▪ The Tender Number: ▪ The Tender Description
-------------------------	--

Documents must be marked for the attention of:
Employer's Agent:

C.2.13.9 Telephonic, telegraphic, facsimile or e-mailed tender offers will not be accepted.

C.2.15 The closing time for submission of tender offers is:
Time: **10:00 am** on the **28 November 2022**
Location: The Transnet e-Tender Submission Portal:
(<https://transnetetenders.azurewebsites.net>);

NO LATE TENDERS WILL BE ACCEPTED

C.2.16 The tender offer validity period is **12 weeks** after the closing date. Tenderers are to note that they may be requested to extend the validity period of their tender, on the same terms and conditions, if Transnet's internal evaluation and governance approval processes has not been finalised within the validity period.

C.2.23 The tenderer is required to submit with his tender:

1. A valid Tax Clearance Certificate issued by the South African Revenue Services.
Tenderers also to provide Transnet with a TCS PIN to verify Tenderers compliance status.

2. A **valid B-BBEE 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 51% black ownership or more together with the tender;
3. A valid CIDB certificate in the correct designated grading;
4. Proof of registration on the Central Supplier Database;
5. Letter of Good Standing with the Workmen's compensation fund by the tendering entity or separate Letters of Good Standing from all members of a newly constituted JV.

Note: Refer to Section T2.1 for List of Returnable Documents

C3.11 The minimum number of evaluation points for functionality is: **70**

The procedure for the evaluation of responsive tenders is Functionality, Price and Preference:

Only those tenderers who attain the minimum number of evaluation points for Functionality will be eligible for further evaluation, failure to meet the minimum threshold will result in the tender being disqualified and removed from any further consideration.

Functionality Criteria

The functionality criteria and maximum score in respect of each of the criteria are as follows:

Functionality criteria	Sub-criteria	Maximum number of points
T2.2-04 Previous Experience	Transformer On – Site repair projects successfully completed and the references (Bidder's former clients and contacts)	25
T2.2-05 Availability of equipment and other resources	- Industrial Generator, - Oil Purification Plant/Vacuum Pump, -Transformer Hydraulic Jacks, - Oil Storage Containers and - Electrical Test Elements. All On-Site Major Resources available.	30
T2.2-06 Project Management Organogram,	- Boiler Maker, - Electrical Team (Master Electrician & Testing Technicians),	

Management & CVs of Key persons:	- Purification Processor, - Unit Refurbishing Team and - Crane Operator Note: (CV's & Qualifications to be attached)	30
T2.2-07 Plan	Delivery Period: On Emergency Repairs for Traction/Distribution Transformer – where the scope of works entails:- Bushing failure and replacement, joining of power lead and complete re-gasketing, oil refilling and purification as per applicable engineering standards and good practice.	15
Maximum possible score for Functionality		100

Functionality shall be scored independently by not less than 3 (three) evaluators and averaged in accordance with the following schedules:

- T2.2-04 - Evaluation Schedule: Previous experience
- T2.2-05 - Evaluation Schedule: Availability of equipment and other resources
- T2.2-06 - Evaluation Schedule: Project Organogram, Management & CV's
- T2.2-07 - Evaluation Schedule: Plan

Each evaluation criteria will be assessed in terms of scores of 0, 20, 40, 60, 80 or 100 (linear scale). The scores of each of the evaluators will be averaged, weighted and then totalled to obtain the final score for functionality, unless scored collectively. (See CIDB Inform Practice Note #9).

Note: Any tender not complying with the above mentioned requirements, will be regarded as non-responsive and will therefore not be considered for further evaluation. This note must be read in conjunction with Clause C.2.1.

-
- C.3.11. Only tenders that achieve the minimum qualifying score for functionality will be evaluated further in accordance with the 90/10 preference points systems as described in Preferential Procurement Regulations 6.

90 where the financial value of one or more responsive tenders received have a value equal to or above R50 million, inclusive of all applicable taxes.

Up to 100 minus W_1 tender evaluation points will be awarded to tenderers who complete the preferencing schedule and who are found to be eligible for the preference claimed. **Should the BBBEE rating not be provided, tenderers with no verification will score zero points for preferencing.**

Note: Transnet reserves the right to carry out an independent audit of the tenderers scorecard components at any stage from the date of close of the tenders until completion of the contract.

-
- C.3.13 Tender offers will only be accepted if:

1. The tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector;
2. the tenderer does not appear on Transnet's list for restricted tenderers and National Treasury's list of Tender Defaulters;
3. the tenderer has fully and properly completed the Compulsory Enterprise Questionnaire and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the Employer or potentially compromise the tender process and persons in the employ of the state.
4. Transnet reserves the right to award the tender to the tenderer who scores the highest number of points overall, unless there are **objective criteria** which will justify the award of the tender to another tenderer. Objective criteria include but are not limited to the outcome of a due diligence exercise to be conducted. The due diligence exercise may take the following factors into account inter alia;

the tenderer:

- a) is not under restrictions, or has principals who are under restrictions, preventing participating in the employer's procurement,
-

- b) can, as necessary and in relation to the proposed contract, demonstrate that he or she possesses the professional and technical qualifications, professional and technical competence, financial resources, equipment and other physical facilities, managerial capability, reliability, experience and reputation, expertise and the personnel, to perform the contract,
- c) has the legal capacity to enter into the contract,
- d) is not insolvent, in receivership, under Business Rescue as provided for in chapter 6 of the Companies Act, 2008, bankrupt or being wound up, has his affairs administered by a court or a judicial officer, has suspended his business activities, or is subject to legal proceedings in respect of any of the foregoing,
- e) complies with the legal requirements, if any, stated in the tender data and
- f) is able, in the option of the employer to perform the contract free of conflicts of interest.

C.3.17 The number of paper copies of the signed contract to be provided by the Employer is 1 (one).

T2.1 List of Returnable Documents

2.1.1 These schedules are required for pre-qualification and eligibility purposes:

T2.2-01 Eligibility with regards to attendance at the compulsory clarification meeting:

An authorised representative of the tendering entity or a representative of a tendering entity that intends to form a Joint Venture (JV) must attend the compulsory clarification meeting in terms C2.7

T2.2-02 CIDB: Eligibility Criteria Schedule - CIDB Registration

PPPFA: Pre-qualification Criteria Schedule

Valid proof of Respondent's compliance to B-BBEE requirements stipulated in T2.2-14: CIDB SFU ANNEX G Compulsory Enterprise Questionnaire of this RFP

T2.2-03 PPPFA: Eligibility Criteria Schedule

- Annexure B: Declaration Certificate of Local Production and Content (SBD 6.2) and
- Annexure C - Local Content Declaration: Summary Schedule

Annexure B & C must be completed and submitted even if a complete Local Content exemption letter from DTI has been obtained)

2.1.2 CIDB: these schedules will be utilised for Functionality evaluation purposes:

T2.2-04 **Evaluation Schedule:** Previous experience

T2.2-05 **Evaluation Schedule:** Availability of equipment and other resources

T2.2-06 **Evaluation Schedule:** Management & CV's of Key Personnel

T2.2-07 **Evaluation Schedule:** Plan

2.1.3 Returnable Schedules:

General:

T2.2-08	Health and Safety Management
T2.2-09	Environmental Management
Annexure A	Risk Management Plan
T2.2-10	Authority to submit tender
T2.2-11	Record of addenda to tender documents
T2.2-12	Letter of Good Standing
T2.2-13	Risk Elements

Agreement and Commitment by Tenderer:

- T2.2-14 CIDB SFU ANNEX G Compulsory Enterprise Questionnaire
- T2.2-15 Non-Disclosure Agreement
- T2.2-16 RFP Declaration Form
- T2.2-17 RFP – Breach of Law
- T2.2-18 Certificate of Acquaintance with Tender Document
- T2.2-19 Service Provider Integrity Pact
- T2.2-20 Supplier Code of Conduct
- T2.2-24 Agreement in terms of Protection of Personal Information Act, 4 of 2013 ("POPIA")

1.3.2 Bonds/Guarantees/Financial/Insurance:

- T2.2-21 Insurance provided by the Contractor
- T2.2-22 Three (3) years audited financial statements

1.3.3 Transnet Vendor Registration Form:

- T2.2-23 Transnet Supplier Declaration Form

2.2 C1.1 Offer portion of Form of Offer & Acceptance**2.3 C1.2 Contract Data****2.4 C1.3 Forms of Securities****2.5 C2.1 Pricing Instructions Price List****2.6 C4 Affected Property**

T2.2-01: Eligibility Criteria Schedule:

Certificate of Attendance at Tender Clarification Meeting

This is to certify that

(Company Name)

Represented
by:

(Name and
Surname)

Was represented at the compulsory tender clarification meeting

Held at:		
On (date)		Starting time:

Particulars of person(s) attending the meeting:

Name

Signature

Capacity

Attendance of the above company at the meeting was confirmed:

Name

Signature

**For and on Behalf of the
Employers Agent.**

Date

T2.2-02: Eligibility Criteria Schedule - CIDB Grading Designation

Note to tenderers:

Tenderers are to indicate their CIDB Grading by filling in the table below. **Attach a copy of the CIDB Grading Designation or evidence of being capable of being so registered.**

CRS Number	Status	Grading	Expiry Date

1. Only those tenderers who are registered with the CIDB, or are capable of being so prior to the evaluation of submissions, in a contractor grading designation equal to or higher than a contractor grading designation determined in accordance with the sum tendered or a value determined in accordance with Regulation 25 (1B) or 25(7A) of the Construction Industry Development Regulations, for a **8EP** class of construction works, are eligible to have their tenders evaluated.

2. Joint Venture (JV)

Joint ventures are eligible to submit tenders subject to the following:

1. every member of the joint venture is registered with the CIDB;
2. the lead partner has a contractor grading designation of not lower than one level below the required class of construction works under consideration and possesses the required recognition status; and
3. the combined Contractor grading designation calculated in accordance with the Construction Industry Development Regulations is equal to or higher than a Contractor grading designation determined in accordance with the sum tendered for a **8EP** class of construction works or a value determined in accordance with Regulation 25(1B) or 25(7A) of the Construction Industry Development Regulations
4. the Contractor shall provide the employer with a certified copy of its signed joint venture agreement;
5. and in the event that the joint venture is an 'Incorporated Joint Venture' the Memorandum of Incorporation to be provided within 4 (four) weeks of the Contract Date.

SBD 6.2

T2.2-03: Pre-qualification Criteria Schedule: Declaration of Certificate for Local Production and Content for Designated Sectors

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) makes provision for the promotion of local production and content.
- 1.2. Regulation 8.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract 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.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on <http://www.thedti.gov.za/industrial-development/ip.jsp> at no cost.

- 1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

2. Definitions

- 2.1. **"bid"** includes written price quotations, advertised competitive bids or proposals;
- 2.2. **"bid price"** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **"contract"** means the agreement that results from the acceptance of a bid by an organ of state;



Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

- 2.4. **"designated sector"** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production, where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. **"duly sign"** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility(close corporation, partnership or individual).
- 2.6. **"imported content"** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.7. **"local content"** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. **"stipulated minimum threshold"** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **"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.
3. **The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

DESCRIPTION OF SERVICES, WORKS OR GOODS	STIPULATED MINIMUM THRESHOLDS
Transformers, shunt reactors and associated equipment	
Copper - Winding Material	100%
Transformer oil	100%
Bushings	100%
Spray-paint the whole transformer	100%
Testing	100%
Valve Products and Actuators	
Drain valves	70%

4. Does any portion of the services, works or goods offered have any imported content?

(*Tick applicable box*)

YES		NO	
-----	--	----	--

- 4.1. If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

5. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.



Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO. HOAC HO 39576

ISSUED BY: TRANSNET FREIGHT RAIL ON BEHALF OF TRANSNET SOC LTD

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on http://www.thdti.gov.za/industrial_development/ip.jsp. Bidders should first complete Declaration D. 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 in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names), do hereby declare, in my capacity as of (name of bidder entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Price of the Designated commodity Copper - Winding Material Ex Vat	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	100%
Local content %, as calculated in terms of SATS 1286:2011	

Price of the Designated commodity Transformer oil Ex Vat	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	100%
Local content %, as calculated in terms of SATS 1286:2011	

Price of the Designated commodity Bushings Ex Vat	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	100%
Local content %, as calculated in terms of SATS 1286:2011	



Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

Price of the Designated commodity Spray-paint the whole transformer Ex Vat	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	100%
Local content %, as calculated in terms of SATS 1286:2011	

Price of the Designated commodity Testing Ex Vat	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	100%
Local content %, as calculated in terms of SATS 1286:2011	

Price of the Designated commodity Drain valves Ex Vat	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	100%
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____ **DATE:** _____

WITNESS No. 1 _____ **DATE:** _____

WITNESS No. 2 _____ **DATE:** _____

NOTE TO TENDERERS: Failure to fully complete, declare, sign & date this SBD6.2 Declaration as well as the accompanying Annexure C "local content declaration - summary schedule" may result in the tender submission being non-responsive and disqualified from any further evaluation.



Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

Schedule A – Non-compliance for Local Content

Non-compliance Penalties for Local Content:

- a) If for any reason the *Contractor* is unable to achieve the local content undertaking, the *Contractor* must approach the Department of Trade and Industry ("DTI") to obtain exemption in order to supply the goods at a lower local content threshold. The *Contractor* is obliged to approach DTI for exemption within 10 (ten) days of determining that it is unable to achieve any milestone target or local content threshold.
- b) Should the DTI provide exemption, the *Contractor* shall be entitled to provide the goods at the lower local content threshold set by DTI. In such event, the Parties shall in good faith renegotiate the milestone targets or local content undertaking to ensure that the lowered local content thresholds are achieved.
- c) Should DTI not provide the necessary exemption, the *Contractor* shall be obliged to meet each milestone target as stated in the Local Content Plan or the local content undertaking.
- d) Should the *Contractor* fail to meet any milestone target or the local content undertaking, the following remedies shall apply without limiting any of the *Employer's* other rights in law:
 - i. The *Employer* shall afford the *Contractor* a period of thirty (30) days to remedy its non-compliance.
 - ii. Should the *Contractor* fail to meet its obligations within the further 30 day period, the *Contractor* shall pay a Non-Compliance penalty ("Non-compliance Penalty") to the *Employer* in respect of such Non-compliance as set out in clause iv below. The penalties shall be imposed per milestone measurement for non-delivery of committed values in the case of a Local Content Plan or shall be imposed against the non-delivery of committed values where local content undertakings must be met immediately.
 - iii. To the extent that the Actual Local Content Spend¹ is lower than the Required Local Content Spend² (or the Adjusted Required Local Content Spend³, as the case may be), the *Contractor* shall be liable for Penalties which is the difference in value between the Actual Local Content Spend and the Required Local Content Spend (or the Adjusted Required Local Content Spend, as the case may be) plus an additional percentage of such difference. Such Non-compliance Penalties shall be calculated and levied at the relevant milestones as stipulated in the Local Content Plan or shall be imposed against the non-delivery of committed values where local content undertakings must be met immediately, in accordance with clause iv below.
 - iv. Non-compliance penalties shall apply at the following rate: the difference in value between the Required Local Content Spend and the Actual Local Content Spend, plus 5% of such difference.
 - v. In order to guarantee that the *Contractor* meets its obligations in terms of the Local Content Plan or its committed local content undertaking, the *Employer* shall be entitled to retain a Non-compliance Penalty at the rate of 1% of every monthly payment due by the *Employer* to the *Contractor* over the contract period ("the Local Content Retention Amount"). The Local Content Retention Amount shall be set off against any penalties payable by the *Contractor* at any milestone assessment.

¹ Actual Local Content Spend means the monetary value of local content initiatives actually delivered by the Supplier during the period under review.

² Required Local Content Spend means the monetary value of local content obligations that the Supplier has agreed to deliver during the period under review.

³ Adjusted Required Local Content Spend means any adjustment to the Required Local Content Spend as prescribed by DTI through the process of exemption referred to in clause c) above and as agreed to between the parties, reduced to writing and signed by the parties.



Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

- e) Should no penalties be imposed during the duration of the contract, the *Employer* shall refund the full value of the Local Content Retention Amount to the *Contractor* at the end of the contract period.
- f) Should any unpaid penalties remain at the end of the contract period, then without limiting other rights that the *Employer* may have in law, the *Contractor* shall forfeit the Local Content Retention Amount and shall have no further claim against the *Employer* for the repayment of such amount.

Non-compliance Penalty Certificate:

- a) If any Non-compliance Penalty arises, the *Employer* shall issue a Non-compliance Penalty Certificate on the last day of each month during such Non-compliance indicating the Non-compliance Penalties which have accrued during that period.
- b) A Non-compliance Penalty Certificate shall be prima facie proof of the matters to which it relates. If the *Contractor* disputes any of the amounts set out in a Non-compliance Penalty Certificate:
 - the dispute shall be resolved in accordance with the provisions of the Contract; and
 - if pursuant to that referral, it is determined that the *Contractor* owes any amount to the *Employer* pursuant to the Non-compliance Penalty Certificate, then the *Contractor* shall pay such amount to the *Employer* within 10 (ten) Business Days of the determination made pursuant to such determination and an accompanying valid Tax Invoice.

Payment of Non-compliance Penalties:

- a) Subject to Clause i) above, the *Contractor* shall pay the Non-compliance Penalty indicated in the Non-compliance Penalty Certificate within 10 (ten) Business Days of the *Employer* issuing a valid Tax Invoice to the *Contractor* for the amount set out in that certificate. If the *Employer* does not issue a valid Tax Invoice to the *Contractor* for Non-compliance Penalties accrued during any relevant period, those Non-compliance Penalties shall be carried forward to the next period.
- b) The *Contractor* shall pay the amount due within 10 (ten) days after receipt of a valid Tax Invoice from the *Employer*; failing which Transnet shall, without prejudice to any other rights of the *Employer* under this Agreement, be entitled to call for payment which may be in any form the *Employer* deems reasonable and appropriate.
- c) It is agreed that the *Employer*, the DTI, the South African Bureau of Standards and/or any of their appointed agents shall be entitled to monitor, evaluate and audit the *Contractor's* compliance with its obligations under the Local Content Plan. To this end, the *Contractor* shall provide its full cooperation to the respective bodies referred to in this clause to ensure that effective monitoring, evaluation and auditing takes place.

The Non Compliance Penalties set forth in this Clause are stated exclusive of VAT. Any VAT payable on Non Compliance Penalties will be for the account of the *Contractor*.

Guidance Document for the Calculation of Local Content

1. DEFINITIONS

Unless explicitly provided in this guideline, the definitions given in SATS 1286:2011 apply.

2. GENERAL

2.1. Introduction

This guideline provides tenderers with a detailed description of how to calculate local content of products (goods, services and works) by components/material/services and enables them to keep an updated record for verification requirements as per the SATS 1286:2011 Annexure A and B.

The guideline consists of two parts, namely:

- a written guideline; and
- three declarations that must be completed:
 - Declaration C: “Local Content Declaration – Summary Schedule” (see Annexure C);
 - Declaration D: “Imported Content Declaration – Supporting Schedule to Annex C” (see Annexure D); and
 - Declaration E: “Local Content Declaration – Supporting Schedule to Annex C” (see Annexure E).

The guidelines and declarations should be used by tenderers when preparing a tender. A tenderer must complete Declarations D and E, and consolidate the information on Declaration C.

Annexure C must be submitted with the tender by the closing date and time as determined by the Tender Authority. The Tender Authority reserves the right to request that Declarations D and E also be submitted.

If the tender is successful, the tenderer must continuously update Declarations C, D and E with actual values for the duration of the contract.

NOTE:

Annexure A is a note to the purchaser in SATS 1286:2011; and
Annexure B is the Local Content Declaration IN SATS 1286:2011.

2.2. What is local content?

According to SATS 1286:2011, the local content of a product is the tender price less the value of imported content, expressed as a percentage. It is, therefore, necessary to first compute the imported value of a product to determine the local content of a product.

2.3. Categories: Imported and Local Content

The tenderer must differentiate between imported content and local content.

Imported content of a product by components/material/services is separated into two categories, namely:

- products imported directly by the tenderer; and
- products imported by a third party and supplied to the tenderer.

2.3.1. Imported Content

Identify the imported content, if any, by value for products by component/material/services. In the case of components/materials/services sourced from a South African manufacturer, agent, supplier or subcontractor (i.e. third party), obtain that information and Declaration D from the third party.

Calculate the imported content of components/materials/services to be used in the manufacture of the total quantity of the products for which the tender is to be submitted.

As stated in clause 3.2.4 of SATS 1286:2011: "If information on the origin of components, parts or materials is not available, it will be deemed to be imported content."

2.3.1.1. Imported directly by the tenderer:

When the tenderer import products directly, the onus is on the tenderer to provide evidence of any components/materials/services that were procured from a non-domestic source. The evidence should be verifiable and pertain to the tender as a whole. Typical evidence will include commercial invoices, bills of entry, etc.

When the tenderer procures imported services such as project management, design, testing, marketing, etc and makes royalty and lease payments, such payments relating to the tender must be included when calculating imported content.

2.3.1.2. Imported by a third party and supplied to the tenderer:

When the tenderer supplies components/material/services that are imported by any third party (for example, a domestic manufacturer, agent, supplier or subcontractor in the supply chain), the onus is on the tenderer to obtain verifiable evidence from the third party.

The tenderer must obtain Declaration D from all third parties for the related tender. The third party must be requested by the tenderer to continuously update Declaration D. Typical evidence of imported content will include commercial invoices, bills of entry etc.

When a third party procures imported services such as project management, design, testing, marketing etc. and makes royalty and lease payments, such payments relating to the tender must be included when calculating imported content.

2.3.1.3. Exempt Imported Content:

Exemptions, if any, are granted by the Department of Trade and Industry (**the dti**). Evidence of the exemptions must be provided and included in Annexure D.

2.3.2. Local Content

Identify and calculate the local content, by value for products by components/materials/services to be used in the manufacture of the total quantity of the products.

3. ANNEXURE C

3.1. Guidelines for completing Annexure C: Local Content Declaration – Summary Schedule

Note: The paragraph numbers correspond to the numbers in Annexure C.

C1. Tender Number

Supply the tender number that is specified on the specific tender documentation.

C2. Tender description

Supply the tender description that is specified on the specific tender documentation.

C3. Designated products

Supply the details of the products that are designated in terms of this tender (i.e. buses).

C4. Tender Authority

Supply the name of the tender authority.

C5. Tendering Entity name

Provide the tendering entity name (for example, Unibody Bus Builders (Pty) Ltd).

C6. Tender Exchange Rate

Provide the exchange rate used for this tender, as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

C7. Specified local content %

Provide the specified minimum local content requirement for the tender (i.e. 80%), as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MDB) 6.2.

C8. Tender item number

Provide the tender item number(s) of the products that have a local content requirement as per the tender specification.

C9. List of items

Provide a list of the item(s) corresponding with the tender item number.
This may be a short description or a brand name.

Calculation of local content

C10. Tender price

Provide the unit tender price of each item excluding VAT.

C11. Exempted imported content

Provide the ZAR value of the exempted imported content for each item, if applicable. These value(s) must correspond with the value(s) of column D16 on Annexure D.

C12. Tender value net of exempted imported content

Provide the net tender value of the item, if applicable, by deducting the exempted imported content (C11) from the tender price (C10).

C13. Imported value

Provide the ZAR value of the items' imported content.

C14. Local value

Provide the local value of the item by deducting the Imported value (C13) from the net tender value (C12).

C15. Local content percentage (per item)

Provide the local content percentage of the item(s) by dividing the local value (C14) by the net tender value (C12) as per the local content formula in SATS 1286.

Tender Summary

C16. Tender quantity

Provide the tender quantity for each item number as per the tender specification.

C17. Total tender value

Provide the total tender value by multiplying the tender quantity (C16) by the tender price (C10).

C18. Total exempted imported content

Provide the total exempted imported content by multiplying the tender quantity (C16) by the exempted imported content (C11). These values must correspond with the values of column D18 on Annexure D.

C19. Total imported content

Provide the total imported content of each item by multiplying the tender quantity (C16) by the imported value (C13).

C20. Total tender value

Total tender value is the sum of the values in column C17.

C21. Total exempted imported content

Total exempted imported content is the sum of the values in column C18. This value must correspond with the value of D19 on Annexure D.

C22. Total tender value net of exempted imported content

The total tender value net of exempt imported content is the total tender value (C20) less the total exempted imported content (C21).

C23. Total imported content

Total imported content is the sum of the values in column C19. This value must correspond with the value of D53 on Annexure D.

C24. Total local content

Total local content is the total tender value net of exempted imported content (C22) less the total imported content (C23). This value must correspond with the value of E13 on Annexure E.

C25. Average local content percentage of tender

The average local content percentage of tender is calculated by dividing total local content (C24) by the total tender value net of exempted imported content (C22).

4. ANNEXURE D

4.1. Guidelines for completing Annexure D: “Imported Content Declaration – Supporting Schedule to Annexure C”

Note: The paragraph numbers correspond to the numbers in Annexure D.

D1. Tender number

Supply the tender number that is specified on the specific tender documentation.

D2. Tender description

Supply the tender description that is specified on the specific tender documentation.

D3. Designated products

Supply the details of the products that are designated in terms of this tender (i.e. buses).

D4. Tender authority

Supply the name of the tender authority.

D5. Tendering entity name

Provide the tendering entity name (i.e. Unibody Bus Builders (Pty) Ltd).

D6. Tender exchange rate

Provide the exchange rate used for this tender, as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

Table A. Exempted Imported Content

D7. Tender item number

Provide the tender item number(s) of the product(s) that have imported content.

D8. Description of imported content

Provide a list of the exempted imported product(s), if any, as specified in the tender.

D9. Local supplier

Provide the name of the local supplier(s) supplying the imported product(s).

D10. Overseas supplier

Provide the name(s) of the overseas supplier(s) supplying the exempted imported product(s).

D11. Imported value as per commercial invoice

Provide the foreign currency value of the exempted imported product(s) disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).

D12. Tender exchange rate

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D13. Local value of imports

Convert the value of the exempted imported content as per commercial invoice (D11) into the ZAR value by using the tender exchange rate (D12) disclosed in the tender documentation.

D14. Freight costs to port of entry

Provide the freight costs to the South African Port of the exempted imported item.

D15. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the exempted imported product(s) as stipulated in the SATS 1286:2011.

D16. Total landed costs excl VAT

Provide the total landed costs (excluding VAT) for each item imported by adding the corresponding item values in columns D13, D14 and D15. These values must be transferred to column C11 on Annexure C.

D17. Tender quantity

Provide the tender quantity of the exempted imported products as per the tender specification.

D18. Exempted imported value

Provide the imported value for each of the exempted imported product(s) by multiplying the total landed cost (excl. VAT) (D16) by the

tender quantity (D17). The values in column D18 must correspond with the values of column C18 of Annexure C.

D19. Total exempted imported value

The total exempted imported value is the sum of the values in column D18. This total must correspond with the value of C21 on Annexure C.

Table B. Imported Directly By Tenderer

D20. Tender item numbers

Provide the tender item number(s) of the product(s) that have imported content.

D21. Description of imported content:

Provide a list of the product(s) imported directly by tender as specified in the tender documentation.

D22. Unit of measure

Provide the unit of measure for the product(s) imported directly by the tenderer.

D23. Overseas supplier

Provide the name(s) of the overseas supplier(s) supplying the imported product(s).

D24. Imported value as per commercial Invoice

Provide the foreign currency value of the product(s) imported directly by tenderer disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).

D25. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D26. Local value of imports

Convert the value of the product(s) imported directly by the tenderer as per commercial invoice (D24) into the ZAR value by using the tender exchange rate (D25) disclosed in the tender documentation.

D27. Freight costs to port of entry

Provide the freight costs to the South African Port of the product(s) imported directly by the tenderer.

D28. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the product(s) imported directly by the tenderer as stipulated in the SATS 1286:2011.

D29. Total landed costs excl VAT

Provide the total landed costs (excluding VAT) for each item imported directly by the tenderer by adding the corresponding item values in columns D26, D27 and D28.

D30. Tender quantity

Provide the tender quantity of the product(s) imported directly by the tenderer as per the tender specification.

D31. Total imported value

Provide the total imported value for each of the product(s) imported directly by the tenderer by multiplying the total landed cost (excl. VAT) (D29) by the tender quantity (D30).

D32. Total imported value by tenderer

The total value of imports by the tenderer is the sum of the values in column D31.

Table C. Imported by Third Party and Supplied to the Tenderer

D33. Description of imported content

Provide a list of the product(s) imported by the third party and supplied to the tenderer as specified in the tender documentation.

D34. Unit of measure

Provide the unit of measure for the product(s) imported by the third party and supplied to tenderer as disclosed in the commercial invoice.

D35. Local supplier

Provide the name of the local supplier(s) supplying the imported product(s).

D36. Overseas supplier

Provide the name(s) of the overseas supplier(s) supplying the imported products.

D37. Imported value as per commercial invoice

Provide the foreign currency value of the product(s) imported by the third party and supplied to the tenderer disclosed in the commercial invoice accepted by SARS.

D38. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D39. Local value of imports

Convert the value of the product(s) imported by the third party as per commercial invoice (D37) into the ZAR value by using the tender exchange rate (D38) disclosed in the tender documentation.

D40. Freight costs to port of entry

Provide the freight costs to the South African Port of the product(s) imported by third party and supplied to the tenderer.

D41. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the product(s) imported by third party and supplied to the tenderer as stipulated in the SATS 1286:2011.

D42. Total landed costs excluding VAT

Provide the total landed costs (excluding VAT) for each product imported by third party and supplied to the tenderer by adding the corresponding item values in columns D39, D40 and D41.

D43. Quantity imported

Provide the quantity of each product(s) imported by third party and supplied to the tenderer for the tender.

D44. Total imported value

Provide the total imported value of the product(s) imported by third party and supplied to the tenderer by multiplying the total landed cost (D42) by the quantity imported (D43).

D45. Total imported value by third party

The total imported value from the third party is the sum of the values in column D44.

Table D. Other Foreign Currency Payments

D46. Type of payment

Provide the type of foreign currency payment. (i.e. royalty payment for use of patent, annual licence fee, etc).

D47. Local supplier making the payment

Provide the name of the local supplier making the payment.

D48. Overseas beneficiary

Provide the name of the overseas beneficiary.

D49. Foreign currency value paid

Provide the value of the listed payment(s) in their foreign currency.

D50. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D51. Local value of payments

Provide the local value of each payment by multiplying the foreign currency value paid (D49) by the tender rate of exchange (D50).

D52. Total of foreign currency payments declared by tenderer and/or third party

The total of foreign currency payments declared by tenderer and/or a third party is the sum of the values in column D51.

D53. Total of imported content and foreign currency payment

The total imported content and foreign currency payment is the sum of the values in column D32, D45 and D52. This value must correspond with the value of C23 on Annexure C.

5. ANNEXURE E

5.1. Guidelines to completing Annexure E: “Local Content Declaration-Supporting Schedule to Annexure C”

The paragraph numbers correspond to the numbers in Annexure E

E1. Tender number

Supply the tender number that is specified on the specific tender documentation.

E2. Tender description

Supply the tender description that is specified on the specific tender documentation.

E3. Designated products

Supply the details of the products that are designated in terms of this tender (for example, buses/canned vegetables).

E4. Tender authority

Supply the name of the tender authority.

E5. Tendering entity name

Provide the tendering entity name (for example, Unibody Bus Builders (Pty) Ltd) Ltd).

Local Goods, Services and Works

E6. Description of items purchased

Provide a description of the items purchased locally in the space provided.

E7. Local supplier

Provide the name of the local supplier that corresponds to the item listed in column E6.

E8. Value

Provide the total value of the item purchased in column E6.

E9. Total local products (Goods, Services and Works)

Total local products (goods, services and works) is the sum of the values in E8.

E10. Manpower costs:

Provide the total of all the labour costs accruing only to the tenderer (i.e. not the suppliers to tenderer).

E11. Factory overheads:

Provide the total of all the factory overheads including rental, depreciation and amortisation for local and imported capital goods, utility costs and consumables. (Consumables are goods used by individuals and businesses that must be replaced regularly because they wear out or are used up. Consumables can also be defined as the components of an end product that are used up or permanently altered in the process of manufacturing, such as basic chemicals.)

E12. Administration overheads and mark-up:

Provide the total of all the administration overheads, including marketing, insurance, financing, interest and mark-up costs.

E13. Total local content:

The total local content is the sum of the values of E9, E10, E11 and E12. This total must correspond with C24 of Annexure C.



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

**TO: ACCOUNTING OFFICERS OF ALL NATIONAL DEPARTMENTS AND
CONSTITUTIONAL INSTITUTIONS**

**ACCOUNTING OFFICERS OF ALL MUNICIPALITIES AND MUNICIPAL
ENTITIES**

**ACCOUNTING AUTHORITIES OF ALL SCHEDULE 2 AND 3 PUBLIC
ENTITIES**

HEAD OFFICIALS OF PROVINCIAL TREASURIES

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 11 OF
2016/2017**

**INVITATION AND EVALUATION OF BIDS BASED ON A STIPULATED MINIMUM
THRESHOLD FOR LOCAL PRODUCTION AND CONTENT FOR VALVES PRODUCTS AND
ACTUATORS**

1. PURPOSE

- 1.1 The purpose of this Instruction is to regulate the environment within which Accounting Officers (AOs) and Accounting Authorities (AAs) may procure valves products and actuators which have been designated as a sector for local production and content.

2. BACKGROUND

- 2.1 The Preferential Procurement Regulations, 2011("the Regulations") issued in terms of Section 5 of the Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000) which came into effect on 7 December 2011, make a provision for the Department of Trade and Industry (**the dti**) to designate sectors in line with the national development and industrial policies for local production.
- 2.2 Regulation 9 (1) of the Regulations prescribes that, in the case of designated sectors, wherein the award of bids for local production and content is of critical importance, such bids must be advertised with a specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 2.3 **The dti** has designated and determined the stipulated minimum threshold for valves products, manual actuators (gearbox) and pneumatic actuators for local production and content.

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 11 OF 2016/2017
INVITATION AND EVALUATION OF BIDS BASED ON A STIPULATED MINIMUM THRESHOLD FOR LOCAL
PRODUCTION AND CONTENT FOR VALVES PRODUCTS AND ACTUATORS**

3. SECTOR DESIGNATION

- 3.1 The stipulated minimum threshold percentage for local production and content for the different types of valves products, manual actuators (gearbox) and pneumatic actuators is 70%.
- 3.2 To ensure that local production and content is discharged on manufacturing activities, the following valves products, manual actuators (gearbox) and pneumatic actuators which have been designated must be included in bid invitations:

Types of Valves	Pressure type	Size	Pressure Rating (or imperial equivalent)	% Local Content per unit
Check Valves (Non-Return valves, Reflux valves, Tilting Disk valves Double Door, Multi Door, Swing Check)	Low pressure	80mm-3500mm	PN6-PN25	70%
	High pressure	80mm-2500mm	Class 150 -1500 Metric PN25 - PN250	70%
Butterfly Valves (Rotating Disk valves, Rotary Control valve, Quarter Turn Gate valve)	Low pressure	80mm-3500mm	PN6-PN25	70%
	High pressure	80mm-3500mm	Class 150 -1500 Metric PN25 - PN250	70%
Ball Valves (Spherical valves, Rotary valves)	Low pressure	20-300mm	PN10-PN25	70%
	High pressure	20-600mm	Class 150 - 4500 Metric PN25 - PN450	70%
Gate Valves (RSVs, Wedge Gates, Sluice valves, Parallel Slides, Penstocks, Bonnet Gates, Scour valves)	Low pressure	15mm-1800mm	PN6 - PN25	70%
	High pressure	80mm-1800mm	Metric PN 25 - PN100	70%
Diaphragm Valves (Slurry valve or Saunders valve)	Low pressure	15mm-350mm	PN10, PN16 & PN 25	70%
Knife Gate Valves	Low pressure	40mm-1200mm	PN10 & PN16	70%
Safety or Relief Valves (Pressure valve or Vacuum valve)	Low pressure	15mm-32mm	PN16	70%
Taps, Cocks	Low pressure	Full range	N/A	70%
Pneumatic actuators - Double acting (Vein type, Linear Type, Scotch Yolk Type, Rotary Type, Double Crank Type, Rack & Pinion Type)	Low pressure	~392 000nm torque	N/A	70%

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 11 OF 2016/2017
INVITATION AND EVALUATION OF BIDS BASED ON A STIPULATED MINIMUM THRESHOLD FOR LOCAL
PRODUCTION AND CONTENT FOR VALVES PRODUCTS AND ACTUATORS**

Types of Valves	Pressure type	Size	Pressure Rating (or imperial equivalent)	% Local Content per unit
Pneumatic actuators - spring return (Vein type, Linear Type, Scotch Yolk Type, Rotary Type, Double Crank Type, Rack & Pinion Type)	Low pressure	~215 000nm torque	N/A	70%
Manual actuators (Gearboxes)	Low pressure	~200 000nm torque	N/A	70%
Fire Hydrants (Underground) Fire Deluge valve	Low pressure	65mm inlet	PN16	70%
Pressure Reducing valve (PRV) (Self-Regulating valve)	Low pressure	Full range	Full range	70%
Plug Valves (excluding expanding plug valves) (Double Block & Bleed valve)	Low pressure	20-600mm	PN10-PN26	70%
	High pressure	20-600mm	PN25-PN100	
Control valve (Globe Control valve, Piston Type Control valve)	Low pressure	25-600mm	PN10-PN25	70%
	High pressure	25-600mm	Class 150 -4500 Metric PN25 - PN750	
Air valve (Vacuum release valve)	Low pressure	50-300mm	PN10-PN25	
	High pressure	50-300mm	PN25-PN40	
Pinch valve (slurry valve)	Low pressure	50 -800mm	PN10 -PN40	
Disc valve	Low pressure	50-600mm	PN10-PN16	
Sleeve valve (Fixed Cone valves, Discharge valves, Scour valves, Howell Bungler valves Energy Dissipating valve)	Low pressure	Full range	PN 10 - PN25	

3.3 The minimum of 70% local content in the case of each individual valve, manual actuator (gearbox) and pneumatic actuator designated, must be made up of the following:

- 3.3.1 a combination of the use of locally produced and certified castings, forgings and/or fabrications, and
- 3.3.2 verifiable manufacturing activities that shall include as a minimum, machining, drilling, coating, assembling and testing of the valves in question.

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 11 OF 2016/2017
INVITATION AND EVALUATION OF BIDS BASED ON A STIPULATED MINIMUM THRESHOLD FOR LOCAL
PRODUCTION AND CONTENT FOR VALVES PRODUCTS AND ACTUATORS**

- 3.4 The averaging out of local content either across any number of valve and gearbox/actuator combinations, or locally made and imported valves/other items, is not allowable.
- 3.5 Each individual valve, manual actuator (gearbox) or pneumatic actuator is subject to the minimum of 70% Local Content threshold.
- 3.6 For further information, bidders and procuring State Organs may contact the Metals Fabrication, Capital and Rail Transport unit within **the dti** at telephone 012 394 1356 or email Thandi Phele at tphele@thedti.gov.za.
- 3.7 Bid specifications for the valves products and actuators referred to above may be done in collaboration with **the dti**.

4. INVITATION OF BIDS FOR VALVES PRODUCTS AND ACTUATORS

- 4.1 Bids in respect of valves products and actuators must be advertised with a specific bidding condition that:
- 4.1.1. Only locally manufactured valves products, manual actuators (Gearboxes) and pneumatic actuators with a stipulated minimum threshold for local production and content will be considered.
- 4.1.2. If the quantity; input materials; and/or components of valves products and actuators required cannot be wholly sourced from South African (SA) based manufacturers to achieve the designated local content threshold of 70% on a fully-built valve and/or manual actuator (gearbox) or pneumatic actuator at any particular time, bidders should request and obtain written exemption from **the dti**. Such exemption applications should be submitted and approvals should be obtained prior to the closure of the bid(s) concerned. **The dti**, in consultation with the procuring organ of state and the local industry, will consider the exemption applications on a case-by-case basis and will consider the following:
- required volumes in the particular bid;
 - available collective SA industry manufacturing capacity at that time;
 - delivery times;
 - availability of input materials and components;
 - technical considerations including operating conditions; and
 - materials of construction
- 4.1.3. Bidders must clearly indicate in their bids the quantities of designated valves, manual actuators (gearboxes) and pneumatic actuators to be supplied and the level of local content for each product
- 4.1.4. Organs of state may contact **the dti** in instances where the stipulated minimum threshold for local content cannot be met in order for **the dti** to verify and in consultation with the AO/AA provide directives in this regard.
- 4.2 AOs/AAs must stipulate in bid invitations that:
- 4.2.1. the exchange rate to be used for the calculation of local production and content must be the exchange rate published by the South African Reserve Bank (SARB) on the date of advertisement of the bid; and

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 11 OF 2016/2017
INVITATION AND EVALUATION OF BIDS BASED ON A STIPULATED MINIMUM THRESHOLD FOR LOCAL
PRODUCTION AND CONTENT FOR VALVES PRODUCTS AND ACTUATORS**

- 4.2.2. only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content
- 4.3 The Local Content (LC) expressed as a percentage of the bid price must be calculated in accordance with the following formula which must be disclosed in the bid documentation:

$$LC = \left(1 - \frac{x}{y}\right) * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

- In the case of turnkey products/projects x and y will only refer to the designated valve products, manual actuators (gearboxes) and pneumatic actuators in the project – refer to Clause 3.1 above
 - Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the SARB on the date of advertisement of the bid.
- 4.4 AOs/AAs must clearly stipulate in the bid documentation that the SABS approved technical specification number SATS 1286:2011 and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [**Annexure C** (Local Content Declaration: Summary Schedule), **D** (Imported Content Declaration: Supporting Schedule to **Annexure C**) and **E** (Local Content Declaration: Supporting Schedule to Annex C)] are accessible to all potential bidders on the dti's official website [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.
- 4.5 For the purpose of paragraphs 4.1, 4.2 and 4.3 above, the attached Declaration Certificates for Local Production and Content (SBD/MBD 6.2) must form part of the bid documentation. The SBD 6.2 is for use by all national and provincial departments, constitutional institutions and public entities listed in Schedules 2, 3A, 3B, 3C and 3D to the Public Finance Management Act whilst the MBD 6.2 is for use by all municipalities and municipal entities to which the Municipal Finance Management Act (MFMA) apply.
- 4.6 AOs/AAs must stipulate in the bid documentation that:
- 4.6.1 the Declaration Certificate for Local Production and Content (SBD / MBD 6.2) together with the **Annexure C** (Local Content Declaration: Summary Schedule) must be completed, duly signed and submitted by the bidder at the closing date and time of the bid; and
 - 4.6.2 the rates of exchange quoted by the bidder in paragraph 4.1 of the Declaration Certificate will be verified for accuracy.
- 5. EVALUATION OF BIDS FOR VALVES PRODUCTS AND ACTUATORS**
- 5.1 A two stage evaluation process may be followed to evaluate the bids received.
- 5.1.1 **First stage: Evaluation in terms of the stipulated minimum threshold for local production and content**

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 11 OF 2016/2017
INVITATION AND EVALUATION OF BIDS BASED ON A STIPULATED MINIMUM THRESHOLD FOR LOCAL
PRODUCTION AND CONTENT FOR VALVES PRODUCTS AND ACTUATORS**

- (a) Bids must be evaluated by line item (***no averaging allowed***) in terms of the minimum threshold stipulated in the bid documents.
- (b) The declaration made by the bidder in the Declaration Certificate for Local Content (SBD / MBD 6.2) and **Annexure C** (Local Content Declaration: Summary Schedule) must be used for this purpose. If the bid is for more than one product (i.e. more than one valve type, size or pressure rating or different model of manual actuator (gearbox) or pneumatic actuator, the local content percentages for each product contained in **Annexure C** must be used.
- (c) The amendment of the stipulated minimum threshold for local production and content is not allowed.
- (d) AOs / AAs must verify the accuracy of the rates of exchange quoted by the bidder in paragraph 4.1 of the Declaration Certificate for Local Content (SBD / MBD 6.2)

5.1.2 Second stage: Evaluation in terms of the 80/20 or 90/10 preference point systems

- (a) Only bids that achieve the minimum stipulated threshold for local production and content may be evaluated further. Unless otherwise exempted by the Minister of Finance, the evaluation must be done in accordance with the 80/20 or 90/10 preference point systems prescribed in Preferential Procurement Regulations, 2011.
- (b) AOs/AAs must ensure that contracts for valves products and actuators / components are awarded at prices that are market related taking into account, among others, the dti's pre-determined benchmark prices, value for money and economies of scale.
- (c) Where appropriate, prices may be negotiated with short listed or preferred bidders. Such negotiations must not prejudice any other bidders.

5.2 Benchmark / market related prices

- 5.2.1 AOs/AAs are required to ensure that reasonable or market related prices are secured for the valves, manual actuators (gearbox) and pneumatic actuators being procured taking into account factors such as benchmark prices, value for money and economies of scale.
- 5.2.2 For this purpose, AOs/AAs may approach **the dti** for assistance, where possible, with benchmark prices for the different classes and components of valves products and manual actuators (gearbox) and pneumatic actuators that have been designated for local production and content. **The dti** will be in a position to provide price references for the different products that have been designated for local production and content.

6. EVALUATION OF BIDS BASED ON FUNCTIONALITY

- 6.1 Whenever it is deemed necessary to evaluate bids on the basis of functionality, the prescripts contained in Regulation 4 of the Preferential Procurement Regulations, 2011 and paragraphs 6 and 11 of the Implementation Guide must be followed.

7. POST AWARD AND REPORTING REQUIREMENTS

- 7.1 Once bids are awarded, **the dti** must be:

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 11 OF 2016/2017
INVITATION AND EVALUATION OF BIDS BASED ON A STIPULATED MINIMUM THRESHOLD FOR LOCAL
PRODUCTION AND CONTENT FOR VALVES PRODUCTS AND ACTUATORS**

- 7.1.1 notified of all the successful bidders and the estimated value of the contracts; and
- 7.1.2 provided with copies of the contracts, the SBD/MBD 6.2 Certificates together with the Declaration C submitted by the successful bidders.
- 7.2 The purpose of the requirements of paragraph 7.1 above is for **the dti** to among others conduct compliance audits with a view to monitor the implementation of the industrial development strategies.
- 7.3 Contractors must not be allowed to sub-contract in such a manner that the local production and content of the individual products is reduced to below the stipulated minimum threshold.
- 7.4 Where, after the award of a bid, contractors experience challenges in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

8. CONTACT INFORMATION

- 8.1 Any enquiries in respect of Local Production and Content and all documents to be submitted to the dti must be directed as follows:**

The Department of Trade and Industry
Private Bag X84
Pretoria
0001
For Attention:
Dr Tebogo Makube
Chief Director: Industrial Procurement
Tel: (012) 394 3927
Fax: (012) 394 4927
EMAIL: TMakube@thedti.gov.za

9. APPLICABILITY

- 9.1 This Instruction applies to all national and provincial departments, constitutional institutions; public entities listed in Schedules 2 and 3 to the PFMA, and, municipalities and municipal entities to which the MFMA apply.

10. DISSEMINATION OF INFORMATION CONTAINED IN THIS INSTRUCTION

- 10.1 Heads of provincial treasuries are requested to bring the contents of this Instruction to the attention of Accounting Officers and supply chain management officials of their respective provincial departments.
- 10.2 Accounting Officers of national and provincial departments are requested to bring the contents of this instruction to the attention of Accounting Authorities and the supply chain management officials of Schedule 3A and 3C public entities reporting to their respective executive authorities.

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 11 OF 2016/2017
INVITATION AND EVALUATION OF BIDS BASED ON A STIPULATED MINIMUM THRESHOLD FOR LOCAL
PRODUCTION AND CONTENT FOR VALVES PRODUCTS AND ACTUATORS**

- 10.3 Accounting Officers of municipalities and municipal entities are requested to bring the contents of this instruction to the attention of the supply chain management officials of their municipalities and municipal entities.
- 10.4 Accounting Authorities of Schedule 2, 3B and 3D public entities are requested to bring the contents of this instruction to the attention of the supply chain management officials of their public entities.

11. NOTIFICATION TO THE AUDITOR-GENERAL

- 11.1 A copy of this Instruction will be forwarded to the Auditor-General for notification.

12. REPEAL OF INSTRUCTION DATED 6 FEBRUARY 2014

This Instruction repeals Instructions on invitation and evaluation of bids based on a stipulated minimum threshold for local production and content for valves products and actuators dated 21 July 2015 and effective on the date of issue and the similar Instruction issued on 11 February 2016 effective on 18 February 2016.

13. AUTHORITY FOR THIS INSTRUCTION AND EFFECTIVE DATE

- 13.1 This Instruction is issued in terms of Regulation 9(2) of the Preferential Procurement Regulations, 2011 and takes effect from the date of issue.

PP *M. Shitanga*
KENNETH BROWN
CHIEF PROCUREMENT OFFICER
DATE: 12/7/2016



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

TO: ACCOUNTING OFFICERS OF ALL NATIONAL DEPARTMENTS AND
CONSTITUTIONAL INSTITUTIONS

ACCOUNTING OFFICERS OF ALL MUNICIPALITIES AND MUNICIPAL ENTITIES

ACCOUNTING AUTHORITIES OF ALL SCHEDULE 2 AND 3 PUBLIC ENTITIES

HEAD OFFICIALS OF PROVINCIAL TREASURIES

NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 12 OF 2016/2017.

INVITATION AND EVALUATION OF BIDS BASED ON A STIPULATED MINIMUM THRESHOLD OF CONVERSION PROCESSES FOR LOCAL PRODUCTION AND CONTENT FOR TRANSFORMERS, SHUNT REACTORS AND ASSOCIATED EQUIPMENT

1 PURPOSE

- 1.1 The purpose of this instruction is to regulate the environment within which accounting officers (AOs) and accounting authorities (AAs) may procure **transformers, shunt reactors and associated equipment** which have been designated for local production and content.

2 BACKGROUND

- 2.1 The Preferential Procurement Regulations, 2011 ("the regulations") issued in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000) which came into effect on 7 December 2011, make provision for the Department of Trade and Industry (**the dti**) to designate sectors in line with the national development and industrial policies for local production.
- 2.2 Regulation 9 (1) of the Regulations prescribes that, in the case of designated sectors, wherein the award of bids for local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 2.3 **The dti** has designated and determined the stipulated minimum threshold for **transformers, shunt reactors and associated equipment** for local production and content.

3 PRODUCT DESIGNATION

- 3.1 A transformer can be defined as a device that transforms electrical power from one circuit to another. These devices have a critical role at various phases of the electricity delivery process, as the voltage of electricity produced in power stations may not be

suitable for transmission, whereas the voltage that is suitable for transmission may not be suitable for use by consumers. Table 1 categorises transformers in the classes.

Table 1: Classes of Transformers

Transformer Class	Power Rating, MVA (Range)	Voltage Rating, kV (Range)
Class 0	0.001 to 1	220V to 22
Class 1	1.25 to 160	11 to 132
Class 2	40 to 315	220 to 275
Class 3A	360 to 500	220 to 275
Class 3B	40 to 1000	320 to 400
Class 4	40 to 2000	>420 to 800

- 3.2 Whereas Shunt reactors are electrical devices which are intended to consume reactive power measured in volt amperes (VAr) produced by an electrical power system which leads to an increase in the system's energy efficiency. Shunt reactors are commonly used for reactive power compensation in long high-voltage transmission lines and cable systems, as well as power distribution systems. Table 2 provides the classes of shunt reactors in Mega Volt Ampere reactive (MVar) and voltage rating.

Table 2: Classes of Shunt Reactors

Shunt Reactor	Reactive Power Rating, MVar (Range)	Voltage Rating, kV (Range)
Class 1	<= 80 MVar	11kV to 132 kV
Class 2	>80 MVar	132kV to 275 kV
Class 3	100MVar - 250 MVar	>275kV – 420 kV
Class 4	>100MVar	>420kV – 765 kV

- 3.3 In this instruction, the classes are inclusive of transformers and shunt reactors.
- 3.4 Table 3 provides the stipulated minimum threshold for local content and production for transformers, shunt reactors and associated equipment categorised by classes. To ensure that the minimum local content designated is discharged on manufacturing activities, the components and conversion activities in the manufacture of transformers, shunt reactors and associated equipment are further designated and must also be included in bid invitations.

Table 3: Minimum Local Content Thresholds on Fully-Built Units

Table 3a: Minimum Local Content for Class 0

Classes of Transformers and Shunt Reactors	Local Content Threshold
	From the Effective Date
Class 0	90%

Table 3b: Minimum Local Content for Classes 1 and 2

Classes of Transformers and Shunt Reactors	Local Content Threshold	
	From the Effective Date	01/01/2018
Class 1	70%	80%
Class 2	70%	80%

Table 3c: Minimum Local Content for Classes 3 to 4

Classes of Transformers and Shunt Reactors	Local Content Threshold		
	From the Effective Date	01/01/2018	01/01/2020
Class 3	45%	60%	80%
Class 4	10%	20%	20%

- 3.5 To ensure that the above minimum local content on the different classes is achieved on the actual manufacturing activities, it must be discharged against the following components and manufacturing processes:

Table 4: Components and Manufacturing Process for Class 0

Components and manufacturing processes	% local content from the Effective Date
Fabrication of the tank ¹ and parts	100%
Fabrication of the core ²	100%
Manufacture ³ of windings and assembly	100%
Manufacture of bushings	100%
Off-circuit tap switch	100%
Oil (i.e. blending, processing and handling)	100%
Accessories Category A: Radiators Fans Kiosks Oil conservator Breather canisters	100%
Accessories Category B: Valves Cables	70% (by the valves instruction) 90% (by the cables instruction)
Assembly and Testing	100%

¹ Fabrication of the tank includes cutting, welding, sand-blasting and painting processes.

² Fabrication of the core includes sizing, slitting, cutting, stacking and clamping processes.

³ Manufacture of windings includes rolling, sizing and insulation.

Table 5: Components and Manufacturing Process for Class 1

Components and manufacturing processes	% local content from the Effective Date	% local content from 01/01/2018
Fabrication of the tank and parts	100%	100%
Fabrication of the core	100%	100%
Manufacture of windings and assembly	50%	100% (Conductors localised)
Oil (i.e. blending, processing and handling)	100%	100%
Accessories Category A: Radiators Fans Kiosks Oil conservator Breather canisters	100%	100%
Accessories Category B: Valves Cables	70% (by the valves instruction) 90% (by the cables instruction)	
Assembly and Testing	100%	100%

Table 6: Components and Manufacturing Process for Class 2

Components and manufacturing processes	% local content from the Effective Date	% local content from 01/01/2018
Fabrication of the tank and parts	100%	100%
Fabrication of the core	100%	100%
Manufacture of windings and assembly	50%	100% (Conductors localised)
Oil (i.e. blending, processing and handling)	100%	100%
Accessories Category A: Radiators Fans Kiosks Oil conservator Breather canisters	100%	100%
Accessories Category B: Valves Cables	70% (by the valves instruction) 90% (by the cables instruction)	
Assembly and Testing	100%	100%

Table 7: Components and Manufacturing Process for Class 3

Components and manufacturing processes	% local content from the Effective Date	% local content from 01/01/2018	% local content from 01/01/2020
Fabrication of the tank and parts	100%	100%	100%
Fabrication of the Core	-	-	100%
Windings processes	-	40% Winding conductors localised	100% Manufacture of windings and assembly inclusive of conductors localised
Oil (i.e. blending, processing and handling)	100%	100%	100%
Accessories Category A: Radiators Fans Kiosks Oil conservator Breather canisters	100%	100%	100%
Accessories Category B: Valves Cables	70% (by the valves instruction) 90% (by the cables instruction)		
Assembly and Testing	100%	100%	100%

Table 8: Components and Manufacturing Process for Class 4

Components and manufacturing processes	% local content from the Effective Date	% local content from 01/01/2018	% local content from 01/01/2020
Winding Conductor	-	100%	100%
Oil (i.e. blending, processing and handling)	100%	100%	100%
Accessories Category A: Radiators Fans Kiosks Oil conservator Breather canisters	100%	100%	100%
Accessories Category B: Valves Cables	70% (by the valves instruction) 90% (by the cables instruction)		

3.6 Table 3a, 3b and 3c must be read and applied in conjunction with Tables 4 to 8 to ensure that the local content requirements are discharged against the designated components and manufacturing processes.

INVITATION AND EVALUATION OF BIDS BASED ON A STIPULATED MINIMUM THRESHOLD OF CONVERSION PROCESSES FOR LOCAL PRODUCTION AND CONTENT FOR TRANSFORMERS, SHUNT REACTORS AND ASSOCIATED EQUIPMENT.

- 3.7 All primary steel related products: flat products (plates and coils) and long products (angles, sections and wire related products) are included in this designation and must be manufactured and sourced locally. This is to support and sustain the existing local steelmaking capacity.
- 3.8 The following primary input materials used in the manufacture of transformers, shunt reactors and associated equipment are deemed as local in this designation:
- steel products (i.e. laminated sheets, grain-oriented electrical core, amorphous core);
 - raw copper rod, sheets and twin enamelled epoxy conductor;
 - paper and boards for insulation;
 - aluminium billets and rod;
 - porcelain insulators (used in shunt reactor cores);
 - ceramics/porcelain; reinforced fibre glass and/or polymers; and
 - un-blended transformer oil.

These inputs should be imported in raw material form for further fabrication and processing in South Africa.

- 3.9 The imported input raw materials indicated in 3.8 used for the assembly and manufacture of transformers, shunt reactors and associated equipment will be deemed to have been sourced locally for the purposes of calculating local content.
- 3.10 The designated local content thresholds (on the components/conversion processes and on the overall) apply to new purchases; refurbishments, replacements and general overhauls.
- 3.11 Bidders must clearly indicate in their bids the quantities to be supplied and the level of local content for each product.
- 3.12 Organs of state may contact **the dti** in instances where the stipulated minimum threshold for local content cannot be met in order for **the dti** to verify and in consultation with the AO/AA provide directives in this regard.
- 3.13 For further information, bidders and procuring state organs may contact the Metals Fabrication, Capital and Rail Transport Equipment Unit within **the dti** at telephone 012 394 1356 or email Thandi Phele at Tphele@thedti.gov.za
- 3.14 Bid specifications for the designated products in this instruction may be may be done in collaboration with **the dti**.

4 INVITATION OF BIDS FOR TRANSFORMERS, SHUNT REACTORS AND ASSOCIATED EQUIPMENT

- 4.1 Bids in respect of transformers, shunt reactors and associated equipment (broken into classes as shown in tables 3 to 8 above) must contain a specific bidding condition which states that:
- 4.1.1 Only locally manufactured transformers, shunt reactors and associated equipment with a stipulated minimum threshold for local production and content will be considered.

- 4.2 If the quantity; input materials; and/or components of transformers, shunt reactors and associated equipment required cannot be wholly sourced from South African (SA) based manufacturers to achieve the designated local content threshold at any particular time, bidders should request and obtain written exemption from **the dti**. Such exemption applications should be submitted and approvals should be obtained prior to the closure of the bid(s) concerned. **the dti**, in consultation with the procuring organ of state and the local industry, will consider the exemption applications on a case-by-case basis and will consider the following:
- required volumes in the particular bid;
 - available collective SA industry manufacturing capacity at that time;
 - delivery times;
 - availability of input materials and components;
 - technical considerations including operating conditions and technical compliance protocol;
 - quality and reliability;
 - materials of construction;
 - security of supply and emergencies;
 - localisation plans aimed at establishing and/or increasing local manufacturing capacity through ramping-up of capital investments in the initial phases;
 - replacements of components/conversion processes on the existing fleet (i.e. transformers procured prior to the implementation of this instruction notes) in order to honour the warranties and guarantees.
- 4.3 Bidders must clearly indicate in their bids the quantities of transformers, shunt reactors and associated equipment to be supplied and the level of local content for each product.
- 4.4 Organs of state may contact **the dti** in instances where the stipulated minimum threshold for local content cannot be met in order for **the dti** to verify and in consultation with the AO/AA provide directives in this regard.
- 4.5 For further information, bidders and procuring state organs may contact the Metals Fabrication, Capital and Rail Transport unit within **the dti** at telephone 012 394 1356 or email Thandi Phele at TPhele@thedti.gov.za.
- 4.6 AOs/AAs must stipulate in bid invitations that:
- 4.6.1 The exchange rate to be used for the calculation of local production and content must be the exchange rate published by the South African Reserve Bank (SARB) on the date of the advertisement of the bid.
- 4.7 Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content.
- 4.8 The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the following formula which must be disclosed in the bid documentation:

$$LC = \left(1 - \frac{x}{y}\right) * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

- In the case of turnkey projects x and y will only refer to the value of the Transformers, Shunt reactors and associated equipment in the project
- Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the SARB on the date of advertisement of the bid.

- 4.9 AOs/AAs must clearly stipulate in the bid documentation that the SABS approved technical specification number SATS 1286:2011 and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)] are accessible to all potential bidders on the dti's official website http://www.thedti.gov.za/industrial_development/ip.jsp at no cost.
- 4.10 For the purpose of paragraphs 4.1, 4.2 and 4.3 above, the attached Declaration Certificates for Local Production and Content (SBD/MBD 6.2) must form part of the bid documentation. The SBD 6.2 is for use by all national and provincial departments, constitutional institutions and public entities listed in schedules 2, 3A, 3B, 3C and 3D to the Public Finance Management Act whilst the MBD 6.2 is for use by all municipalities and municipal entities to which the Municipal Finance Management Act (MFMA) apply.
- 4.11 AOs/AAs must stipulate in the bid documentation that:
- 4.11.1 the Declaration Certificate for Local Production and Content (SBD / MBD 6.2) together with the Annex C (Local Content Declaration: Summary Schedule) must be completed, duly signed and submitted by the bidder at the closing date and time of the bid; and
- 4.11.2 The rates of exchange quoted by the bidder in paragraph 4.1 of the Declaration Certificate will be verified for accuracy

5 EVALUATION OF BIDS FOR TRANSFORMERS, SHUNT REACTORS AND ASSOCIATED EQUIPMENT

- 5.1. A two stage evaluation process may be followed to evaluate the bids received.

5.1.1. First stage: Evaluation in terms of the stipulated minimum threshold for local production and content

- (a) Bids must be evaluated in terms of the minimum threshold stipulated in the bid documents.
- (b) The declaration made by the bidder in the Declaration Certificate for Local Content (SBD / MBD 6.2) and Annex C (Local Content Declaration: Summary Schedule) must be used for this purpose. If the

- bid is for more than one product, the local content percentages for each product contained in Annex C must be used.
- (c) The amendment of the stipulated minimum threshold for local production and content is not allowed.
 - (d) AOs/AAs must ensure that the **Declaration Certificate for Local Content** (SBD/MBD 6.2) and **Annex C** (Local Content Declaration: Summary Schedule) are submitted as part of the bid documentation.
 - (e) AOs/ AAs must verify the accuracy of the rates of exchange quoted by the bidder in paragraph 4.1 of the Declaration Certificate for Local Content (SBD / MBD 6.2)

5.1.2. Second stage: Evaluation in terms of the 80/20 or 90/10 preference point systems

- (a) Only bids that achieve the minimum stipulated threshold for local production and content may be evaluated further. Unless otherwise exempted by the Minister of Finance, the evaluation must be done in accordance with the 80/20 or 90/10 preference point systems prescribed in Preferential Procurement Regulations, 2011.
- (b) AOs/AAs must ensure that bids for products that are designated in this instruction are awarded at prices that are market related taking into account, among others, benchmarking prices, value for money and economies of scale.
- (c) Where appropriate, prices may be negotiated with short listed or preferred bidders. Such negotiations must not prejudice any other bidders.

6 BENCHMARK / MARKET RELATED PRICES

- 6.1. AOs/AAs are required to ensure that reasonable or market related prices are secured for the products being procured taking into account factors such as benchmark prices, value for money and economies of scale.
- 6.2. For this purpose, AOs/AAs may approach **the dti** to assist, where possible, with benchmark prices. **The dti** will be in a position to provide price references for the different products that have been designated for local production and content.

7 EVALUATION OF BIDS BASED ON FUNCTIONALITY

Whenever it is deemed necessary to evaluate bids on the basis of functionality, the prescripts contained in regulation 4 of the Preferential Procurement Regulations, 2011 and paragraphs 6 and 11 of the Implementation Guide must be followed.

8 POST AWARD AND REPORTING REQUIREMENTS

- 8.1 Once bids are awarded, **the dti** must be:
 - 8.1.1. Notified of all the successful bidders and the value of the contracts; and

- 8.1.2. Provided with copies of the contracts, the SBD/MBD 6.2 Certificates together with the annexure C submitted by the successful bidder(s).
- 8.2. The purpose of the requirements of paragraph 7.1 above is for **the dti** to among others, conduct compliance audits with a view to monitor the implementation of the industrial development strategies.
- 8.3. Contractors must not be allowed to sub-contract 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.
- 8.4. Where, after the award of a bid, contractors experience challenges in meeting the stipulated minimum threshold for local content **the dti** must be informed accordingly in order for **the dti** to verify and in consultation with the AO/AA provide directives in this regard.

9 CONTACT INFORMATION

- 9.1. Any enquiries in respect of Local Production and Content and all documents to be submitted to the dti must be directed as follows:**

The Department of Trade and Industry
Private Bag X 84
Pretoria
0001

For Attention:
Dr. Tebogo Makube
Chief Director: Industrial Procurement
Tel: (012) 394 3927
Fax: (012) 394 4927
EMAIL: TMakube@thedti.gov.za

10 APPLICABILITY

- 10.1. This instruction applies to all national and provincial departments, constitutional institutions, public entities listed in schedules 2 and 3 to the PFMA and municipalities and municipal entities to which the MFMA apply.

11 DISSEMINATION OF INFORMATION CONTAINED IN THIS INSTRUCTION

- 11.1. Heads of provincial treasuries are requested to bring the contents of this instruction to the attention of accounting officers and supply chain management officials of their respective provincial departments.
- 11.2. Accounting officers of national and provincial departments are requested to bring the contents of this instruction to the attention of accounting authorities and the supply chain management officials of Schedule 3A and 3C public entities reporting to their respective executive authorities.

11.3. Accounting officers of municipalities and municipal entities are requested to bring the contents of this instruction to the attention of the supply chain management officials of their municipalities and municipal entities.

11.4. Accounting authorities of Schedule 2, 3B and 3D public entities are requested to bring the contents of this instruction to the attention of the supply chain management officials of their public entities.

12. NOTIFICATION TO THE AUDITOR-GENERAL

12.1. A copy of this instruction will be forwarded to the Auditor-General for notification.

13. REPEAL OF INSTRUCTION DATED 28 SEPTEMBER 2015

13.1. The Instruction on invitation and evaluation of bids based on a stipulated minimum threshold of conversion processes for local production and content for transformers, shunt reactors and associated equipment dated 28 September 2015 and effective on 21 October 2015 is hereby repealed.

14. AUTHORITY FOR THIS INSTRUCTION AND EFFECTIVE DATE

13.1. The Minister of Finance has approved the issuance of this instruction in terms of regulation 9(2) of the regulations.

13.2. This instruction takes effect on **25 August 2016**.


KENNETH BROWN
CHIEF PROCUREMENT OFFICER
DATE:

29/7/2016.

T2.2-04: Evaluation Schedule: Previous Experience

Note to tenderers:

Tenderers are required to demonstrate performance in comparable projects of similar size and nature by supplying the following:

- A list of past / current comparable projects.
- Construction of similar works as detailed in the Works Information with reference to:
 - Civil /Building/Electrical/Mechanical works
 - Roadworks
 - Retaining structures related to the works information
 - Concrete Works related to the structures in works information
- Sufficient references to substantiate experience indicated (Client name and contact details, project description, duration and contract value)

Index of documentation attached to this schedule

	DOCUMENT NAME
1	
2	
3	
4	
5	
6	
7	

Score	Previous Experience
0	The Tenderer failed to address the question / issue. Has not submitted the required information.
20	The Tenderer's previous experience presented has no relevance to the scope of this project and did not address any of the required categories. Tenderers generally have experience in one (1) project relating to the scope of works. The tenderer has limited or poor evidence of previous experience.
40	The Tenderer's previous experience presented has some relevance to the project but lacks detail i.e. Description of previous projects, value and references.

	<p>Tenderers generally have experience in three (3) projects relating to scope of <i>works</i>.</p> <p>The tenderer lacks convincing evidence of knowledge of previous experience, specific to the <i>works</i>.</p>
60	<p>The Tenderer's previous experience presented demonstrates sufficient knowledge and experience to successfully execute this project scope. Tenderers generally have experience in four (4) projects relating to the scope of works. The tenderer has reasonable and relevant previous experience to the particular requirements of the <i>works</i>.</p>
80	<p>The Tenderer's previous experience presented demonstrates a real understanding and substantial evidence of the ability meet the stated project requirements. Tenderers generally have experience in five (5) projects relating to the scope of works. The tenderer has extensive previous experience in relation to the <i>works</i>.</p>
100	<p>The Tenderer's previous experience presented demonstrates real confidence extensive understanding in all of the categories as required. Tenderers generally have experience in more than five (5) projects relating to the scope of works. The tenderer has comprehensive previous experience in projects of a similar nature.</p>

T2.2-06: Evaluation Schedule - Management & CV's of Key Personnel

The tender must be able to demonstrate that the project personnel have sufficient knowledge, experience and qualifications to provide the required services and submit the following documents as a minimum with the tender:

1. The experience of assigned key persons in relation to the scope of work will be evaluated from three different points of view, namely:
 - i. Relevant experience – substation repairs/maintenance, transformer transportation and repairs, transformer oil leaks repairs, transformer testing and commissioning
 - ii. The education, training and skills of the assigned staff in the specific sector, field, subject, etc. which is directly linked to the Scope of Works. Proof of education and training must be attached to the C.V.
2. Comprehensive CV's should be attached to this schedule:

As a minimum each CV should address the following, but not limited to;

- i. Personal particulars
 - a. Name
 - b. Place (s) of tertiary education and dates associated therewith
 - c. Professional awards
- ii. Qualifications (degrees, diplomas, grades of membership of professional societies and professional registrations)
- iii. Name of current employer and position in enterprise
- iv. Overview of post graduate experience (year, organization and position)
- v. Outline of recent assignments / experience that has a bearing on the Scope of Works

List of Key Persons assigned to the above disciplines

No.	Key Persons	Name and Surname	CV attached (Yes/No)
1	Boiler Maker		
2	Electrical Team (Master Electrician & Testing technicians)		
3	Purification Processor		
4	Unit Refurbishing Team		
5	Crane Operator		

The scoring of the Management & CV's of Key Persons will be as follows:

	EVALUATION CRITERIA	WEIGHT	EFFECTIVE WEIGHT
	Personnel/Personnel Grouping: Boiler Maker, Electrical Team (Master Electrician & Testing Technicians), Purification Processor, Unit Refurbishing Team and Crane Operator – (provide personnel CVs and Qualification)	30%	
	0 personnel/personnel Grouping available		0
	1 personnel/personnel Grouping available		20
	2 personnel/personnel Grouping available		40
	3 personnel/personnel Grouping available		60
	4 personnel/personnel Grouping available		80
	All 5 personnel/personnel Grouping available		100

Index of documentation attached to this schedule:

.....

.....

.....

.....

T2.2-07: Evaluation Schedule: Plan

Note to tenderers:

Plan

The scoring of the Plan will be as follows:

	EVALUATION CRITERIA	WEIGHT	EFFECTIVE WEIGHT
	Delivery Period: On Emergency Repairs for Traction/Distribution Transformer – where the scope of works entails: - Bushing failure and replacement, joining of power lead and complete re-gasketing, oil refilling and purification as per applicable engineering standards and good practice.	15%	
	The Tenderer failed to address the question / issue. Has not submitted the required information.		0
	Delivery Period – equal/over 10 days or Delivery Period not indicated		20
	Delivery Period – equal to 9 days		40
	Delivery Period – equal to 8 days		60
	Delivery Period – equal to 7 days		80
	Delivery Period – less or equal to 5 days		100

Attachment A: Electronic Copy of Plan

T2.2-08: Returnable Schedule: Health and Safety Management

The tenderer must submit the following documents as a minimum with the tender submission:

1. Contract specific Health & Safety plan including the following:
 - a. Roles and responsibilities of legal appointees in terms of OHSA 85 of 1993 and its Regulations.
 - i. S16.1 CEO,
 - ii. S16.2 Assistant to CEO,
 - iii. CR8.1 Construction manager,
 - iv. CR8.2 Assistant Construction manager,
 - v. CR8.5 Construction Health & Safety officer,
 - vi. CR8.7 Construction Supervisor,
 - vii. CR8.8 Construction assistant supervisor,
 - viii. CR9.1 Risk Assessor
 - ix. Construction Health & Safety Manager
 - b. Roles and responsibilities of legal appointees in terms of Project and Construction Management Professional Act 48 of 2000
 - i. Construction Manager
 - ii. Project Manager
 - c. Valid Letter/s of Good Standing with the Workmen's compensation fund (Letters of Good Standing from all members of a newly formed JV).
 - d. Safety, Health & Environmental Company Policy signed by the accounting officer. Indicating as minimum the following five elements -
 - i. Commitment to Safety, prevention of pollution,
 - ii. Continual improvement,
 - iii. Compliance to legal requirements, appropriate to the nature of contractor's activities,
 - iv. Hold management accountable for development of the safety systems
 - v. Include objectives and targets.
 - e. Overview of Tenderer's SHE system for project
2. Overview of the tenderer's Risk Assessment methodology, and submission of risk assessments indicating major activities of the works and how the risks will be addressed and mitigated.
3. Synopsis of Health & Safety incidents, description, type and action taken to prevent re-occurrence and submission of completed cost breakdown sheet within the last five years.

Attached submissions to this schedule:

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

T2.2-07 Health and Safety Cost Breakdown

Tenderer (Company)	Responsible Person	Designation	Date
Project/Tender Title	Project/Tender No.	Project Location / Description	

#	Cost element	Unit Cost (R)	# of Units	Total Cost (R)
1.	Human Resources			
2.	Systems Documentation			
3.	Meetings & Administration			
4.	H&S Training			
5.	PPE & Safety Equipment			
6.	Signage & Barricading			
7.	Workplace Facilities			
8.	Emergency & Rescue Measures			
9.	Hygiene Surveys & Monitoring			
10.	Medical Surveillance			
11.	Safe Transport of Workers			
12.	HazMat Management (e.g. asbestos /silica)			
13.	Substance Abuse Testing (3 kits @R500 pm)			
14.	H&S Reward & Recognition			

Total Health and Safety Estimate (R)	
Total Estimate Value (R)	
H&S Cost as % of Tender value	

Mandatory Agreement

OCCUPATIONAL HEALTH AND SAFETY ACT 85 of 1993 (AS AMENDED)

AGREEMENT WITH MANDATORY

In terms of Section 37(1) & (2)

WRITTEN AGREEMENT ENTERED INTO AND BETWEEN

Transnet SOC Ltd

(Hereinafter referred to as the Employer)

AND

(Hereinafter referred to as Mandatory (Principal Contractor))

Compensation Fund Number :

Project Name :

TABLE OF CONTENTS

- 1. DEFINITIONS**
- 2. INTERPRETATION**
- 3. REPORTING**
- 4. WARRANTY OF COMPLIANCE**
- 5. APPOINTMENTS AND TRAINING**
- 6. SUPERVISION, DISCIPLINE AND REPORTING**
- 7. ACCESS TO THE OHS ACT**
- 8. COOPERATION**
- 9. WORK PROCEDURES**
- 10. HEALTH AND SAFETY MEETINGS**
- 11. COMPENSATION REGISTRATION**
- 12. MEDICAL EXAMINATIONS**
- 13. INCIDENT REPORTING AND INVESTIGATION**
- 14. SUBCONTRACTORS**
- 15. SECURITY AND ACCESS**
- 16. FIRE PRECAUTIONS AND FACILITIES**
- 17. ABLUTION FACILITIES**
- 18. HYGIENE AND CLEANLINESS**
- 19. NO NUISANCE**
- 20. INTOXICATION NOT ALLOWED**
- 21. PERSONAL PROTECTIVE EQUIPMENT**
- 22. PLANT, MACHINERY AND EQUIPMENT**
- 23. NO USAGE OF EMPLOYER'S EQUIPMENT**
- 24. TRANSPORT**
- 25. CLARIFICATION**
- 26. DURATION OF AGREEMENT**
- 27. NON COMPLINCE**

28. HEADING

PREAMBLE

WHEREAS section 37(1) & (2) of the Occupational Health and Safety Act No 85 of 1993 ("the Act") requires that parties have an agreement in writing to ensure compliance by a mandatory in line with the provisions of the Act.

AND WHEREAS Transnet SOC Ltd requires the services of the Contractors to execute certain projects within its workshops.

AND WHEREAS TRANSNET SOC LTD can be better served by Contractors who have the infrastructure, specialist employees and expertise to execute such projects at the highest level of efficiency on short notice.

NOW THEREFORE the parties agree as follows;

1. DEFINITIONS

For the purpose of this agreement, unless the context indicates otherwise, the following definitions are set out for the terms indicated:

- 1.1 "Act" means the Occupational Health and Safety Act No 85 of 1993;
- 1.2 "Agreement" means this Mandatory agreement;
- 1.3 "Contractor " means the Mandatory;
- 1.4 "COID Act" means the Compensation for Occupational Injuries and Diseases Act No 130 of 1993.
- 1.5 "Effective Date" means the date of signature of this Agreement by the last party signing hereto;
- 1.6 "Employer" refers to TRANSNET SOC LTD;
- 1.7 "Mandatory" means an agent, Contractor or sub-contractor for work, but without derogating from the status in his own right as an employer or user;
- 1.8 "Parties" means TRANSNET SOC LTD and the Contractor, and "Party" shall mean either one of them, as the context indicates;
- 1.9 "Principal Contract" means the appointed contractor whereby such contractor has to provide goods and or services to TRANSNET SOC LTD.
- 1.10 "Regulations" means regulations promulgated in terms of the relevant legislation.
- 1.11 "Section" means the relevant section of the Occupational Health and Safety Act No 85 of 1993
- 1.12 "Services" means the services to be provided by the Contractor to TRANSNET SOC LTD.
- 1.13 "TRANSNET SOC LTD" means Transnet Group and all its operating divisions and Specialist units with (Registration No. **1990/000900/06**), a public company incorporated in accordance with the company laws of the Republic of South Africa;

2. INTERPRETATION

- 2.1 Clause headings in this Agreement are included for ease of reference only and do not form part of this Agreement for the purposes of interpretation or for any other purpose. No provision shall be construed against or interpreted to the disadvantage of either Party hereto by reason of such Party having or being deemed to have structured or drafted such provision.
- 2.2 Any term, word or phrase used in this Agreement, other than those defined under the clause heading "Definitions" shall be given its plain English meaning, and those terms, words, acronyms, and phrases used in this Agreement will be interpreted in accordance with the generally accepted meanings accorded thereto.
- 2.3 A reference to the singular incorporates a reference to the plural and vice versa.
- 2.4 A reference to natural persons incorporates a reference to legal persons and vice versa.
- 2.5 A reference to a particular gender incorporates a reference to the other gender.

3. REPORTING

- 3.1 The Mandatary and/or his designated person appointed in terms of Section 16(2) of the Occupational Health and Safety Act 85 of 1993 ("the OHS Act") shall report to the Risk Manager and/or a Project Manager and/or a representative designated by the Employer prior to commencing the work at the premises of the Employer.

4. WARRANTY OF COMPLIANCE

- 4.1 In terms of this Agreement the Mandatary warrants that he agrees to any of the arrangements and procedures as prescribed by the Employer and as provided for in terms of Section 37(2) of the OHS Act for the purposes of compliance with the OHS Act.
- 4.2 The Mandatary further warrants that he and/or his employees undertake to maintain such compliance with the OHS Act. Without derogating from the generality of the above, nor from the provisions of the said Agreement, the Mandatary shall ensure that the clauses as hereunder described are at all times adhered to by himself and his employees.
- 4.3 The Mandatary hereby undertakes to ensure that the health and safety of any other person on the premises is not endangered by the conduct of his activities and that of his employees.

5. APPOINTMENTS AND TRAINING

- 5.1 The Mandatary shall appoint competent persons as per Section 16(2) of the OHS Act. Any such appointed person shall be trained on any occupational health and safety matter and the OHS Act provisions pertinent to the work is to be performed under his responsibility. Copies of any appointments made by the Mandatary shall immediately be provided to the Employer.
- 5.2 The Mandatary shall further ensure that all his employees are trained on the health and safety aspects relating to the work to be done on the premises of the Employer and that they understand the hazards associated with such work being carried out on the premises. Without derogating from the foregoing, the Mandatary shall, in particular, ensure that all his users or operators of any materials, machinery or equipment are properly trained in the use of such materials, machinery or equipment.
- 5.3 Notwithstanding the provisions of the above, the Mandatary shall ensure that he, his appointed responsible persons and his employees are at all times familiar with the provisions of the OHS Act, and that they comply with the provisions of the Act.

6. SUPERVISION, DISCIPLINE AND REPORTING

- 6.1 The Mandatary shall ensure that all work performed on the Employer's a premise is done under strict supervision and that no unsafe or unhealthy work practices are permitted. Discipline regarding health and safety matters shall be strictly enforced against any of his employees regarding non-compliance by such employee with any health and safety matters.
- 6.2 The Mandatary shall further ensure that his employees report to him all unsafe or unhealthy work situations immediately after they become aware of such conditions and that he in turn immediately reports these to the Employer and/or his representative.

7. ACCESS TO THE OHS ACT

- 7.1 The Mandatary shall ensure that he has an updated copy of the OHS Act on site at all times and that this is accessible to his appointed responsible persons and employees, save that the parties may make arrangements for the Mandatary and his appointed responsible persons and employees to have access to the Employer's updated copy/copies of the Act.

8. COOPERATION

- 8.1 The Mandatary and/or his responsible persons and employees shall provide full co-operation and information if and when the Employer or his representative inquires into any occupational health and safety issues concerning the Mandatary. It is hereby recorded that the Employer and his representative shall at all times be entitled to make such inquiry.
- 8.2 Without derogating from the generality of the above, the Mandatary and his responsible persons shall make available to the Employer and his representative, on request, all and/or any checklists and inspection registers required to be kept by him in respect of any of his materials, machinery or equipment.

9. WORK PROCEDURES

- 9.1 The Mandatary shall, after having established the dangers associated with the work performed, develop and implement mitigation measures to minimize or eliminate such dangers for the purpose of ensuring a healthy and safe working environment. The Mandatary shall then ensure that his responsible persons and employees are familiar with such mitigation measures.
- 9.2 The Mandatary shall implement any other safe work practices as prescribed by the Employer and shall ensure that his responsible persons and employees are made conversant with such other safe work practices as prescribed by the Employer and that his responsible persons and employees adhere to such safe work practices.
- 9.3 The Mandatary shall ensure that work for which any permit is required by the Employer is not performed by his employees prior to the Employer obtaining such permit from the Mandatary.

10. HEALTH AND SAFETY MEETINGS

- 10.1 If required in terms of the OHS Act, the Mandatary shall establish his own health and safety committee(s) and ensure that his employees, being the committee members, provide health and safety representatives to attend the Employer's health and safety committee meetings.

11. COMPENSATION REGISTRATION

- 11.1 The Mandatary shall ensure that he has a valid proof of registration with the Compensation Commissioner, as required in terms of **COID Act**, and that all payments owing to the Commissioner are discharged. The Mandatary shall further ensure that the cover remain in force while any such employee is present on the premises.

12. MEDICAL EXAMINATIONS

- 12.1 The Mandatary shall ensure that all his employees undergo routine medical examinations and that they are medically fit for the purposes of the work they are to perform.

13. INCIDENT REPORTING AND INVESTIGATION

- 13.1 All incidents referred to in Section 24 of the OHS Act shall be reported by the Mandatary to the Department of Labour and to the Employer. The Employer shall further be provided with copies of any written documentation relating to any incident.
- 13.2 The Employer retains an interest in the reporting of any incident as described above as well as in any formal investigation and/or inquiry conducted in terms of section 32 of the OHS-Act into such incident.

14. SUBCONTRACTORS

- 14.1 The Mandatary shall notify the Employer of any subcontractor he may wish to perform work on his behalf on the Employer's premises. It is hereby recorded that all the terms and provisions contained in this clause shall be equally binding upon the subcontractor prior to the subcontractor commencing with the work. Without derogating from the generality of this paragraph:
- 14.1.1 The Mandatary shall ensure that training as discussed under appointments and training, is provided prior to the subcontractor commencing work on the Employer's premises.
- 14.1.2 The Mandatary shall ensure that work performed by the subcontractor is done under his strict supervision, discipline and reporting.
- 14.1.3 The Mandatary shall inform the Employer of any health and safety hazards and/or issue that the subcontractor may have brought to his attention.
- 14.1.4 The Mandatary shall inform the Employer of any difficulty encountered regarding compliance by the subcontractor with any health and safety instruction, procedure and/or legal provision applicable to the work the subcontractor performs on the Employer's premises.

15. SECURITY AND ACCESS

- 15.1 The Mandatary and his employees shall enter and leave the premises only through the main gate(s) and/or checkpoint(s) designated by the Employer. The Mandatary shall ensure that employees observe the security rules of the Employer at all times and shall not permit any person who is not directly associated with the work from entering the premises.
- 15.2 The Mandatary and his employees shall not enter any area of the premises that is not directly associated with their work.
- 15.3 The Mandatary shall ensure that all materials, machinery or equipment brought by him onto the premises are recorded at the main gate(s) and/or checkpoint(s). Failure to do this may result in a refusal by the Employer to allow the materials, machinery or equipment to be removed from the Employer's premises.

16. FIRE PRECAUTIONS AND FACILITIES

- 16.1 The Mandatary shall ensure that an adequate supply of fire-protection and first-aid facilities are provided for the work to be performed on the Employer's premises, save that the Parties may mutually make arrangements for the provision of such facilities.

- 16.2 The Mandatary shall further ensure that all his employees are familiar with fire precautions at the premises, which includes fire-alarm signals and emergency exits, and that such precautions are adhered to.

17. ABLUTION FACILITIES

- 17.1 The Mandatary shall ensure that an adequate supply of ablution facilities are provided for his employees performing work on the Employer's premises, save that the parties may mutually make arrangements for the provision of such facilities.

18. HYGIENE AND CLEANLINESS

- 18.1 The Mandatary shall ensure that the work site and surround area is at all times maintained to the reasonably practicable level of hygiene and cleanliness. In this regard, no loose materials shall be left lying about unnecessarily and the work site shall be cleared of waste material regularly and on completion of the work.

19. NO NUISANCE

- 19.1 The Mandatary shall ensure that neither he nor his employees undertake any activity that may cause environmental impairment or constitute any form of nuisance to the Employer and/or his surroundings.
- 19.2 The Mandatary shall ensure that no hindrance, hazard, annoyance or inconvenience is inflicted on the Employer, another Mandatary or any tenants. Where such situations are unavoidable, the Mandatary shall give prior notice to the Employer.

20. INTOXICATION NOT ALLOWED

- 20.1 No intoxicating substance of any form shall be allowed on site. Any person suspected of being intoxicated shall not be allowed on the site. Any person required to take medication shall notify the relevant responsible person thereof, as well as the potential side effects of the medication.

21. PERSONAL PROTECTIVE EQUIPMENT

- 21.1 The Mandatary shall ensure that his responsible persons and employees are provided with adequate personal protective equipment (PPE) for the work they may perform and in accordance with the requirements of General Safety Regulation 2 (1) of the OHS Act. The Mandatary shall further ensure that his responsible persons and employees wear the PPE issued to them at all material times.

22. PLANT, MACHINERY AND EQUIPMENT

- 22.1 The Mandatary shall ensure that all the plant, machinery, equipment and/or vehicles he may wish to utilize on the Employer's premises is/are at all times of sound order and fit for the purpose for which it/they is/are attended to, and that it/they complies/comply with the requirements of Section 10 of the OHS Act.
- 22.2 In accordance with the provisions of Section 10(4) of the OHS Act, the Mandatary hereby assumes the liability for taking the necessary steps to ensure that any article or substance that it erects or installs at the premises, or manufactures, sells or supplies to or for the Employer, complies with all the prescribed requirements and will be safe and without risks in terms of health and safety when properly used.

23. NO USAGE OF THE EMPLOYER'S EQUIPMENT

- 23.1 The Mandatary hereby acknowledges that his employees are not permitted to use any materials, machinery or equipment of the Employer unless the prior written consent of the Employer has been obtained, in which case the Mandatary shall ensure that only those persons authorized to make use of such materials, machinery or equipment, have access thereto.

24. TRANSPORT

- 24.1 The Mandatary shall ensure that all road vehicles used on the premises are in a roadworthy condition and are licensed and insured. The Mandatary shall ensure that all drivers shall have relevant and valid driving licenses and the Mandatary shall ensure that no vehicle/s shall carry passengers unless it is specifically designed to do and that all drivers shall adhere to the speed limits and road signs on the premises at all times.
- 24.2 In the event that any hazardous substances are to be transported on the premises, the Mandatary shall ensure that the requirements of the Hazardous Substances Act 15 of 1973 are complied with fully all times.

25. CLARIFICATION

- 25.1 In the event that the Mandatary requires clarification of any of the terms or provisions of this Agreement, he should take the necessary steps to contact the Risk Manager of the Employer to obtain such clarification.

26. DURATION OF AGREEMENT

- 26.1 This Agreement shall remain in force for the duration of the work to be performed by the Mandatary and/or while any of the Mandatary's employees are present on the Employer's premises.

27. NON COMPLIANCE WITH THE AGREEMENT

- 27.1 If the Mandatary fails to comply with any provisions of this Agreement, the Employer shall be entitled to give the mandatory 7 (seven) days written notice to remedy such non-compliance and if the Mandatary fails to comply with such notice, then the Employer shall forthwith be entitled but not obliged, without prejudice to any other rights or remedies which the mandatory may have in law,
- 271.1 to suspend the main Agreement; or
- 27.1.2 To claim immediate performance and/or payment of such obligations.
- 27.2 Should mandatory continue to breach the contract on three occasions, then the Employer is authorised to suspend the main contract without complying with the condition stated in the clause above.

28. HEADINGS

The headings as contained in this Agreement are for reference purposes only and shall not be construed as having any interpretative value in them or as giving any indication as to the meaning of the contents of the paragraphs contained in this Agreement.

Thus done and signed

at _____ on the _____ day of _____ 201__

For and on behalf of the Employer

Witnesses:

1. _____

2. _____

at _____ on the _____ day of _____ 201__

for and on behalf of the Mandatary

Witnesses:

3. _____

4. _____

T2.2-09: Returnable Schedule: Environmental Management

The tenderer must provide an environmental management plan describing:-

- Key environmental impacts and aspects associated with the proposed project.
- Possible mitigation measures associated with identified impacts and aspects.
- Key roles and responsibilities for both the Tender's project team and Transnet with regards to the project.
- Monitoring techniques and reporting of both accidents and incidents.
- Details of induction and other forms of training (if any).

The following documents are key -

1.0 Transnet SOC Limited – Integrated Management Systems (IMS) Policy,

1.1 By signing this Tender Schedule, the tenderer confirms that they will comply with the above policy statement and environmental commitments therein.

1.2 Tender to provide a signed declaration of understanding as part of the returnable acknowledging understanding thereof and the budget provision for the implementation of environmental management requirements.

By signing this Tender Schedule, the tenderer confirms that they will **comply** with the above requirements and in particular Transnet Freight Rail IMS policy statement and environmental commitments therein.

Attached submissions to this schedule:

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

Signed

Date

Name

Position

Tenderer

Annexure A

Returnable Schedule : Risk Management plans

Tender Number : HOAC HO 39576

Tender Description: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

1. Business continuity plan

Business Continuity Management : The objective is to ensure continuity of the service provision to TFR in case on any interruptions which may arise from the tenderer's site aligned to applicable standards

The following to be included:

- Emergency operating procedures
- Business Continuity invocation action
- Project recovery resources
- Business / Supplier Contact list
- Emergency Contact

2. Business Impact Analysis

- Identification of critical processes within the project
- Recovery Time Objective in case of any interruption that may arise
- Recovery Strategy: how will the supplier recover
- Operational dependencies eg: Operational equipments,telephones etc. needed to ensure continuity
- Alternative supply of equipment and/ or supply of extra staff
- Battle box (It comprises of all necessary documentation,equipments required for continuity)

3. Risk Assessment for the project / Operational Risks: The identified Risks should be based on the scope of works

- Identification of Operational/Project and service interruption risks during the project
- Risk Analysis methodology
- Ranking of the Risks
- Mitigation of the identified risks
- Responsible person

T2.2-10: Authority to submit a Tender

Indicate the status of the tenderer by ticking the appropriate box hereunder. The tenderer must complete the certificate set out below for his category of organisation or alternatively attach a certified copy of a company / organisation document which provides the same information for the relevant category as requested here.

A - COMPANY	B - PARTNERSHIP	C - JOINT VENTURE	D - SOLE PROPRIETOR

A. Certificate for Company

I, _____ chairperson of the board of directors _____
_____, hereby confirm that by resolution of the
board taken on _____ (date), Mr/Ms _____,
acting in the capacity of _____, was authorised to sign all
documents in connection with this tender offer and any contract resulting from it on behalf of
the company.

Signed

Date

Name

Position

Chairman of the Board of Directors

B. Certificate for Partnership

We, the undersigned, being the **key partners** in the business trading as _____

_____ hereby authorise Mr/Ms _____

acting in the capacity of _____, to sign all documents in

connection with the tender offer for Contract _____ and any

contract resulting from it on our behalf.

Name	Address	Signature	Date

NOTE: This certificate is to be completed and signed by the full number of Partners necessary to commit the Partnership. Attach additional pages if more space is required.

C. Certificate for Joint Venture

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorise Mr/Ms _____, an authorised signatory of the company _____, acting in the capacity of lead partner, to sign all documents in connection with the tender offer for Contract _____ and any contract resulting from it on our behalf.

This authorisation is evidenced by the attached power of attorney signed by legally authorised signatories of all the partners to the Joint Venture.

Furthermore we attach to this Schedule a copy of the joint venture agreement which incorporates a statement that all partners are liable jointly and severally for the execution of the contract and that the lead partner is authorised to incur liabilities, receive instructions and payments and be responsible for the entire execution of the contract for and on behalf of any and all the partners.

Name of firm	Address	Authorising signature, name (in caps) and capacity

D. Certificate for Sole Proprietor

I, _____, hereby confirm that I am the sole owner of the
business trading as _____.

Signed

Date

Name

Position

Sole Proprietor

T2.2-11: Record of Addenda to Tender Documents

This schedule as submitted confirms that the following communications received from the *Employer* before the submission of this tender offer, amending the tender documents, have been taken into account in this specific tender offer:

	Date	Title or Details
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		

T2.2-12 Letter/s of Good Standing with the Workmen's Compensation Fund

Attached to this schedule is the Letter/s of Good Standing.

- 1.
- 2.
- 3.
- 4.

Name of Company/Members of Joint Venture:

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

Tenderers are also to evaluate any risk/s stated by the *Employer* in Contract Data Part C1, and provide possible mitigation thereof.

[illegible]

Part T2: Returnable Schedules

T2.2-13: Risk Elements

T2.2-14: ANNEX G Compulsory Enterprise Questionnaire

The following particulars hereunder must be furnished.

In the case of a Joint Venture, separate enterprise questionnaires in respect of each partner/member must be completed and submitted.

Section 1: Name of enterprise: _____

Section 2: VAT registration number, if any: _____

Section 3: CIDB registration number, if any: _____

Section 4: CSD number: _____

Section 5: Particulars of sole proprietors and partners in partnerships

Name	Identity number	Personal income tax number

* Complete only if sole proprietor or partnership and attach separate page if more than 3 partners

Section 6: Particulars of companies and close corporations

Company registration number _____

Close corporation number _____

Tax reference number: _____

Section 7: The attached SBD4 must be completed for each tender and be attached as a tender requirement.

Section 8: The attached SBD 6 must be completed for each tender and be attached as a requirement.

The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise:

- i) authorizes the Employer to obtain a tax clearance certificate from the South African Revenue Services that my / our tax matters are in order;
- ii) confirms that the neither the name of the enterprise or the name of any partner, manager, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004;
- iii) confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears, has within the last five years been convicted of fraud or corruption;
- iv) confirms that I / we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest; and
- v) confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.

Signed	_____	Date	_____
Name	_____	Position	_____
Enterprise name	_____		

SBD 6.1

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.

Transnet will award preference points to companies who provide valid proof of their B-BBEE status using either the latest version of the generic Codes of Good Practice or Sector Specific Codes (if applicable).

1. GENERAL CONDITIONS

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

- 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 90/10 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:

	POINTS
PRICE	90
B-BBEE STATUS LEVEL OF CONTRIBUTION	10
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE status level of contributor together with the bid will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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.

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 supply/provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- (e) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (f) **"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);
- (g) **"functionality"** means the ability of a bidder to provide goods or services in accordance with specification as set out in the bid documents
- (h) **"Price"** includes all applicable taxes less all unconditional discounts.
- (i) **"Proof of B-BBEE Status Level of Contributor"**
 - i) the B-BBBEE status level certificate issued by an authorised 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 B-BBEE Act.
- (j) **"QSE"** means a Qualifying Small EEnterprise 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);
- (k) **"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.

3. POINTS AWARDED FOR PRICE

3.1 THE 90/10 PREFERENCE POINT SYSTEMS

A maximum of 90 points is allocated for price on the following basis:

90/10

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

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

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

- 4.1 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 (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 4.2 The table below indicates the required proof of B-BBEE status depending on the category of enterprises:

Enterprise	B-BBEE Certificate & Sworn Affidavit
Large	Certificate issued by SANAS accredited verification agency
QSE	Certificate issued by SANAS accredited verification agency Sworn Affidavit signed by the authorised QSE representative and attested by a Commissioner of Oaths confirming annual turnover and black ownership (only black-owned QSEs - 51% to 100% Black owned) [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 .]

EME¹	Sworn Affidavit signed by the authorised EME representative and attested by a Commissioner of Oaths confirming annual turnover and black ownership Certificate issued by CIPC (formerly CIPRO) confirming annual turnover and black ownership Certificate issued by SANAS accredited verification agency only if the EME is being measured on the QSE scorecard
------------------------	---

- 4.3 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.
- 4.4 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.
- 4.5 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 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.
- 4.6 A person awarded a contract may not sub-contract more than 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.
- 4.7 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.

5. BID DECLARATION

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

6. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 6.1

- 6.1 B-BBEE Status Level of Contribution: . =(maximum of 10 points)
- (Points claimed in respect of paragraph 6.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

¹ In terms of the Implementation Guide: Preferential Procurement Regulations, 2017, Version 2, paragraph 11.11 provides that in the Transport Sector, EMEs can provide a letter from accounting officer or get verified and be issued with a B-BBEE certificate by SANAS accredited professional or agency as the Transport Sector Code has not been aligned to the generic Codes. EMEs in the Transport Sector are not allowed to provide a sworn affidavit as the generic codes are not applicable to them.

7. SUB-CONTRACTING

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

(***Tick applicable box***)

YES		NO	
-----	--	----	--

7.1.1 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 or QSE.

(***Tick applicable box***)

YES		NO	
-----	--	----	--

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

8.6 COMPANY CLASSIFICATION

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

[*TICK APPLICABLE BOX*]

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

8.8 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 paragraphs 1.4 and 6.1 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 1.4 and 6.1, 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,, 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;
 - (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.

<p>WITNESSES</p> <p>1.</p> <p>2.</p>	<p>.....</p> <p>SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE:</p>
--	---

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest² in the enterprise, employed by the state? **YES/NO**
- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

² the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

I, _____ the _____ undersigned,
(name)..... in submitting
the accompanying bid, do hereby make the following statements that I certify to
be true and complete in every respect:

3.1 I have read and I understand the contents of this disclosure;

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.

- However, communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature	Date
.....
Position	Name of bidder

³ Joint venture or Consortium 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.

TRANSNET FREIGHT RAIL

Tender Number: HOAC HO 39576

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors



NON DISCLOSURE AGREEMENT

[April 2020]

THIS AGREEMENT is made between

Transnet SOC Ltd [Transnet] [Registration No. 1990/000900/30]

whose registered office is at 138 Eloff Street, Braamfontein, Johannesburg, 2000

and

the Company as indicated in the RFP bid response hereto

WHEREAS

Transnet and the Company wish to exchange Information [as defined below] and it is envisaged that each party may from time to time receive Information relating to the other in respect thereof. In consideration of each party making available to the other such Information, the parties jointly agree that any dealings between them shall be subject to the terms and conditions of this Agreement which themselves will be subject to the parameters of the Bid Document.

IT IS HEREBY AGREED

1. INTERPRETATION

In this Agreement:

- 1.1 **Agents** mean directors, officers, employees, agents, professional advisers, contractors or sub-contractors, or any Group member;
- 1.2 **Bid or Bid Document** means Transnet's Request for Information [**RFI**] Request for Proposal [**RFP**] or Request for Quotation [**RFQ**], as the case may be;
- 1.3 **Confidential Information** means any information or other data relating to one party [the **Disclosing Party**] and/or the business carried on or proposed or intended to be carried on by that party and which is made available for the purposes of the Bid to the other party [the **Receiving Party**] or its Agents by the Disclosing Party or its Agents or recorded in agreed minutes following oral disclosure and any other information otherwise made available by the Disclosing Party or its Agents to the Receiving Party or its Agents, whether before, on or after the date of this Agreement, and whether in writing or otherwise, including any information, analysis or specifications derived from, containing or reflecting such information but excluding information which:
 - 1.3.1 is publicly available at the time of its disclosure or becomes publicly available [other than as a result of disclosure by the Receiving Party or any of its Agents contrary to the terms of this Agreement]; or
 - 1.3.2 was lawfully in the possession of the Receiving Party or its Agents [as can be demonstrated by its written records or other reasonable evidence] free of any restriction as to its use or disclosure prior to its being so disclosed; or

- 1.3.3 following such disclosure, becomes available to the Receiving Party or its Agents [as can be demonstrated by its written records or other reasonable evidence] from a source other than the Disclosing Party or its Agents, which source is not bound by any duty of confidentiality owed, directly or indirectly, to the Disclosing Party in relation to such information;
- 1.4 **Group** means any subsidiary, any holding company and any subsidiary of any holding company of either party; and
- 1.5 **Information** means all information in whatever form including, without limitation, any information relating to systems, operations, plans, intentions, market opportunities, know-how, trade secrets and business affairs whether in writing, conveyed orally or by machine-readable medium.

2. CONFIDENTIAL INFORMATION

- 2.1 All Confidential Information given by one party to this Agreement [the **Disclosing Party**] to the other party [the **Receiving Party**] will be treated by the Receiving Party as secret and confidential and will not, without the Disclosing Party's written consent, directly or indirectly communicate or disclose [whether in writing or orally or in any other manner] Confidential Information to any other person other than in accordance with the terms of this Agreement.
- 2.2 The Receiving Party will only use the Confidential Information for the sole purpose of technical and commercial discussions between the parties in relation to the Bid or for the subsequent performance of any contract between the parties in relation to the Bid.
- 2.3 Notwithstanding clause 2.1 above, the Receiving Party may disclose Confidential Information:
- 2.3.1 to those of its Agents who strictly need to know the Confidential Information for the sole purpose set out in clause 2.2 above, provided that the Receiving Party shall ensure that such Agents are made aware prior to the disclosure of any part of the Confidential Information that the same is confidential and that they owe a duty of confidence to the Disclosing Party. The Receiving Party shall at all times remain liable for any actions of such Agents that would constitute a breach of this Agreement; or
- 2.3.2 to the extent required by law or the rules of any applicable regulatory authority, subject to clause 2.4 below.
- 2.4 In the event that the Receiving Party is required to disclose any Confidential Information in accordance with clause 2.3.2 above, it shall promptly notify the Disclosing Party and cooperate with the Disclosing Party regarding the form, nature, content and purpose of such disclosure or any action which the Disclosing Party may reasonably take to challenge the validity of such requirement.
- 2.5 In the event that any Confidential Information shall be copied, disclosed or used otherwise than as permitted under this Agreement then, upon becoming aware of the same, without prejudice to any rights or remedies of the Disclosing Party, the Receiving Party shall as soon as practicable notify the Disclosing Party of such event and if requested take such steps [including the institution of legal proceedings] as shall be necessary to remedy [if capable of remedy] the default and/or to prevent further unauthorised copying, disclosure or use.
- 2.6 All Confidential Information shall remain the property of the Disclosing Party and its disclosure shall not confer on the Receiving Party any rights, including intellectual property rights over the Confidential Information whatsoever, beyond those contained in this Agreement.

3. RECORDS AND RETURN OF INFORMATION

- 3.1 The Receiving Party agrees to ensure proper and secure storage of all Information and any copies thereof.
- 3.2 The Receiving Party shall keep a written record, to be supplied to the Disclosing Party upon request, of the Confidential Information provided and any copies made thereof and, so far as is reasonably practicable, of the location of such Confidential Information and any copies thereof.
- 3.3 The Company shall, within 7 [seven] days of receipt of a written demand from Transnet:
 - 3.3.1 return all written Confidential Information [including all copies]; and
 - 3.3.2 expunge or destroy any Confidential Information from any computer, word processor or other device whatsoever into which it was copied, read or programmed by the Company or on its behalf.
- 3.4 The Company shall on request supply a certificate signed by a director as to its full compliance with the requirements of clause 3.3.2 above.

4. ANNOUNCEMENTS

- 4.1 Neither party will make or permit to be made any announcement or disclosure of its prospective interest in the Bid without the prior written consent of the other party.
- 4.2 Neither party shall make use of the other party's name or any information acquired through its dealings with the other party for publicity or marketing purposes without the prior written consent of the other party.

5. DURATION

The obligations of each party and its Agents under this Agreement shall survive the termination of any discussions or negotiations between the parties regarding the Bid and continue thereafter for a period of 5 [five] years.

6. PRINCIPAL

Each party confirms that it is acting as principal and not as nominee, agent or broker for any other person and that it will be responsible for any costs incurred by it or its advisers in considering or pursuing the Bid and in complying with the terms of this Agreement.

7. ADEQUACY OF DAMAGES

Nothing contained in this Agreement shall be construed as prohibiting the Disclosing Party from pursuing any other remedies available to it, either at law or in equity, for any such threatened or actual breach of this Agreement, including specific performance, recovery of damages or otherwise.

8. PRIVACY AND DATA PROTECTION

- 8.1 The Receiving Party undertakes to comply with South Africa's general privacy protection in terms Section 14 of the Bill of Rights in connection with this Bid and shall procure that its personnel shall observe the provisions of such Act [as applicable] or any amendments and re-enactments thereof and any regulations made pursuant thereto.
- 8.2 The Receiving Party warrants that it and its Agents have the appropriate technical and organisational measures in place against unauthorised or unlawful processing of data relating to the Bid and against accidental loss or destruction of, or damage to such data held or processed by them.

9. GENERAL

- 9.1 Neither party may assign the benefit of this Agreement, or any interest hereunder, except with the prior written consent of the other, save that Transnet may assign this Agreement at any time to any member of the Transnet Group.
- 9.2 No failure or delay in exercising any right, power or privilege under this Agreement will operate as a waiver of it, nor will any single or partial exercise of it preclude any further exercise or the exercise of any right, power or privilege under this Agreement or otherwise.
- 9.3 The provisions of this Agreement shall be severable in the event that any of its provisions are held by a court of competent jurisdiction or other applicable authority to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law.
- 9.4 This Agreement may only be modified by a written agreement duly signed by persons authorised on behalf of each party.
- 9.5 Nothing in this Agreement shall constitute the creation of a partnership, joint venture or agency between the parties.
- 9.6 This Agreement will be governed by and construed in accordance with South African law and the parties irrevocably submit to the exclusive jurisdiction of the South African courts.

ooo000ooo

T2.2-16: RFP DECLARATION FORM

NAME OF COMPANY: _____

We _____ do hereby certify that:

1. Transnet has supplied and we have received appropriate tender offers to any/all questions (as applicable) which were submitted by ourselves for tender clarification purposes;
2. we have received all information we deemed necessary for the completion of this Tender;
3. at no stage have we received additional information relating to the subject matter of this tender from Transnet sources, other than information formally received from the designated Transnet contact(s) as nominated in the tender documents;
4. we are satisfied, insofar as our company is concerned, that the processes and procedures adopted by Transnet in issuing this tender and the requirements requested from tenderers in responding to this tender have been conducted in a fair and transparent manner; and
5. furthermore, we acknowledge that a direct relationship exists between a family member and/or an owner / member / director / partner / shareholder (unlisted companies) of our company and an employee or board member of the Transnet Group as indicated below:

[Respondent to indicate if this section is not applicable]

FULL NAME OF OWNER/MEMBER/DIRECTOR/

PARTNER/SHAREHOLDER:

ADDRESS:

Indicate nature of relationship with Transnet:

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

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 company in the forthcoming adjudication process, we shall notify Transnet immediately in writing of such circumstances.

6. We accept that any dispute pertaining to this tender 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. (Refer "Important Notice to respondents" below).
7. We further accept that Transnet reserves the right to reverse a tender award 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.
8. We have acquainted ourselves and agree with the content of T2.2-19 "Service Provider Integrity Pact".

For and on behalf of duly authorised thereto
Name:
Signature:
Date:

IMPORTANT NOTICE TO TENDERERS

- Transnet has appointed a Procurement Ombudsman to investigate any material complaint in respect of tenders exceeding R5,000,000.00 (five million S.A. Rand) in value. Should a Tenderer have any material concern regarding an tender process which meets this value threshold, a complaint may be lodged with Transnet's Procurement Ombudsman for further investigation.
- It is incumbent on the Tenderer to familiarise himself/herself with the Terms of Reference for the Transnet Procurement Ombudsman, details of which are available for review at Transnet's website www.transnet.net.

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

-
- 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
 - For transactions below the R5,000,000.00 (five million S.A. Rand) threshold, a complaint may be lodged with the Chief Procurement Officer of the relevant Transnet Operating Division.
 - All Tenderers should 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 tenderer on its List of Excluded Bidders.

T2.2-17: REQUEST FOR PROPOSAL – BREACH OF LAW

NAME OF COMPANY: _____

I / We _____ do hereby certify that ***I/we have/have not been*** 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 Tenderer is required to disclose excludes relatively minor offences or misdemeanours, e.g. traffic offences.

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

NATURE OF BREACH:

DATE OF BREACH:

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

Signed on this _____ day of _____ 20____

SIGNATURE OF TENDER

T2.2-18 Certificate of Acquaintance with Tender Documents

NAME OF TENDERING ENTITY:

1. By signing this certificate I/we acknowledge that I/we have made myself/ourselves thoroughly familiar with, and agree with all the conditions governing this RFP. This includes those terms and conditions of the Contract, the Supplier Integrity Pact, Non-Disclosure Agreement etc. contained in any printed form stated to form part of the documents thereof, but not limited to those listed in this clause.
2. I/we furthermore agree that Transnet SOC Ltd shall recognise no claim from me/us for relief based on an allegation that I/we overlooked any tender/contract condition or failed to take it into account for the purpose of calculating my/our offered prices or otherwise.
3. I/we understand that the accompanying Tender will be disqualified if this Certificate is found not to be true and complete in every respect.
4. For the purposes of this Certificate and the accompanying Tender, I/we understand that the word "competitor" shall include any individual or organisation, other than the Tenderer, whether or not affiliated with the Tenderer, who:
 - a) has been requested to submit a Tender in response to this Tender invitation;
 - b) could potentially submit a Tender in response to this Tender invitation, based on their qualifications, abilities or experience; and
 - c) provides the same Services as the Tenderer and/or is in the same line of business as the Tenderer
5. The Tenderer has arrived at the accompanying Tender independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium will not be construed as collusive Tendering.
6. In particular, without limiting the generality of paragraph 5 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - a) prices;

-
- b) geographical area where Services will be rendered [market allocation]
 - c) methods, factors or formulas used to calculate prices;
 - d) the intention or decision to submit or not to submit, a Tender;
 - e) the submission of a tender which does not meet the specifications and conditions of the tender; or
 - f) Tendering with the intention not winning the tender.
7. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the Services to which this tender relates.
8. The terms of the accompanying tender have not been, and will not be, disclosed by the Tenderer, directly or indirectly, to any competitor, prior to the date and time of the official tender opening or of the awarding of the contract.
9. I/We am/are aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to tenders and contracts, tenders that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and/or may be reported to the National Prosecuting Authority [NPA] for criminal investigation. In addition, Tenderers that submit suspicious tenders may be restricted from conducting business with the public sector for a period not exceeding 10 [ten] years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

Signed on this _____ day of _____ 20____

SIGNATURE OF TENDERER

TRANSNET FREIGHT RAIL

Tender Number: HOAC HO 39576

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors



Important Note: All potential bidders must read this document and certify in the RFX Declaration Form that they have acquainted themselves with, and agree with the content. The contract with the successful bidder will automatically incorporate this Integrity Pact as part of the final concluded contract.

INTEGRITY PACT

Between

TRANSNET SOC LTD

Registration Number: 1990/000900/30

("Transnet")

And The Bidder / Supplier/ Service Provider / Contractor (hereinafter referred to as the "Bidder / Supplier")

PREAMBLE

Transnet values full compliance with all relevant laws and regulations, ethical standards and the principles of economical use of resources, fairness and transparency in its relations with its Bidders / Suppliers.

In order to achieve these goals, Transnet and the Bidder / Supplier hereby enter into this agreement hereinafter referred to as the "Integrity Pact" which will form part of the Bidder's / Supplier's application for registration with Transnet as a vendor.

The general purpose of this Integrity Pact is to agree on avoiding all forms of dishonesty, fraud and corruption by following a system that is fair, transparent and free from any undue influence prior to, during and subsequent to the currency of any procurement and / or reverse logistics event and any further contract to be entered into between the Parties, relating to such event.

All Bidders / Suppliers will be required to sign and comply with undertakings contained in this Integrity Pact, should they want to be registered as a Transnet vendor.

1 OBJECTIVES

- 1.1 Transnet and the Bidder / Supplier agree to enter into this Integrity Pact, to avoid all forms of dishonesty, fraud and corruption including practices that are anti-competitive in nature, negotiations made in bad faith and under-pricing by following a system that is fair, transparent and free from any influence / unprejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to:
 - a) Enable Transnet to obtain the desired contract at a reasonable and competitive price in conformity to the defined specifications of the works, goods and services; and
 - b) Enable Bidders / Suppliers to abstain from bribing or participating in any corrupt practice in order to secure the contract.

2 COMMITMENTS OF TRANSNET

Transnet commits to take all measures necessary to prevent dishonesty, fraud and corruption and to observe the following principles:

- 2.1 Transnet hereby undertakes that no employee of Transnet connected directly or indirectly with the sourcing event and ensuing contract, will demand, take a promise for or accept directly or through intermediaries any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the Bidder, either for themselves or for any person, organisation or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to any contract.
- 2.2 Transnet will, during the registration and bidding process treat all Bidders / Suppliers with equity, transparency and fairness. Transnet will in particular, before and during the registration process, provide to all Bidders / Suppliers the same information and will not provide to any Bidders / Suppliers confidential / additional information through which the Bidders / Suppliers could obtain an advantage in relation to any bidding process.
- 2.3 Transnet further confirms that its employees will not favour any prospective bidder in any form that could afford an undue advantage to a particular bidder during the tendering stage, and will further treat all Bidders / Supplier participating in the bidding process in a fair manner.
- 2.4 Transnet will exclude from the bidding process such employees who have any personal interest in the Bidders / Suppliers participating in the bidding process.

3 OBLIGATIONS OF THE BIDDER / SUPPLIER

- 3.1 Transnet has a '**Zero Gifts**' Policy. No employee is allowed to accept gifts, favours or benefits.
- a) Transnet officials and employees **shall not** solicit, give or accept, or from agreeing to solicit, give, accept or receive directly or indirectly, any gift, gratuity, favour, entertainment, loan, or anything of monetary value, from any person or juridical entities in the course of official duties or in connection with any operation being managed by, or any transaction which may be affected by the functions of their office.
 - b) Transnet officials and employees **shall not** solicit or accept gifts of any kind, from vendors, suppliers, customers, potential employees, potential vendors, and suppliers, or any other individual or organisation irrespective of the value.
 - c) Under **no circumstances** should gifts, business courtesies or hospitality packages be accepted from or given to prospective suppliers participating in a tender process at the respective employee's Operating Division, regardless of retail value.
 - d) Gratuities, bribes or kickbacks of any kind must never be solicited, accepted or offered, either directly or indirectly. This includes money, loans, equity, special privileges, personal favours, benefit or services. Such favours will be considered to constitute corruption.
- 3.2 The Bidder / Supplier commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its bid or during any ensuing contract stage in order to secure the contract or in furtherance to secure it and in particular the Bidder / Supplier commits to the following:
- a) The Bidder / Supplier will not, directly or through any other person or firm, offer, promise or give to Transnet or to any of Transnet's employees involved in the bidding process or to any third person any material or other benefit or payment, in order to obtain in exchange an advantage during the bidding process; and
 - b) The Bidder / Supplier will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any employee of Transnet, connected directly or indirectly with the bidding process, or to any person, organisation or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.
- 3.3 The Bidder / Supplier will not collude with other parties interested in the contract to preclude a competitive bid price, impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract. The Bidder / Supplier further commits itself to delivering against all agreed upon conditions as stipulated within the contract.
- 3.4 The Bidder / Supplier will not enter into any illegal or dishonest agreement or understanding, whether formal or informal with other Bidders / Suppliers. This applies in particular to certifications, submissions or non-submission of documents or actions that are restrictive or to introduce cartels into the bidding process.
- 3.5 The Bidder / Supplier will not commit any criminal offence under the relevant anti-corruption laws of South Africa or any other country. Furthermore, the Bidder /Supplier will not use for illegitimate purposes or for restrictive purposes or personal gain, or pass on to others, any information provided by Transnet as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
- 3.6 A Bidder / Supplier of foreign origin shall disclose the name and address of its agents or representatives in South Africa, if any, involved directly or indirectly in the registration or bidding process. Similarly, the Bidder / Supplier of South African nationality shall furnish the name and address of the foreign principals, if any, involved directly or indirectly in the registration or bidding process.
- 3.7 The Bidder / Supplier will not misrepresent facts or furnish false or forged documents or information in order to influence the bidding process to the advantage of the Bidder / Supplier or detriment of Transnet or other competitors.

- 3.8 Transnet may require the Bidder / Supplier to furnish Transnet with a copy of its code of conduct. Such code of conduct must address the compliance programme for the implementation of the code of conduct and reject the use of bribes and other dishonest and unethical conduct.
- 3.9 The Bidder / Supplier will not instigate third persons to commit offences outlined above or be an accessory to such offences.
- 3.10 The Bidder/Supplier confirms that they will uphold the ten principles of the United Nations Global Compact (UNGC) in the fields of Human Rights, Labour, Anti-Corruption and the Environment when undertaking business with Transnet as follows:
- a) Human Rights
 - Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
 - Principle 2: make sure that they are not complicit in human rights abuses.
 - b) Labour
 - Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
 - Principle 4: the elimination of all forms of forced and compulsory labour;
 - Principle 5: the effective abolition of child labour; and
 - Principle 6: the elimination of discrimination in respect of employment and occupation.
 - c) Environment
 - Principle 7: Businesses should support a precautionary approach to environmental challenges;
 - Principle 8: undertake initiatives to promote greater environmental responsibility; and
 - Principle 9: encourage the development and diffusion of environmentally friendly technologies.
 - d) Anti-Corruption
 - Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

4 INDEPENDENT BIDDING

- 4.1 For the purposes of this undertaking in relation to any submitted Bid, the Bidder declares to fully understand that the word "competitor" shall include any individual or organisation, other than the Bidder, whether or not affiliated with the Bidder, who:
- a) has been requested to submit a Bid in response to this Bid invitation;
 - b) could potentially submit a Bid in response to this Bid invitation, based on their qualifications, abilities or experience; and
 - c) provides the same Goods and Services as the Bidder and/or is in the same line of business as the Bidder.
- 4.2 The Bidder has arrived at his submitted Bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium will not be construed as collusive bidding.
- 4.3 In particular, without limiting the generality of paragraph 4.2 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- a) prices;
 - b) geographical area where Goods or Services will be rendered [market allocation];
 - c) methods, factors or formulas used to calculate prices;
 - d) the intention or decision to submit or not to submit, a Bid;

- e) the submission of a Bid which does not meet the specifications and conditions of the RFP; or
 - f) bidding with the intention of not winning the Bid.
- 4.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the Goods or Services to which his/her Bid relates.
- 4.5 The terms of the Bid as submitted have not been, and will not be, disclosed by the Bidder, directly or indirectly, to any competitor, prior to the date and time of the official Bid opening or of the awarding of the contract.
- 4.6 Bidders are aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, Bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and/or may be reported to the National Prosecuting Authority **[NPA]** for criminal investigation and/or may be restricted from conducting business with the public sector for a period not exceeding 10 [ten] years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

5 DISQUALIFICATION FROM BIDDING PROCESS

- 5.1 If the Bidder / Supplier has committed a transgression through a violation of paragraph 3 of this Integrity Pact or in any other form such as to put its reliability or credibility as a Bidder / Supplier into question, Transnet may reject the Bidder's / Supplier's application from the registration or bidding process and remove the Bidder / Supplier from its database, if already registered.
- 5.2 If the Bidder / Supplier has committed a transgression through a violation of paragraph 3, or any material violation, such as to put its reliability or credibility into question, Transnet may after following due procedures and at its own discretion also exclude the Bidder / Supplier from future bidding processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the circumstances of the case, which will include amongst others the number of transgressions, the position of the transgressors within the company hierarchy of the Bidder / Supplier and the amount of the damage. The exclusion will be imposed for up to a maximum of 10 (ten) years. However, Transnet reserves the right to impose a longer period of exclusion, depending on the gravity of the misconduct.
- 5.3 If the Bidder / Supplier can prove that it has restored the damage caused by it and has installed a suitable corruption prevention system, or taken other remedial measures as the circumstances of the case may require, Transnet may at its own discretion revoke the exclusion or suspend the imposed penalty.

6 DATABASE OF RESTRICTED SUPPLIERS

- 6.1 The process of restriction is used to exclude a company/person from conducting future business with Transnet and other organs of state for a specified period. No Bid shall be awarded to a Bidder whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. Transnet reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been restricted with National Treasury by another government institution.
- 6.2 All the stipulations on Transnet's restriction process as laid down in Transnet's Supply Chain Policy and Procurement Procedures Manual are included herein by way of reference. Below follows a condensed summary of this restriction procedure.
- 6.3 On completion of the restriction procedure, Transnet will submit the restricted entity's details (including the identity number of the individuals and registration number of the entity) to National Treasury for placement on National Treasury's Database of Restricted Suppliers for the specified period of exclusion. National

Treasury will make the final decision on whether to restrict an entity from doing business with any organ of state for a period not exceeding 10 years and place the entity concerned on the Database of Restricted Suppliers published on its official website.

- 6.4 The decision to restrict is based on one of the grounds for restriction. The standard of proof to commence the restriction process is whether a "*prima facie*" (i.e. on the face of it) case has been established.
- 6.5 Depending on the seriousness of the misconduct and the strategic importance of the Goods/Services, in addition to restricting a company/person from future business, Transnet may decide to terminate some or all existing contracts with the company/person as well.
- 6.6 A supplier or contractor to Transnet may not subcontract any portion of the contract to a restricted company.
- 6.7 Grounds for restriction include: If any person/Enterprise which has submitted a Bid, concluded a contract, or, in the capacity of agent or subcontractor, has been associated with such Bid or contract:
 - a) Has, in bad faith, withdrawn such Bid after the advertised closing date and time for the receipt of Bids;
 - b) has, after being notified of the acceptance of his Bid, failed or refused to sign a contract when called upon to do so in terms of any condition forming part of the bid documents;
 - c) has carried out any contract resulting from such bid in an unsatisfactory manner or has breached any condition of the contract;
 - d) has offered, promised or given a bribe in relation to the obtaining or execution of the contract;
 - e) has acted in a fraudulent or improper manner or in bad faith towards Transnet or any Government Department or towards any public body, Enterprise or person;
 - f) has made any incorrect statement in a certificate or other communication with regard to the Local Content of his Goods or his B-BBEE status and is unable to prove to the satisfaction of Transnet that:
 - (i) he made the statement in good faith honestly believing it to be correct; and
 - (ii) before making such statement he took all reasonable steps to satisfy himself of its correctness;
 - g) has submitted false information regarding any other matter required in terms of the Preferential Procurement Regulations, 2017 issued in terms of the Preferential Procurement Policy Framework Act which will affect the evaluation of a Bid or where a Bidder has failed to declare any subcontracting arrangements;
 - h) caused Transnet damage, or to incur costs in order to meet the contractor's requirements and which could not be recovered from the contractor;
 - i) has litigated against Transnet in bad faith.

7 PREVIOUS TRANSGRESSIONS

- 7.1 The Bidder / Supplier hereby declares that no previous transgressions resulting in a serious breach of any law, including but not limited to, corruption, fraud, theft, extortion and contraventions of the Competition Act 89 of 1998, which occurred in the last 5 (five) years with any other public sector undertaking, government department or private sector company that could justify its exclusion from its registration on the Bidder's / Supplier's database or any bidding process.
- 7.2 If it is found to be that the Bidder / Supplier made an incorrect statement on this subject, the Bidder / Supplier can be rejected from the registration process or removed from the Bidder / Supplier database, if already registered, for such reason (refer to the Breach of Law Form contained in the applicable RFX document.)

8 SANCTIONS FOR VIOLATIONS

8.1 Transnet shall also take all or any one of the following actions, wherever required to:

- a) Immediately exclude the Bidder / Supplier from the bidding process or call off the pre-contract negotiations without giving any compensation to the Bidder / Supplier. However, the proceedings with the other Bidders / Suppliers may continue;
- b) Immediately cancel the contract, if already awarded or signed, without giving any compensation to the Bidder / Supplier;
- c) Recover all sums already paid by Transnet;
- d) Encash the advance bank guarantee and performance bond or warranty bond, if furnished by the Bidder / Supplier, in order to recover the payments, already made by Transnet, along with interest;
- e) Cancel all or any other contracts with the Bidder / Supplier;
- f) Exclude the Bidder / Supplier from entering into any bid with Transnet and other organs of state in future for a specified period; and
- g) If the Supplier subcontracted a portion of the bid to another person without declaring it to Transnet, Transnet must penalise the Supplier up to 10% of the value of the contract.

9 CONFLICTS OF INTEREST

9.1 A conflict of interest includes, inter alia, a situation in which:

- a) A Transnet employee has a personal financial interest in a bidding / supplying entity; and
- b) A Transnet employee has private interests or personal considerations or has an affiliation or a relationship which affects, or may affect, or may be perceived to affect his / her judgment in action in the best interest of Transnet, or could affect the employee's motivations for acting in a particular manner, or which could result in, or be perceived as favouritism or nepotism.

9.2 A Transnet employee uses his / her position, or privileges or information obtained while acting in the capacity as an employee for:

- a) Private gain or advancement; or
- b) The expectation of private gain, or advancement, or any other advantage accruing to the employee must be declared in a prescribed form.

Thus, conflicts of interest of any bid committee member or any person involved in the sourcing process must be declared in a prescribed form.

9.3 If a Bidder / Supplier has or becomes aware of a conflict of interest i.e. a family, business and / or social relationship between its owner(s) / member(s) / director(s) / partner(s) / shareholder(s) and a Transnet employee / member of Transnet's Board of Directors in respect of a bid which will be considered for the bid process, the Bidder / Supplier:

- a) must disclose the interest and its general nature, in the Request for Proposal ("RFX") declaration form; or
- b) must notify Transnet immediately in writing once the circumstances has arisen.

9.4 The Bidder / Supplier shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any committee member or any person involved in the sourcing process, where this is done, Transnet shall be entitled forthwith to rescind the contract and all other contracts with the Bidder / Supplier.

10 DISPUTE RESOLUTION

10.1 Transnet recognises that trust and good faith are pivotal to its relationship with its Bidders / Suppliers. When a dispute arises between Transnet and its Bidder / Supplier, the parties should use their best endeavours to resolve the dispute in an amicable manner, whenever possible. Litigation in bad faith negates the principles of trust and good faith on which commercial relationships are based. Accordingly, following a restriction process as mentioned in paragraph 6 above, Transnet will not do business with a company that litigates against it in bad faith or is involved in any action that reflects bad faith on its part. Litigation in bad faith includes, but is not limited to the following instances:

- a) **Vexatious proceedings:** these are frivolous proceedings which have been instituted without proper grounds;
- b) **Perjury:** where a supplier make a false statement either in giving evidence or on an affidavit;
- c) **Scurrilous allegations:** where a supplier makes allegations regarding a senior Transnet employee which are without proper foundation, scandalous, abusive or defamatory; and
- d) **Abuse of court process:** when a supplier abuses the court process in order to gain a competitive advantage during a bid process.

11 GENERAL

- 11.1 This Integrity Pact is governed by and interpreted in accordance with the laws of the Republic of South Africa.
- 11.2 The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the law relating to any civil or criminal proceedings.
- 11.3 The validity of this Integrity Pact shall cover all the bidding processes and will be valid for an indefinite period unless cancelled by either Party.
- 11.4 Should one or several provisions of this Integrity Pact turn out to be invalid the remainder of this Integrity Pact remains valid.
- 11.5 Should a Bidder / Supplier be confronted with dishonest, fraudulent or corruptive behaviour of one or more Transnet employees, Transnet expects its Bidders / Suppliers to report this behaviour directly to a senior Transnet official / employee or alternatively by using Transnet's "Tip-Off Anonymous" hotline number 0800 003 056, whereby your confidentiality is guaranteed.

The Parties hereby declare that each of them has read and understood the clauses of this Integrity Pact and shall abide by it. To the best of the Parties' knowledge and belief, the information provided in this Integrity Pact is true and correct.

ooo000ooo

T2.2-20 : Supplier Code of Conduct

Transnet SOC Limited aims to achieve the best value for money when buying or selling goods and obtaining services. This however must be done in an open and fair manner that supports and drives a competitive economy. Underpinning our process are several acts and policies that any supplier dealing with Transnet must understand and support. These are:

- The Transnet Procurement Policy – A guide for Tenderers.
- Section 217 of the Constitution - the five pillars of Public PSCM (Procurement and Supply Chain Management): fair, equitable, transparent, competitive and cost effective;
- The Public Finance Management Act (PFMA);
- The Broad Based Black Economic Empowerment Act (BBBEE)
- The Prevention and Combating of Corrupt Activities Act (PRECCA); and
- The Construction Industry Development Board Act (CIDB Act).

This code of conduct has been included in this contract to formally appraise Transnet Suppliers of Transnet's expectations regarding behaviour and conduct of its Suppliers.

Prohibition of Bribes, Kickbacks, Unlawful Payments, and Other Corrupt Practices

Transnet is in the process of transforming itself into a self-sustaining State Owned Enterprise, actively competing in the logistics industry. Our aim is to become a world class, profitable, logistics organisation. As such, our transformation is focused on adopting a performance culture and to adopt behaviours that will enable this transformation.

1. Transnet SOC Limited will not participate in corrupt practices. Therefore, it expects its suppliers to act in a similar manner.

- Transnet and its employees will follow the laws of this country and keep accurate business records that reflect actual transactions with, and payments to, our suppliers.
- Employees must not accept or request money or anything of value, directly or indirectly, from suppliers.
- Employees may not receive anything that is calculated to:
 - Illegally influence their judgement or conduct or to ensure the desired outcome of a sourcing activity;

-
- Win or retain business or to influence any act or decision of any person involved in sourcing decisions; or
 - Gain an improper advantage.

- There may be times when a supplier is confronted with fraudulent or corrupt behaviour of Transnet employees. We expect our Suppliers to use our "Tip-offs Anonymous" Hot line to report these acts. (0800 003 056).

2. *Transnet SOC Limited is firmly committed to the ideas of free and competitive enterprise.*

- Suppliers are expected to comply with all applicable laws and regulations regarding fair competition and antitrust practices.
- Transnet does not engage with non-value adding agents or representatives solely for the purpose of increasing BBBEE spend (fronting).

3. *Transnet's relationship with suppliers requires us to clearly define requirements, to exchange information and share mutual benefits.*

- Generally, suppliers have their own business standards and regulations. Although Transnet cannot control the actions of our suppliers, we will not tolerate any illegal activities. These include, but are not limited to:
 - Misrepresentation of their product (origin of manufacture, specifications, intellectual property rights, etc);
 - Collusion;
 - Failure to disclose accurate information required during the sourcing activity (ownership, financial situation, BBBEE status, etc.);
 - Corrupt activities listed above; and
 - Harassment, intimidation or other aggressive actions towards Transnet employees.
- Suppliers must be evaluated and approved before any materials, components, products or services are purchased from them. Rigorous due diligence is conducted and the supplier is expected to participate in an honest and straight forward manner.
- Suppliers must record and report facts accurately, honestly and objectively. Financial records must be accurate in all material respects.

Conflicts of Interest

A conflict of interest arises when personal interests or activities influence (or appear to influence) the ability to act in the best interests of Transnet SOC Limited.

- Doing business with family members.
- Having a financial interest in another company in our industry

Where possible, contracts will be negotiated to include the above in the terms of such contracts. To the extent such terms are not included in contractual obligations and any of the above code is breached, then Transnet reserves its right to review doing business with these suppliers.

I, _____ of _____
(insert name of Director or as per Authority Resolution from Board of Directors) *(insert name of Company)*

hereby acknowledge having read, understood and agree to the terms and conditions set out in the "Transnet Supplier Code of Conduct."

Signed this on day _____ at

Signature

T2.2-21: Insurance provided by the *Contractor*

Clause 84.1 in NEC3 Engineering & Construction Contract (June 2005)(amended June 2006 and April 2013) requires that the *Contractor* provides the insurance stated in the insurance table except any insurance which the *Employer* is to provide as stated in the Contract Data.

Please provide the following details for insurance which the *Contractor* is still to provide. Notwithstanding this information all costs related to insurance are deemed included in the tenderer's rates and prices.

Insurance against	Name of Insurance Company	Cover	Premium
Liability for death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract			
Motor Vehicle Liability Insurance comprising (as a minimum) "Balance of Third Party" Risks including Passenger and Unauthorised Passenger Liability indemnity with a minimum indemnity limit of R10 000 000.			
Insurance in respect of loss of or damage to own property and equipment.			
(Other)			

T2.2-22: Three (3) years audited financial statements

Attached to this schedule is the last three (3) years audited financial statements of the single tenderer/members of the Joint Venture.

NAME OF COMPANY/IES and INDEX OF ATTACHMENTS:

.....

.....

.....

.....

.....

.....

.....

SUPPLIER DECLARATION FORM

Please Note: This Supplier Declaration Form is only to be completed by the successful bidder who is awarded the contract.

Transnet Vendor Management has received a request to load / change your company details onto the Transnet vendor master database. Please return the completed Supplier Declaration Form (SDF) together with the required supporting documents as per Appendix V to the Transnet Official who is intending to procure your company's services / products, to enable us to process this request. Please only submit the documentation relevant to your request.

Please Note: Effective **1 April 2016** all organisations, institutions and individuals who wish to provide goods and/or services to organs of the State must be registered on the National Treasury's Central Supplier Database (CSD). This needs to be done via their portal at <https://secure.csd.gov.za/> **before applying to Transnet.**

General Terms and Conditions:

Please Note: Failure to submit the relevant documentation will delay the vendor creation / change process.

Where applicable, the respective Transnet Operating Division processing your application may request further or additional information from your company.

The Service Provider warrants that the details of its bank account ("the nominated account") provided herein, are correct and acknowledges that payments due to the Supplier will be made into the nominated account. If details of the nominated account should change, the Service Provider must notify Transnet in writing of such change, failing which any payments made by Transnet into the nominated account will constitute a full discharge of the indebtedness of Transnet to the Supplier in respect of the payment so made. Transnet will incur no liability for any payments made to the incorrect account or any costs associated therewith. In such an event, the Service Provider indemnifies and holds Transnet harmless in respect of any payments made to an incorrect bank account and will, on demand, pay Transnet any costs associated herewith.

Transnet expects its suppliers to timeously renew their Tax Clearance and B-BBEE certificates (where applicable), as EMEs and QSEs (QSE's with more than 51% ownership) are only expected to supply an affidavit as per (Appendix D and E). These affidavits must be resubmitted on an annual basis as failure to do so may result in the supplier's account being temporarily suspended.

In addition, please note of the following very important information:

1. If your annual turnover is less than R10 million, then in terms of the DTI codes, you are classified as an Exempted Micro Enterprise (EME). If your company is classified as an EME, please include in your submission, a certified signed letter from your Auditor / Accountant confirming your company's most recent annual turnover is less than R10 million and percentage of black ownership and black female ownership in the company AND / OR B-BBEE certificate and detailed scorecard from an accredited rating agency (e.g. permanent SANAS Member), or a sworn Affidavit should you feel you will be able to attain a better B-BBEE score. (Appendix D).

2. If your annual turnover is between R10 million and R50 million, then in terms of the DTI codes, you are classified as a Qualifying Small Enterprise (QSE) and you claim a specific B-BBEE level based on any 4 of the 7 elements of the B-BBEE score-card, please include your B-BBEE certificate in your submission as confirmation of your status. Or if the Supplier is a QSE with More than 51% black owned, they can submit a sworn affidavit (Appendix E).

Please Note: B-BBEE certificate and detailed scorecard should be obtained from an accredited rating agency (e.g. permanent SANAS Member).

3. If your annual turnover exceeds R50 million, then in terms of the DTI codes, you are classified as a Large Enterprise and you claim a specific B-BBEE level based on all seven elements of the B-BBEE generic score-card. Please include your B-BBEE certificate in your submission as confirmation of your status.

Please Note: B-BBEE certificate and detailed scorecard should be obtained from an accredited rating agency (e.g. permanent SANAS Member).

4. The supplier to furnish proof to the procurement department as required in the Fourth Schedule of the Income Tax Act. 58 of 1962 whether a supplier of service is to be classified as an “employee”, “personal service provider” or “labour broker”. Failure to do so will result in the supplier being subject to employee’s tax.

5. No payments can be made to a vendor until the vendor has been registered / updated, and no vendor can be registered / updated until the vendor application form, together with its supporting documentation, has been received and processed. No payments can be made to a vendor until the vendor has met / comply with the procurement requirements.

6. From 01 May 2015 only B-BBEE certificates issued by SANAS accredited verification agencies will be valid.

PROTECTION OF PERSONAL INFORMATION

1. The following terms shall bear the same meaning as contemplated in Section 1 of the Protection of Person information act, No. of 2013 "(POPIA)":

consent; data subject; electronic communication; information officer; operator; person; personal information; processing; record; Regulator; responsible party; special information; as well as any terms derived from these terms.
2. Transnet will process all information by the Respondent in terms of the requirements contemplated in Section 4(1) of the POPIA:

Accountability; Processing limitation; Purpose specification; Further processing limitation; Information quality; Openness; Security safeguards and Data subject participation.
3. The Parties acknowledge and agree that, in relation to personal information that will be processed pursuant to this Supplier Declaration Form, the Responsible party is "Transnet" and the Data subject is the "Respondent". Transnet will process personal information only with the knowledge and authorisation of the Respondent and will treat personal information which comes to its knowledge as confidential and will not disclose it, unless so required by law or subject to the exceptions contained in the POPIA.
4. Transnet reserves all the rights afforded to it by the POPIA in the processing of any of its information as contained in this Supplier Declaration Form and the Respondent is required to comply with all prescripts as detailed in the POPIA relating to all information concerning Transnet.
5. In completing this Supplier Declaration form, Transnet acknowledges that it will obtain and have access to personal information of the Respondent. Transnet agrees that it shall only process the information disclosed by the Respondent in their response to this Supplier Declaration Form for the purpose of registering the Respondent as a Transnet Vendor to facilitate for payment in the execution of the Agreement between Transnet and the Respondent and in accordance with any applicable law.
6. Transnet further agrees that in submitting any information or documentation requested in this Supplier Declaration Form, the Respondent is consenting to the further processing of their personal information for the purpose of, but not limited to, risk assessment, assurances, vendor management, contract award, contract management, auditing, legal opinions/litigations, investigations (if applicable), document storage for the legislatively required period, destruction, de-identification and publishing of personal information by Transnet and/or its authorised appointed third parties.
7. Furthermore, Transnet will not otherwise modify, amend or alter any personal data submitted by the Respondent or disclose or permit the disclosure of any personal data to any third party without the prior written consent from the Respondent. Similarly, Transnet requires the Respondent to process any personal information disclosed by Transnet in the bidding process in the same manner.
8. Transnet shall, at all times, ensure compliance with any applicable laws put in place and maintain sufficient measures, policies and systems to manage and secure against all forms of risks to any information that may be shared or accessed pursuant to this Supplier Declaration Form (physically, through a computer or any other form of electronic communication).

9. Transnet shall notify the Respondent in writing of any unauthorised access to information, cybercrimes or suspected cybercrimes, in its knowledge and report such crimes or suspected crimes to the relevant authorities in accordance with applicable laws, after becoming aware of such crimes or suspected crime. The Respondent must take all necessary remedial steps to mitigate the extent of the loss or compromise of personal information and to restore the integrity of the affected personal information as quickly as is possible.
10. The Respondent may, in writing, request Transnet to confirm and/or make available any personal information in its possession in relation to the Respondent and if such personal information has been accessed by third parties and their identity thereof in terms of the POPIA.
11. The Respondent may further request that Transnet correct (excluding critical/mandatory or evaluation information), delete, destroy, withdraw consent or object to the processing of any personal information relating to the Respondent in Transnet's possession in terms of the provision of the POPIA and utilizing Form 2 of the POPIA Regulations.
12. In submitting any information or documentation requested in this Supplier Declaration Form, the Respondent is hereby consenting to the processing of their personal information for the purpose of this Supplier Declaration Form and further confirming that they are aware of their rights in terms of Section 5 of POPIA.

Respondents are required to provide consent below:

YES	
------------	--

NO	
-----------	--

13. Further, the Respondent declares that they have obtained all consents pertaining to other data subject's personal information included in its submission and thereby indemnifying Transnet against any civil or criminal action, administrative fines or other penalty or loss that may arise as a result of the processing of any personal information that the Respondent submitted to it.
14. The Respondent declares that the personal information submitted for the purpose of this Supplier Declaration Form is complete, accurate, not misleading, is up to date and may be updated where applicable.

Signature of Respondent's authorised representative: _____

Should a Respondent have any complaints or objections to processing of its personal information, by Transnet, the Respondent can submit a complaint to the Information Regulator on <https://www.justice.gov.za/infoereg/>, click on contact us, click on complaints.IR@justice.gov.za

Supplier Declaration Form

Important Notice: Effective 1 April 2016 all organisations, institutions and individuals who wish to provide goods and/or services to organs of the State must be registered on the National Treasury Central Supplier Database (CSD). This needs to be done via their portal at <https://secure.csd.gov.za/> before applying to Transnet.

CSD Number (MAAA xxxxxx):

Company Trading Name						
Company Registered Name						
Company Registration No Or ID No If a Sole Proprietor						
Company Income Tax Number						
Form of Entity	CC	Trust	Pty Ltd	Limited	Partnership	Sole Proprietor
	Non-profit (NPO's or NPC)	Personal Liability Co	State Owned Co	National Govt	Provincial Govt	Local Govt
	Educational Institution	Specialised Profession	Financial Institution	Foreign International	Foreign Branch Office	

Did your company previously operate under another name?

Yes

No

If **YES** state the previous details below:

Trading Name						
Registered Name						
Company Registration No Or ID No If a Sole Proprietor						
Form of Entity	CC	Trust	Pty Ltd	Limited	Partnership	Sole Proprietor
	Non-profit	Personal Liability Co	State Owned Co	National Govt	Provincial Govt	Local Govt
	Educational Institution	Specialised Profession	Financial Institution	Foreign International	Foreign Branch Office	

Your Current Company's VAT Registration Status

VAT Registration Number

If **Exempted from VAT registration**, state reason and submit proof from SARS in confirming the exemption status

If your business entity is not VAT Registered, please submit a current original sworn affidavit (see example in Appendix I). Your Non VAT Registration must be confirmed annually.

Company Banking Details		Bank Name	
Universal Branch Code		Bank Account Number	

Company Physical Address			Code	
			Code	
Company Postal Address			Code	
			Code	
Company Telephone number				
Company Fax Number				
Company E-Mail Address				
Company Website Address				

Company Contact Person Name	
Designation	
Telephone	
Email	

Is your company a Labour Broker?		Yes		No	
Main Product / Service Supplied e.g. Stationery / Consulting / Labour etc.					
How many personnel does the business employ?		Full Time		Part Time	
Please Note: Should your business employ more than 2 full time employees who are not connected persons as defined in the Income Tax Act, please submit a sworn affidavit, as per Appendix II.					

Most recent Financial Year's Annual Turnover	<R10Million		>R10Million <R50Million		>R50Million	
--	-------------	--	----------------------------	--	-------------	--

Does your company have a valid B-BBEE certificate?				Yes		No	
What is your Broad Based BEE status (Level 1 to 9)							
Majority Race of Ownership							
% Black Ownership		% Black Women ownership		% Black Disabled person(s) ownership		% Black Youth ownership	
Please Note: Please provide proof of B-BBEE status as per Appendix V. If you qualify as an EME or QSE then provide an affidavit following the examples provided in Appendix III and IV respectively. If you have indicated Black Disabled person(s) ownership, then provide a certified letter signed by a physician, on the physician's letterhead, confirming the disability.							

By signing below, I hereby verify that I am duly authorised to sign for and on behalf of firm / organisation and that all information contained herein and attached herewith are true and correct			
Name		Designation	
Signature		Date	

Stamp And Signature Of Commissioner Of Oaths			
Name		Date	
Signature		Telephone No	

Example of an Affidavit or Solemn Declaration as to VAT registration status

Affidavit or Solemn Declaration

I, _____ solemnly swear/declare that _____
_____ is not a registered VAT vendor and is not required to register as a VAT vendor because the combined value of taxable supplies made by the provider in any 12 month period has not exceeded or is not expected to exceed R1million threshold, as required in terms of the Value Added Tax Act.

Signature: _____

Designation: _____

Date: _____

Commissioner of Oaths

Thus signed and sworn to before me at _____ on this the _____ day of _____
_____ 20_____,

the Deponent having knowledge that he/she knows and understands the contents of this Affidavit, and that he/she has no objection to taking the prescribed oath, which he/she regards binding on his/her conscience and that the allegations herein contained are all true and correct.

Commissioner of Oaths

Example of an Affidavit or Solemn Declaration as to number of employees

Affidavit or Solemn Declaration

I, _____ solemnly swear/declare that _____
 _____ employs three or more full time employees, which employees are engaged
 in the business of rendering the services of the organisation and are not connected persons as defined
 in the Income Tax Act.

Signature: _____

Designation: _____

Date: _____

Commissioner of Oaths

Thus signed and sworn to before me at _____ on this the _____ day of _____
 _____ 20_____,

the Deponent having knowledge that he/she knows and understands the contents of this Affidavit, and
 that he/she has no objection to taking the prescribed oath, which he/she regards binding on his/her
 conscience and that the allegations herein contained are all true and correct.

 Commissioner of Oaths

Example of an Affidavit or Solemn Declaration as to EME B-BBEE Status

SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE

I, the undersigned,

Full Name & Surname	
Identity Number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a member / director / owner of the following enterprise and am duly authorised to act on its behalf.

Enterprise Name	
Trading Name	
Registration Number	
Enterprise Address	

3. I hereby declare under oath that:

- The enterprise is _____ % black owned;
- The enterprise is _____ % black woman owned;
- The enterprise is _____ % black youth owned;
- The enterprise is _____ % black disabled owned;
- Based on the management accounts and other information available for the _____ financial year, the income did not exceed R10,000,000.00 (ten million rand).

Please confirm on the table below the B-BBEE level contributor, **by ticking the applicable box.**

100% black owned	Level One (135% B-BBEE procurement recognition)	
More than 51% black owned	Level Two (125% B-BBEE procurement recognition)	
Less than 51% black owned	Level Four (100% B-BBEE procurement recognition)	

4. The entity is an empowering supplier in terms of the **DTI** Codes of Good Practice.
5. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
6. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: _____

Date: _____

Commissioner of Oaths
Signature & stamp

Example of an Affidavit or Solemn Declaration as to QSE B-BBEE Status

SWORN AFFIDAVIT – B-BBEE QUALIFYING SMALL ENTERPRISE

I, the undersigned,

Full Name & Surname	
Identity Number	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a member / director / owner of the following enterprise and am duly authorised to act on its behalf.

Enterprise Name	
Trading Name	
Registration Number	
Enterprise Address	

3. I hereby declare under oath that:

- The enterprise is _____% black owned;
- The enterprise is _____% black woman owned;
- The enterprise is _____% black youth owned;
- The enterprise is _____% black disabled owned;
- Based on the management accounts and other information available for the _____ financial year, the income did not exceed R50,000,000.00 (fifty million rand);
- The entity is an empowering supplier in terms of Clause 3.3 (a) or (b) or (c) or (d) or as amended 3.3 (e) of the DTI Codes of Good Practice. **(Tick appropriate box in table below).**

(a) At least 25% of cost of sales, (excluding labour costs and depreciation) must be procurement from local producers or suppliers in South Africa; for the services industry include labour costs but capped at 15%		(b) Job Creation – 50% of jobs created are for black people, provided that the number of black employees in the immediate prior verified B-BBEE measurement is maintained	
(c) At least 25% transformation of raw material / beneficiation which include local manufacturing, production and /or assembly, and / or packaging		(d) At least 12 days per annum of productivity deployed in assisting QSE and EME beneficiaries to increase their operation or financial capacity	
(e) At least 85% of labour costs should be paid to South African employees by service industry entities			

Please confirm on the table below the B-BBEE level contributor, **by ticking the applicable box.**

100% black owned	Level One (135% B-BBEE procurement recognition)	
More than 51% black owned	Level Two (125% B-BBEE procurement recognition)	

5. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
6. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

Deponent Signature: _____**Date:** _____

Commissioner of Oaths
Signature & stamp

T2.2-24 Agreement in terms of Protection of Personal Information Act, 4 of 2013 ("POPIA")

1. PREAMBLE AND INTRODUCTION

- 1.1. The rights and obligation of the Parties in terms of the Protection of Personal Information Act, 4 of 2013 ("POPIA") are included as forming part of the terms and conditions of this contract.

2. PROTECTION OF PERSONAL INFORMATION

- 2.1. The following terms shall bear the same meaning as contemplated in Section 1 of the Protection of Person information act, No. of 2013 "(POPIA)":
- consent; data subject; electronic communication; information officer; operator; person; personal information; processing; record; Regulator; responsible party; special information; as well as any terms derived from these terms.
- 2.2. The Operator will process all information by the Transnet in terms of the requirements contemplated in Section 4(1) of the POPIA:
- Accountability; Processing limitation; Purpose specification; Further processing limitation; Information quality; Openness; Security safeguards and Data subject participation.
- 2.3. The Parties acknowledge and agree that, in relation to personal information of Transnet and the information of a third party that will be processed pursuant to this Agreement, the Operator is (... insert name of Tenderer) hereinafter Operator and the Data subject is "Transnet". Operator will process personal information only with the knowledge and authorisation of Transnet and will treat personal information and the information of a third party which comes to its knowledge as confidential and will not disclose it, unless so required by law or subject to the exceptions contained in the POPIA.
- 2.4. Transnet reserves all the rights afforded to it by the POPIA in the processing of any of its information as contained in this Agreement and the Operator is required to comply with all prescripts as detailed in the POPIA relating to all information concerning Transnet.
- 2.5. In terms of this Agreement, the Operator acknowledges that it will obtain and have access to personal information of Transnet and the information of a third party and agrees that it shall only process the information disclosed by Transnet in terms of this Agreement and only for the purposes as detailed in this Agreement and in accordance with any applicable law.
- 2.6. Should there be a need for the Operator to process the personal information and the information of a third party in a way that is not agreed to in this Agreement, the Operator must request consent

from Transnet to the processing of its personal information or and the information of a third party in a manner other than that it was collected for, which consent cannot be unreasonably withheld.

- 2.7. Furthermore, the Operator will not otherwise modify, amend or alter any personal information and the information of a third party submitted by Transnet or disclose or permit the disclosure of any personal information and the information of a third party to any third party without prior written consent from Transnet.
- 2.8. The Operator shall, at all times, ensure compliance with any applicable laws put in place and maintain sufficient measures, policies and systems to manage and secure against all forms of risks to any information that may be shared or accessed pursuant to the services offered to Transnet in terms of this Agreement (physically, through a computer or any other form of electronic communication).
- 2.9. The Operator shall notify Transnet in writing of any unauthorised access to personal information and the information of a third party, cybercrimes or suspected cybercrimes, in its knowledge and report such crimes or suspected crimes to the relevant authorities in accordance with applicable laws, after becoming aware of such crimes or suspected crime. The Operator must inform Transnet of the breach as soon as it has occurred to allow Transnet to take all necessary remedial steps to mitigate the extent of the loss or compromise of personal information and the information of a third party and to restore the integrity of the affected personal information as quickly as is possible.
- 2.10. Transnet may, in writing, request the Operator to confirm and/or make available any personal information and the information of a third party in its possession in relation to Transnet and if such personal information has been accessed by third parties and the identity thereof in terms of the POPIA.
- 2.11. Transnet may further request that the Operator correct, delete, destroy, withdraw consent or object to the processing of any personal information and the information of a third party relating to the Transnet or a third party in the Operator's possession in terms of the provision of the POPIA and utilizing Form 2 of the POPIA Regulations.
- 2.12. In signing this addendum that is in terms of the POPIA, the Operator hereby agrees that it has adequate measures in place to provide protection of the personal information and the information of a third party given to it by Transnet in line with the 8 conditions of the POPIA and that it will provide to Transnet satisfactory evidence of these measures whenever called upon to do so by Transnet.

The Operator is required to provide confirmation that all measures in terms of the POPIA are in place when processing personal information and the information of a third party received from Transnet:



YES	
------------	--

NO	
-----------	--

2.13. Further, the Operator acknowledges that it will be held liable by Transnet should it fail to process personal information in line with the requirements of the POPIA. The Operator will be subject to any civil or criminal action, administrative fines or other penalty or loss that may arise as a result of the processing of any personal information that Transnet submitted to it.

2.14. Should a Tenderer have any complaints or objections to processing of its personal information, by Transnet, the Tenderer can submit a complaint to the Information Regulator on <https://www.justice.gov.za/infoereg/>, click on contact us, click on complaints.IR@justice.gov.za

3. **SOLE AGREEMENT**

3.1. The Agreement, constitute the sole agreement between the parties relating to the subject matter referred to in paragraph 1.1 of this and no amendment/variation/change shall be of any force and effect unless reduced to writing and signed by or on behalf of both parties.

Signed at _____ on this _____ day of _____ 2021

Name: _____

Title: _____

Signature: _____

XXXXX (Pty) Ltd

(Operator)

Authorised signatory for and on behalf of Xxxx (Pty) Ltd who warrants that he/she is duly authorised to sign this Agreement.

AS WITNESSES:

1. Name: _____ Signature: _____

2. Name: _____ Signature: _____



C1.1 Form of Offer & Acceptance

Offer

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract for the procurement of:

On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

The tenderer, identified in the Offer signature block, has

examined the documents listed in the Tender Data and addenda thereto as listed in the Returnable Schedules, and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Contractor* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

The offered total of the Prices exclusive of VAT is	R
Value Added Tax @ 15% is	R
The offered total of the Prices inclusive of VAT is	R
(in words)	

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the *Contractor* in the *conditions of contract* identified in the Contract Data.

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

(Insert name and address of organisation)

Name &
signature of
witness

Date

Tenderer's CIDB registration number:

Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the *conditions of contract* identified in the Contract Data. Acceptance of the tenderer's Offer shall form an agreement between the Employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

Part C1	Agreements and Contract Data, (which includes this Form of Offer and Acceptance)
Part C2	Pricing Data
Part C3	Scope of Work: Service Information

and drawings and documents (or parts thereof), which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The tenderer shall within two weeks of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date of award.

Unless the tenderer (now *Contractor*) within five working days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the Parties.

Signature(s)

Name(s)

Capacity

**for the
Employer**

(Insert name and address of organisation)

Name &
signature of
witness

Date



Schedule of Deviations

Note:

1. To be completed by the Employer prior to award of contract. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

No.	Subject	Details
1		
2		
3		
4		
5		
6		
7		

By the duly authorised representatives signing this Schedule of Deviations below, the Employer and the tenderer agree to and accept this Schedule of Deviations as the only deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender Schedules, as well as any confirmation, clarification or changes to the terms of the Offer agreed by the tenderer and the Employer during this process of Offer and Acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Form shall have any meaning or effect in the contract between the parties arising from this Agreement.

For the tenderer:

For the Employer

Signature

Name

Capacity

On behalf
of

(Insert name and address of organisation)

(Insert name and address of organisation)

Name &
signature
of witness

Date



C1.2 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	dispute resolution Option	A: Priced contract with price list
	and secondary Options	W1: Dispute resolution procedure
		X2 Changes in the law
		X13 Performance Bond
		X17 Low service damages
		X18: Limitation of liability
		X19: Task Order
		Z: <i>Additional conditions of contract</i>
	of the NEC3 Term Service Contract (June 2005) (and amended June 2006 and April 2013)	
10.1	The <i>Employer</i> is:	Transnet SOC Ltd
	Address	Registered address: Transnet Corporate Centre 138 Eloff Street Braamfontein Johannesburg 2000
	Having elected its Contractual Address for the purposes of this contract as:	Transnet Freight Rail 15 Girton Road Parktown Johannesburg 2000
10.1	The <i>Service Manager</i> is (name):	Nkanyiso Mhlongo

	Address	138 Eloff Street, Johannesburg
	Tel	011-583 0153
	e-mail	Nkanyiso.Mhlongo@transnet.net
11.2(2)	The Affected Property is	Distribution and Traction Substations - Central & Container Corridors North and North-East Corridors Cape and Ore Corridors
11.2(13)	The <i>service</i> is	On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors
11.2(14)	The following matters will be included in the Risk Register	<ul style="list-style-type: none"> • Failure and/ or delay supplying transformer spares and effect repairs • Electrocution • Community unrest • Weather conditions
11.2(15)	The Service Information is in	The Scope of Services
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa subject to the jurisdiction of the Courts of South Africa.
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	2 weeks
2	The Contractor's main responsibilities	(If the optional statement for this section is not used, no data will be required for this section)
21.1	The <i>Contractor</i> submits a first plan for acceptance within	2 weeks of the Contract Date
3	Time	
30.1	The <i>starting date</i> is.	09 January 2022
30.1	The <i>service period</i> is	36 Months
4	Testing and defects	No additional data is required for this section of the <i>conditions of contract</i>.
5	Payment	
50.1	The <i>assessment interval</i> is	25th (twenty fifth) day of each successive month.
51.1	The <i>currency of this contract</i> is the	South African Rand.



51.2	The period within which payments are made is	Payment will be effected on or before the last day of the month following the month during which a valid Tax Invoice and Statement were received.
51.4	The <i>interest rate</i> is	The prime lending rate of the Standard Bank South Africa.
6	Compensation events	No additional data is required for this section of the <i>conditions of contract</i>.
7	Use of Equipment Plant and Materials	No additional data is required for this section of the <i>conditions of contract</i>.
8	Risks and insurance	
80.1	These are additional <i>Employers</i> risks	1. The contractor might have to work where there is too much vegetation when executing the services
83.1	The minimum limit of indemnity for insurance in respect of loss and damage to property (except goods, plant and materials and equipment) and liability for bodily injury or death of a person (not an employee of the <i>Service Provider</i>) caused by activity in connection with this contract for any one event is:	Whatever <i>Contractor</i> deems necessary as the <i>Employer</i> is not carrying this indemnity.
83.1	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract for any one event is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act.
83.1	Motor Vehicle Liability Insurance comprising (as a minimum) "Balance of Third Party" Risks including Passenger and Unauthorised Passenger Liability indemnity with a minimum indemnity limit of R 5 000 000	
83.1	The <i>Contractor</i> liability to the <i>Employer</i> for indirect or consequential loss including loss of profit, revenue and goodwill, is limited to:	The total of the Prices.
83.1	For any one event, the <i>Contractor</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employers</i> property is limited to:	The total of the Prices.



83.1	The <i>Contractor</i> total liability to the <i>Employer</i> for all matters arising under or in connection with this contract, other than the excluded matters, is limited to:	The total of the Prices.
9	Termination	There is no Contract Data required for this section of the <i>conditions of contract</i>.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than	2 weeks.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i> is (Name)	Both parties will agree as and when a dispute arises. If the parties cannot reach an agreement on the <i>Adjudicator</i>, the chairman of the Association of Arbitrators will appoint an <i>Adjudicator</i>.
W1.2(3)	The <i>Adjudicator nominating body</i> is: If no <i>Adjudicator nominating body</i> is entered, it is	The Association of Arbitrators (Southern Africa)
W1.4(2)	The <i>tribunal</i> is:	Arbitration
W1.4(5)	The <i>arbitration procedure</i> is	The Rules for the Conduct of Arbitrations of the Association of Arbitrators (Southern Africa)
	The place where arbitration is to be held is	Johannesburg, South Africa
	The person or organisation who will choose an arbitrator	
	- if the Parties cannot agree a choice or	
	- if the arbitration procedure does not state who selects an arbitrator, is	The Chairman of the Association of Arbitrators (Southern Africa)
12	Data for secondary Option clauses	
X2	Changes in the law	No additional data is required for this Option
X13	Performance bond	
X13.1	The amount of the performance bond is	10% of Total of the Prices
X17	Low service damages	
X17.1	The <i>service level table</i> is in	Part C3 (Services Information)

Performance level	% Achieved of performance against Time worked for each task order	Low service damages for each task order
Rate of installation (as per <i>Employer's</i> Services Information)	99-100% performance achieved	R0 (nil)
	95 - 98% performance achieved	2,5% of the Price for Services Provided to Date in terms of the Task Order
	90 – 94% performance achieved	5% of the Price for Services Provided to Date in terms of the Task Order
	88-89% performance achieved	7,5% of the Price for Services Provided to Date in terms of the Task Order
	86-87% performance achieved	10% of the Price for Services Provided to Date in terms of the Task Order
	84-85% performance achieved	12,5% of the Price for Services Provided to Date in terms of the Task Order
	<84% performance achieved	15% of the Price for Services Provided to Date in terms of the Task Order
X18	Limitation of liability	
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	Nil.
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to	The deductible of the relevant insurance policy
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	The cost of correcting the defect.
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	Total of the Prices.
X18.5	The <i>end of liability date</i> is	3 years after the end of the <i>service period</i>.
X19	Task Order	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	3 days of receiving the Task Order



Z Additional conditions of contract

Z1 Obligations in respect of Termination

Z1.1	<p>The following will be included under core clause 91.1:</p> <p>In the second main bullet, after the word 'partnership' add 'joint venture whether incorporated or otherwise (including any constituent of the joint venture)'; and</p> <p>Under the second main bullet, insert the following additional bullets after the last sub-bullet:</p> <ul style="list-style-type: none"> • commenced business rescue proceedings (R22) • repudiated this Contract (R23)
Z1.2 Termination Table	<p>The following will be included under core clause 90.2 Termination Table as follows:</p> <p>Amend "A reason other than R1 – R21" to "A reason other than R1 – R23"</p>
Z1.3	<p>Amend "R1 – R15 or R18" to "R1 – R15, R18, R22 or R23."</p>

Z2 Right Reserved by Transnet to Conduct Vetting through SSA

Z2.1	<p>Transnet reserves the right to conduct vetting through State Security Agency (SSA) for security clearances of any Contractor who has access to National Key Points for the following without limitations:</p> <ol style="list-style-type: none"> 1. Confidential – this clearance is based on any information which may be used by malicious, opposing or hostile elements to harm the objectives and functions of an organ of state. 2. Secret – clearance is based on any information which may be used by malicious, opposing or hostile elements to disrupt the objectives and functions of an organ of state. 3. Top Secret – this clearance is based on information which may be used by malicious, opposing or hostile elements to neutralise the objectives and functions of an organ of state.
------	---



Z3 Additional clause relating to Collusion in the Construction Industry

Z3.1	The contract award is made without prejudice to any rights Transnet may have to take appropriate action later with regard to any declared bid rigging including blacklisting.
------	---

Z4 Protection of Personal Information Act

Z4.1	The <i>Employer</i> and the <i>Contractor</i> are required to process information obtained for the duration of the Agreement in a manner that is aligned to the Protection of Personal Information Act
------	--

Z5 Local Production and Content Obligations

Z5.1	In terms of Local Production and Content (SBD 6.2), Annexure A and Annexure C of the Returnable Schedule T2.2-2 Eligibility Criteria Schedule: Declaration Certificate of Local Production and Content, the <i>Contractor</i> has undertaken to fulfil its obligations of the Local Production and Content for the following designated sectors:
------	--

Copper - Winding Material	100%
Transformer oil	100%
Bushings	100%

Z5.2	The <i>Contractor</i> is required to note that the <i>Employer</i> , the Department of Trade and Industry [DTI] and/or the body appointed by the DTI as the verification authority for local content may conduct compliance audits with regard to the Local Production and Content requirements as prescribed in Regulation 8 of the Preferential Procurement Regulations, 2017 issued in terms of the Preferential Procurement Policy Framework Act no. 5 of 2000.
------	---

Z5.3	The <i>Contractor</i> is required to continuously update Declarations C, D and E of the Local Production and Content Declaration commitments with the actual local content values for the duration of the contract.
------	---

The *Contractor* shall report to the *Employer* on a monthly basis during the term of the Contract, the amounts spend on Local Production and Content for the designated sectors for the duration of the contract.

Z5.4	The <i>Contractor</i> must refer to Schedule A attached to the Returnable Schedule T2.2-2 Eligibility Criteria Schedule: Declaration Certificate of Local Production and Content concerning non-compliance penalties applicable to Local Production and Content.
Z5.5	Breach of Local Production and Content commitments provides the <i>Employer</i> cause to terminate the contract.



C1.2 Contract Data

Part two - Data provided by the *Contractor*

The tendering contractor is advised to read both the NEC3 Term Service Contract (June 2005) and the relevant parts of its Guidance Notes (TSC3-GN) in order to understand the implications of this Data which the tenderer is required to complete.

Completion of the data in full, according to Options chosen, is essential to create a complete contract.

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is%
	The <i>subcontracted fee percentage</i> is%
11.2(14)	The following matters will be included in the Risk Register	.....
24.1	The key persons are:	
	1 Name:	.....
	Job:	.....
	Responsibilities:	.....
	Qualifications:	.....
	Experience:	.....
	2 Name:	.....
	Job	.....
	Responsibilities:	.....
	Qualifications:	.....
	Experience:	.....
	
		CV's (and further key person's data including CVs) are in
A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	.....



TRANSNET FREIGHT RAIL

Tender Number: HOAC HO 39576

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

11.2(19) The tendered total of the Prices is **R.....**



C1.3 Forms of Securities

Pro forma Performance Guarantee

For use with the NEC3 Term Service Contract - June 2005 (with amendments June 2006 and April 2013)

The *conditions of contract* stated in the Contract Data Part 1 include the following Secondary Option:

Option X13: Performance bond

The pro forma document for this Guarantee is provided here for convenience but is to be treated as part of the *Service Information*.

The organisation providing the Guarantee does so by copying the pro forma document onto its letterhead without any change to the text or format and completing the required details. The completed document is then given to the *Employer* within the time stated in the contract.

The Performance Bond needs to be issued by an institution that are reasonably acceptable to the *Employer*.

Transnet may choose to not to accept an Issuer. Should the issuer not being accepted, the performance bond needs to be replaced by an issuer that are acceptable to Transnet. Issuers need to be verified for acceptance by Transnet before a performance bond is issued.



Pro-forma Performance Bond (for use with Option X13)

(to be reproduced exactly as shown below on the letterhead of the Surety)

Transnet SOC Ltd
C/o Transnet Freight Rail
Transnet Corporate Centre
138 Eloff Street
Braamfontein
Johannesburg
2000

Date:

Dear Sirs,

Performance Bond for Contract No.

With reference to the above numbered contract made or to be made between

Transnet SOC Limited, Registration No. 1990/000900/30

(the *Employer*) and

{Insert registered name and address of the *Contractor*}

(the *Contractor*), for

{Insert details of the *service* from the Contract Data}

(the *service*).

I/We the undersigned

on behalf of the
Guarantor

of physical address

and duly authorised thereto do hereby bind ourselves as Guarantor and co-principal debtors in solidum for the due and faithful performance of all the terms and conditions of the Contract by the *Contractor* and for all losses, damages and expenses that may be suffered or incurred by the *Employer* as a result of non-performance of the Contract by the *Contractor*, subject to the following conditions:

1. The terms *Employer*, *Contractor*, *Service Manager*, *Service* have the meaning as assigned to them by the *conditions of contract* stated in the Contract Data for the aforesaid Contract.
2. We renounce all benefits from the legal exceptions "Benefit of Excussion and Division", "No value received" and all other exceptions which might or could be pleaded against the validity of this bond, with the meaning and effect of which exceptions we declare ourselves to be fully acquainted.
3. The *Employer* has the absolute right to arrange his affairs with the *Contractor* in any manner which the *Employer* deems fit and without being advised thereof the Guarantor shall not have the right to claim his release on account of any conduct alleged to be prejudicial to the Guarantor. Without derogating from the foregoing compromise, extension of the service period, indulgence, release or variation of the *Contractor's* obligation shall not affect the validity of this performance bond.



4. This bond will lapse on the earlier of

- the date that the Guarantor receives a notice from the *Service Manager* stating that the Completion Certificate for the whole of the *service* has been issued, that all amounts due from the *Contractor* as certified in terms of the contract have been received by the *Employer* and that the *Contractor* has fulfilled all his obligations under the Contract, or
- the date that the Surety issues a replacement Performance Bond for such lesser or higher amount as may be required by the *Service Manager*.

5. Always provided that this bond will not lapse in the event the Guarantor is notified by the *Service Manager*, (before the dates above), of the *Employer's* intention to institute claims and the particulars thereof, in which event this bond shall remain in force until all such claims are paid and settled.

6. The amount of the bond shall be payable to the *Employer* upon the *Employer's* demand and no later than 7 days following the submission to the Guarantor of a certificate signed by the *Service Manager* stating the amount of the *Employer's* losses, damages and expenses incurred as a result of the non-performance aforesaid. The signed certificate shall be deemed to be conclusive proof of the extent of the *Employer's* loss, damage and expense.

7. Our total liability hereunder shall not exceed the sum of:

(say) _____

R _____

8. This Performance Bond is neither negotiable nor transferable and is governed by the laws of the Republic of South Africa, subject to the jurisdiction of the courts of the Republic of South Africa

Signed at _____ on this _____ day of _____ 201_

Signature(s)

Name(s) (printed)

Position in Guarantor company

Signature of Witness(s)

Name(s) (printed)

PART C2: PRICING DATA

Document reference	Title	No of pages
C2.1	Pricing instructions: Option A	2

C2.1 Pricing instructions: Option A

1.1 The *conditions of contract*

1.2 How the contract prices work and assesses it for progress payments

Clause 11 in NEC3 Term Services Contract (TSC), June 2005 (with amendments June 2006 and April 2013) Option A states:

Identified 11
and defined
terms 11.2

(17) The Price for Services Provided to Date is the total of

- the Price for each lump sum item in the Price List which the *Contractor* has completed and
- where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the *Contractor* has completed by the rate.

(19) The Prices are the amounts stated in the Price column of the Price List, where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

1.3 Measurement and Payment

1.3.1 The Price List provides the basis of all valuations of the Price for Services Provided to Date, payments in multiple currencies and general progress monitoring.

1.3.2 The amount due at each assessment date is based on activities and/or milestones completed as indicated on the Price List.

1.3.3 The Price List work breakdown structure provided by the *Contractor* is based on the activity/milestone provided by the Employer. The activities listed by the *Employer* are the minimum activities acceptable and identify the specific activities which are required to achieve Completion. **The Price List work breakdown structure is compiled to the satisfaction of the Employer with any additions and/or amendments deemed necessary.**

1.3.4 The *Contractor's* detailed Price List summates back to the activity/milestone provided by the *Employer* and is sufficient detail to monitor completion of activities related to the operations on the Accepted Plan in order that payment of completed activities may be assessed.

1.3.5 The Prices are obtained from the Price List. The Prices includes for all direct and indirect costs, overheads, profits, risks, liabilities, obligations, etc. relative to the contract.

PART C2: PRICING DATA

Central and Container Corridors

PART C2: PRICING DATA

Document reference	Title	No of pages
C2.2	Price List	9

C2.2 Price List

Central and Container Corridors

PRICE LIST – ON-SITE REPAIR OF OIL-IMMERSED TRACTION TRANSFORMERS ON "AS AND WHEN" CONTRACT

ITEM	EQUIPMENT	WORK DESCRIPTION	UNIT	QTY	RATE	AMOUNT
A	TRACTION SUBSTATIONS					
1	Substation	Site Establishment (Incl. Onsite risk and condition assessment)	sum	10		
2	Transformer	High Pressure wash the traction transformer to remove all oil and dirt as well as the plinth	sum	10		
3		Spray-paint the whole transformer	each	10		
4		Paint the bushings to match the phases	each	10		
5		Re-gasketing of transformer tank	sum	10		
6		Re-gasketing of transformer Bushings	each	10		
7		Re-gasketing of Tap Changer Chamber	each	10		
8		Complete transformer re-gasketing	Sum	10		
9	Tap changer	Maintenance and Service	sum	10		
10	Buchholz Relay	Inspection and service	each	10		
11		Design, supply and install new Buchholz relay and remove old one	sum	10		

12	Conservator Tank	Inspection and service	each	10		
13	Radiator fins	Inspection and service	sum	10		
14		Re-gasket fins	sum	10		
15	Gauges	Test and service Oil temperature gauge	each	10		
16		Calibrate Oil temperature indicators (OTI)	each	10		
17		Remove old OTI and replace with new OTI	each	10		
18		Test and service Winding temperature gauge	each	10		
19		Calibrate Winding temperature indicators	each	10		
20		Remove old WTI and replace with new WTI	each	10		
21	Silica gel breather	Maintain/service dehydrating breather	each	10		
22		Change silica gel desiccant	each	10		
23	Transformer oil	Oil sampling, Testing and analysis before work completion	sum	10		
24		Oil Purification [Regeneration] per pass	L	10 x12600		
25		Oil Drainage (Incl. containers)	L	10x 12600		

26		Oil Top up (1 drum)	L	10x 210		
27		Dissolved Gas Analysis (DGA)	each	10		
28	Drain valves	Supply and install	each	10		
29	Magnetic type oil level gauge	Design, supply and install new Magnetic type oil level gauge	each	10		
30		Test and service Magnetic type oil level gauge	each	10		
31		Remove old Magnetic type oil level gauge	each	10		
32	Surge Arrestors	Design, supply and install secondary surge arrestors bracket	sum	10		
33		Design, supply and install secondary surge arrestors	each	10 x 3		
34	Crusher stones	Supply and install new crusher stones for the entire outdoor yard	sum	10		
35	Test (SANS 600076, BBG 2415, BBB 5019)	Winding Resistance	each	10		
36		Transformer Turns Ratio	each	10		
37		Phase Displacement	each	10		
38		Insulation Resistance	each	10		
39		Polarity Index (PI)	each	10		
40		No Load Losses	each	10		
41		Full Load Losses	each	10		

42		Zero Sequence Impedance	each	10		
43		Induced Overvoltage with Partial Discharge	each	10		
44		Tan-Delta Test	each	10		
45		Transformer Oil Breakdown Test	each	10		
46		Magnetic Balance Test	each	10		
47		Oil sampling, Testing and analysis after work completion	each	10		
48	Plant & Equipment	Generator utilization (Electric Power supply)	day	10 x 2		
49		Crane truck utilization for lifting equipment	day	10 x 2		
50		Low bed truck hire	day	10 x 2		
51		Oil purification plant	day	10 x 2		
52	Preliminary and General	P's and G's (Labour, site establishment, Transport, civil work and preparations	sum	10		

ITEM	EQUIPMENT	WORK DESCRIPTION	UNIT	QTY	RATE	AMOUNT
B	DISTRIBUTION AND AUXILIARY TRANSFORMERS					
1	Transformer	High Pressure wash the auxiliary transformer to remove all oil and dirt as well as the plinth	sum	5		
2		Spray-paint the whole transformer	each	5		
3		Paint the bushings to match the phases	each	5		
4		Re-gasketing of transformer tank	sum	5		
5		Re-gasketing of transformer Bushings	each	5		
6		Re-gasketing of Tap Changer Chamber	each	5		
7		Complete transformer re-gasketing	Sum	5		
8	Tap changer	Maintenance and Service	sum	5		
9	Buchholz Relay	Inspection and service	each	5		

10		Design , supply and install new Buchholz relay and remove old one	sum	5		
11	Conservator Tank	Inspection and service	each	5		
12	Radiator fins	Inspection and service	sum	5		
13		Re-gasket fins	sum	5		
14	Silica gel breather	Maintain/service dehydrating breather	each	5		
15		Change silica gel desiccant	each	5		
16	Test (SANS 600076, BBG 2415, BBB 5019)	Winding Resistance	each	5		
17		Transformer Turns Ratio	each	5		
18		Phase Displacement	each	5		
19		Insulation Resistance	each	5		
20		Polarity Index (PI)	each	5		
21		No Load Losses	each	5		
22		Full Load Losses	each	5		
23		Zero Sequence Impedance	each	5		

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

24		Induced Overvoltage with Partial Discharge	each	5		
25		Tan-Delta Test	each	5		
26		Transformer Oil Breakdown Test	each	5		
27		Magnetic Balance Test	each	5		
28		Oil sampling, Testing and analysis after work completion	each	5		
29		Oil sampling, Testing and analysis after work completion	sum	5		
30	Plant & Equipment	Generator utilization (Electric Power supply)	day	5 x 2		
31		Crane truck utilization for lifting equipment	day	5 x 2		
32		Low bed truck hire	day	5 x 2		
33		Oil purification plant	day	5 x 2		
34	Preliminary and General	P's and G's (Labour, site establishment, Transport, civil work and preparations	sum	5		
TOTAL AMOUNT (excl. VAT)					R	
Value Added Tax @15%					R	
TOTAL AMOUNT (incl. VAT)					R	

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

Item NO.	Test / Service	unit	QTY	Rate	Cost Price
1	Colour	unit	5		
2	Moisture Content	unit	5		
3	Dielectric Strength	unit	5		
4	Relative Saturation	unit	5		
5	Interfacial Tension	unit	5		
6	Acid Content	unit	5		
7	Dissolved Gas Analysis	unit	5		
8	Sludge Test	unit	5		
9	Polychlorinated Biphenyls Test	unit	5		
10	Furanic / DP Test	unit	5		
11	Analytical Service (Oil Report)	unit	5		
	TOTAL				

The total of the Prices

PART C2: PRICING DATA

North and North-East Corridors

PART C2: PRICING DATA

Document reference	Title	No of pages
C2.2	Price List	9

C2.2 Price List

North and North-East Corridors

PRICE LIST – ON-SITE REPAIR OF OIL-IMMERSED DISTRIBUTION / TRACTION TRANSFORMERS ON "AS AND WHEN" CONTRACT						
ITEM	EQUIPMENT	WORK DESCRIPTION	UNIT	QTY	RATE	AMOUNT
A	Traction Substations					
1	Substation	Site Establishment (Incl. Onsite risk and condition assessment)	sum	1		
2	Transformer	High Pressure wash the traction transformer to remove all oil and dirt as well as the plinth	sum	1		
3		Spray-paint the whole transformer	each	1		
4		Paint the bushings to match the phases	each	1		
5		Re-gasketing of transformer tank	sum	1		
6		Re-gasketing of transformer Bushings	each	1		
7		Re-gasketing of Tap Changer Chamber	each	1		
8		Complete transformer re-gasketing	Sum	1		
9	Tap changer	Maintenance and Service	sum	1		
10	Buchholz Relay	Inspection and service	each	1		
11		Design , supply and install new Buchholz relay and remove old one	sum	1		

12	Conservator Tank	Inspection and service	each	1		
13	Radiator fins	Inspection and service	sum	1		
14		Re-gasket fins	sum	1		
15	Gauges	Test and service Winding temperature gauge	each	1		
16		Calibrate oil temperature indicators (OTI)	each	1		
17		Remove old OTI and replace with new OTI	each	1		
18		Test and service Oil temperature gauge	each	1		
19		Calibrate oil temperature indicators	each	1		
20		Remove old WTI and replace with new WTI	each	1		
21	Silica gel breather	Maintain/service dehydrating breather	each	1		
22		Change silica gel desiccant	each	1		
23	Transformer oil	Oil sampling, Testing and analysis before work completion	sum	1		
24		Oil Purification [Regeneration] per pass	L	1000		
25		Oil Drainage (Incl. containers)	L	1000		

26		Oil Top up (1 drum)	L	210		
27		Dissolved Gas Analysis (DGA)	each	1		
28	Drain valves	Supply and install	each	1		
29	Magnetic type oil level gauge	Design, supply and install new Magnetic type oil level gauge	each	1		
30		Test and service Magnetic type oil level gauge	each	1		
31		Remove old Magnetic type oil level gauge	each	1		
32	Surge Arrestors	Design, supply and install secondary surge arrestors bracket	each	1		
33		Design, supply and install secondary surge arrestors	each	1		
34	Crusher stones	Supply and install new crusher stones	m ³	1		
35	Test (SANS 600076, BBG 2415, BBB 5019)	Winding Resistance	each	1		
36		Transformer Turns Ratio	each	1		
37		Phase Displacement	each	1		
38		Insulation Resistance	each	1		
39		Polarity Index (PI)	each	1		
40		No Load Losses	each	1		
41		Full Load Losses	each	1		

42		Zero Sequence Impedance	each	1		
43		Induced Overvoltage with Partial Discharge	each	1		
44		Tan-Delta Test	each	1		
45		Transformer Oil Breakdown Test	each	1		
46		Magnetic Balance Test	each	1		
47		Oil sampling, Testing and analysis after work completion	each	1		
48	Plant & Equipment	Generator utilization (Electric Power supply)	each	1		
49		Crane truck utilization for lifting equipment	each	1		
50		Low bed truck hire	each	1		
51		Oil purification plant	each	1		
52	Preliminary and General	P's and G's (Labour, site establishment, Transport, civil work and preparations	sum	1		

ITEM	EQUIPMENT	WORK DESCRIPTION	UNIT	QTY	RATE	AMOUNT
B	Distribution and Auxiliary Transformers					
1	Transformer	High Pressure wash the auxiliary transformer to remove all oil and dirt as well as the plinth	sum	1		
2		Spray-paint the whole transformer	each	1		
3		Paint the bushings to match the phases	each	1		
4		Re-gasketing of transformer tank	sum	1		
5		Re-gasketing of transformer Bushings	each	1		
6		Re-gasketing of Tap Changer Chamber	each	1		
7		Complete transformer re-gasketing	Sum	1		
8	Tap changer	Maintenance and Service	sum	1		
9	Buchholz Relay	Inspection and service	each	1		

10		Design , supply and install new Buchholz relay and remove old one	sum	1		
11	Conservator Tank	Inspection and service	each	1		
12	Radiator fins	Inspection and service	sum	1		
13		Re-gasket fins	sum	1		
14	Silica gel breather	Maintain/service dehydrating breather	each	1		
15		Change silica gel desiccant	each	1		
16	Test (SANS 600076, BBG 2415, BBB 5019)	Winding Resistance	each	1		
17		Transformer Turns Ratio	each	1		
18		Phase Displacement	each	1		
19		Insulation Resistance	each	1		
20		Polarity Index (PI)	each	1		
21		No Load Losses	each	1		
22		Full Load Losses	each	1		
23		Zero Sequence Impedance	each	1		

24		Induced Overvoltage with Partial Discharge	each	1		
25		Tan-Delta Test	each	1		
26		Transformer Oil Breakdown Test	each	1		
27		Magnetic Balance Test	each	1		
28		Oil sampling, Testing and analysis after work completion	each	1		
29		Oil sampling, Testing and analysis after work completion	sum	1		
30		Generator utilization (Electric Power supply)	each	1		
31	Plant & Equipment	Crane truck utilization for lifting equipment	each	1		
32		Low bed truck hire	each	1		
33		Oil purification plant	each	1		
34	Preliminary and General	P's and G's (Labour, site establishment, Transport, civil work and preparations	sum	1		
TOTAL AMOUNT (excl. VAT)					R	
Value Added Tax @15%					R	
TOTAL AMOUNT (incl. VAT)					R	

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers on "As and When" Required Basis for a Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-East Corridors and Cape and Ore Corridors

Item number	Test / Service	Cost Price
1	Colour	
2	Moisture Content	
3	Dielectric Strength	
4	Relative Saturation	
5	Interfacial Tension	
6	Acid Content	
7	Dissolved Gas Analysis	
8	Sludge Test	
9	Polychlorinated Biphenyls Test	
10	Furanic / DP Test	
11	Analytical Service (Oil Report)	
12	Total Condition assessment report	
A	Sub-Total	
B	Contingency of A at 10%	
C	Gross Total (Sum of A & B)	

The total of the Prices

PART C2: PRICING DATA

Cape and Ore Corridors

PART C2: PRICING DATA

Document reference	Title	No of pages
C2.2	Price List	9

C2.2 Price List

Cape and Ore Corridors

PRICE LIST – ON-SITE REPAIR OF OIL-IMMERSED DISTRIBUTION / TRACTION TRANSFORMERS ON "AS AND WHEN" CONTRACT

ITEM	EQUIPMENT	WORK DESCRIPTION	UNIT	QTY	RATE	AMOUNT
A	Traction Substations					
1	Substation	Site Establishment (Incl. Onsite risk and condition assessment)	sum	1		
2	Transformer	High Pressure wash the traction transformer to remove all oil and dirt as well as the plinth	sum	1		
3		Spray-paint the whole transformer	each	1		
4		Paint the bushings to match the phases	each	1		
5		Re-gasketing of transformer tank	sum	1		
6		Re-gasketing of transformer Bushings	each	1		
7		Re-gasketing of Tap Changer Chamber	each	1		
8		Complete transformer re-gasketing	Sum	1		
9	Tap changer	Maintenance and Service	sum	1		
10	Buchholz Relay	Inspection and service	each	1		

11		Design , supply and install new Buchholz relay and remove old one	sum	1		
12	Conservator Tank	Inspection and service	each	1		
13	Radiator fins	Inspection and service	sum	1		
14		Re-gasket fins	sum	1		
15	Gauges	Test and service Winding temperature gauge	each	1		
16		Calibrate oil temperature indicators (OTI)	each	1		
17		Remove old OTI and replace with new OTI	each	1		
18		Test and service Oil temperature gauge	each	1		
19		Calibrate oil temperature indicators	each	1		
20		Remove old WTI and replace with new WTI	each	1		
21	Silica gel breather	Maintain/service dehydrating breather	each	1		
22		Change silica gel desiccant	each	1		
23	Transformer oil	Oil sampling, Testing and analysis before work completion	sum	1		
24		Oil Purification [Regeneration] per pass	L	1000		

25		Oil Drainage (Incl. containers)	L	1000		
26		Oil Top up (1 drum)	L	210		
27		Dissolved Gas Analysis (DGA)	each	1		
28	Drain valves	Supply and install	each	1		
29	Magnetic type oil level gauge	Design, supply and install new Magnetic type oil level gauge	each	1		
30		Test and service Magnetic type oil level gauge	each	1		
31		Remove old Magnetic type oil level gauge	each	1		
32	Surge Arrestors	Design, supply and install secondary surge arrestors bracket	each	1		
33		Design, supply and install secondary surge arrestors	each	1		
34	Crusher stones	Supply and install new crusher stones	m ³	1		
35	Test (SANS 600076, BBG 2415, BBB 5019)	Winding Resistance	each	1		
36		Transformer Turns Ratio	each	1		
37		Phase Displacement	each	1		
38		Insulation Resistance	each	1		
39		Polarity Index (PI)	each	1		
40		No Load Losses	each	1		

41		Full Load Losses	each	1		
42		Zero Sequence Impedance	each	1		
43		Induced Overvoltage with Partial Discharge	each	1		
44		Tan-Delta Test	each	1		
45		Transformer Oil Breakdown Test	each	1		
46		Magnetic Balance Test	each	1		
47		Oil sampling, Testing and analysis after work completion	each	1		
48	Plant & Equipment	Generator utilization (Electric Power supply)	each	1		
49		Crane truck utilization for lifting equipment	each	1		
50		Low bed truck hire	each	1		
51		Oil purification plant	each	1		
52	Preliminary and General	P's and G's (Labour, site establishment, Transport, civil work and preparations	sum	1		

ITEM	EQUIPMENT	WORK DESCRIPTION	UNIT	QTY	RATE	AMOUNT
B	Distribution and Auxiliary Transformers					
1	Transformer	High Pressure wash the auxiliary transformer to remove all oil and dirt as well as the plinth	sum	1		
2		Spray-paint the whole transformer	each	1		
3		Paint the bushings to match the phases	each	1		
4		Re-gasketing of transformer tank	sum	1		
5		Re-gasketing of transformer Bushings	each	1		
6		Re-gasketing of Tap Changer Chamber	each	1		
7		Complete transformer re-gasketing	Sum	1		
8	Tap changer	Maintenance and Service	sum	1		
9	Buchholz Relay	Inspection and service	each	1		
10		Design , supply and install new Buchholz relay and remove old one	sum	1		
11	Conservator Tank	Inspection and service	each	1		
12	Radiator fins	Inspection and service	sum	1		

13		Re-gasket fins	sum	1		
14	Silica gel breather	Maintain/service dehydrating breather	each	1		
15		Change silica gel desiccant	each	1		
16	Test (SANS 600076, BBG 2415, BBB 5019)	Winding Resistance	each	1		
17		Transformer Turns Ratio	each	1		
18		Phase Displacement	each	1		
19		Insulation Resistance	each	1		
20		Polarity Index (PI)	each	1		
21		No Load Losses	each	1		
22		Full Load Losses	each	1		
23		Zero Sequence Impedance	each	1		
24		Induced Overvoltage with Partial Discharge	each	1		
25		Tan-Delta Test	each	1		
26		Transformer Oil Breakdown Test	each	1		

27		Magnetic Balance Test	each	1		
28		Oil sampling, Testing and analysis after work completion	each	1		
29		Oil sampling, Testing and analysis after work completion	sum	1		
30	Plant & Equipment	Generator utilization (Electric Power supply)	each	1		
31		Crane truck utilization for lifting equipment	each	1		
32		Low bed truck hire	each	1		
33		Oil purification plant	each	1		
34	Preliminary and General	P's and G's (Labour, site establishment, Transport, civil work and preparations	sum	1		
TOTAL AMOUNT (excl. VAT)					R	
Value Added Tax @15%					R	
TOTAL AMOUNT (incl. VAT)					R	

Item number	Test / Service	Cost Price
1	Colour	
2	Moisture Content	
3	Dielectric Strength	
4	Relative Saturation	
5	Interfacial Tension	
6	Acid Content	
7	Dissolved Gas Analysis	
8	Sludge Test	
9	Polychlorinated Biphenyls Test	
10	Furanic / DP Test	
11	Analytical Service (Oil Report)	
12	Total Condition assessment report	
A	Sub-Total	
B	Contingency of A at 10%	
C	Gross Total (Sum of A & B)	

The total of the Prices

PART C3: SERVICE INFORMATION

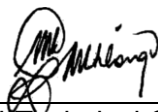
Central and Container Corridors

PART C3: SERVICE INFORMATION

Document reference	Title	No of pages
C3.1	This cover page	1
	<i>Service Information</i>	6
Total number of pages		7

CORRIDORS: CENTRAL AND CONTAINER**Compiled By:**

Nkanyiso Mhlongo



11.10.2022

Senior Engineer, RN-Technical Office

Reviewed By:

Selby Mathebula

Principal Engineer, RN – Technical Office

1 Description of the service

1.1 Executive overview

The service that the Contractor is to perform includes:

- 1.1.1 On-site repairs and maintenance of oil-immersed Traction and Distribution Transformers on an "As and When" required contract basis for a period of 36 Months at various substations within Central and Container Corridors. These repairs and maintenance include:
 - 1.1.1.1 Soil rehabilitation, where oil spillage has occurred
 - 1.1.1.2 supply of required spares/components, & oil,
 - 1.1.1.3 and sometimes circulation/purification and testing of the existing oil,
 - 1.1.1.4 Testing and Commissioning,
 - 1.1.1.5 Design, Supply and Installation of the bund wall
 - 1.1.1.6 The service will be performed within Central and Container Corridors:
 - **Central Corridor** entails the following infrastructure depots: Vereeniging, Isando and Krugersdorp; and
 - **Container Corridor** entails: Heidelberg, Ladysmith and Durban
- 1.1.2 The service provides for emergency and urgent repair work of Traction and Distribution transformers commencing on the date of notification and acceptance of tender with Transnet Freight Rail for a period of 36 months on "As and When" contract.
- 1.1.3 The area of deployment is "Central and Container Corridors" on Transnet Freight Rail traction and distribution substations.
- 1.1.4 Implementation requirements will differ from site to site, depending on the scope of required service per site. However, adherence to the project's technical specification is mandatory.

1.2 Employers Objective

The Employer's current objectives are:

- 1.2.1 That the "As and When" contract for Traction and Distribution transformer on-site repairs will serve as a proactive strategy that enables Rail Network to speedily respond to costly unavailability of the electrical infrastructure due to transformer failures

1.3 Access to the Affected Property

- TFR shall issue Site access certificate for each site where the contractor is required to work

1.4 Provisions

- 1.4.1 The Contractor shall provide all necessary Plant and Equipment, Security of the affect property, ablution facilities, etc. until the affected property is handed over back to Transnet.

1.5 Tests and inspections before and during the Provision of the Service as per Service Information

- 1.5.1 Testing and Commissioning shall be performed upon completion of all repairs and maintenance activities as a quality assurance that the whole service rendered is adequate and complies with all Engineering and Safety Standards.

2 ENGINEERING AND DESIGN

2.1 Contractor's Design

No specific designs are required from the contractor for site repairs, however for all maintenance and repair activities the contractor shall adhere to applicable Transnet Specifications, SANS, ISO and IEC Standards.

2.2 Parts of the Service which the Contractor is to design

2.2.1 The Contractor is to design the following parts of the services:

- Winding temperature Indicator
- Oil Temperature Indicator
- Buchholz Relay,
- Breather system,
- Bushings,
- Other small components, i.e. clamps, leads, mech-box, etc.

2.3 Procedure for the Submission and Acceptance of Contractor's Design

- 2.3.1 The Contractor shall, before installation or implementation, supply the Employer with the design to be reviewed.
- 2.3.2 The Contractor undertakes design safety as per standard, and best practice codes of Engineering.
- 2.3.3 In undertaking the 'Services' (including all incidental services required), the Contractor shall conform and adhere to the requirements of the 'Contractor Document Submittal Requirements'

2.4 Review and Acceptance of Contractor's Design

The Contractor submits documentation as the Service Information requires to the Service Manager for review and acceptance.

3 SERVICE

The *Contractor's* design shall comply with Transnet's latest specifications of BBB 5452, CEE-0111_ISS_2019, BBD 6774 and BBB 0128

3.1 Temporary service, Affected Property & constraints on how the *Contractor* Provides the Service

3.1.1 Affected Property entry and security control, permits, and Affected Property regulations

The *Contractor* complies with the Employer's Affected Property entry and security control, permits and Affected Property regulations.

3.1.2 Restrictions to access on Affected Property, roads, walkways and barricades:

3.1.2.1 The *Contractor* is specifically excluded from entering the Employer's Operational Areas which are adjacent to the Affected Property. The *Contractor* plans and organises his work in such a manner so as to cause the least possible disruption to the Employer's operations.

3.1.2.2 The *Contractor* ensures safe passage of his team, to traffic and around the Affected Property working areas at all times which includes providing flagmen.

3.1.2.3 The *Contractor* ensures that any of his staff, labour and Equipment moving outside of his allocated Affected Property and Service Areas does not obstruct the operations of the third parties

To this end, access routes are allocated and coordinated by the *Service Manager*.

3.1.2.4 The *Contractor* ensures that all his Service staff, labour, and Equipment remains within his allocated and fenced off working Area.

3.1.2.5 All *Contractor's* staff and labour working within the specified affected property complies with Transnet Freight Rail (TFR) operational safety requirements and are equipped with all necessary personnel protective equipment (PPE).

3.1.2 People restrictions on Affected Property; hours of work, conduct and records: The *Contractor* keeps daily records of his people engaged on the Affected Property with access to such daily records available for inspection by the *Service Manager* at all reasonable times.

4 LIST OF REFERENCE SPECIFICATIONS

The above stipulation is for information and reference purposes only.

Please refer to electronic references.

Specification/Drawing number	Revision	Title
BBC0198	2	REQUIREMENTS FOR THE SUPPLY OF ELECTRIC CABLES
BBB0496	15	3 KV RECTIFIER FOR TRACTION SUBSTATIONS
BBB0845	4	REQUIREMENTS FOR METAL OXIDE SURGE ARRESTERS WITHOUT GAPS FOR TRACTION AND POWER DISTRIBUTION SUBSTATIONS IN ACCORDANCE WITH SANS 60099-4
BBB0937	4	REQUIREMENTS FOR OUTDOOR POST TYPE CURRENT TRANSFORMERS FOR TRACTION AND DISTRIBUTION SUBSTATIONS
BBB0938	9	CONNECTION OF HIGH VOLTAGE SURGE ARRESTER INSTALLED ON CROSS ARM
BBB1267	10	REQUIREMENTS FOR OUTDOOR ALTERNATING-CURRENT CIRCUIT BREAKERS FOR TRACTION AND DISTRIBUTION SUBSTATIONS
BBB1616	3	450 VOLT GAS ARRESTER SPARKGAP FOR TRACTION POWER SUPPLIES
BBB2502	6	REQUIREMENTS FOR BATTERY CHARGERS FOR 3 KV DC TRACTION SUBSTATIONS
BBB2721	11	AC PRIMARY CIRCUIT BREAKER CONTROL PANEL AND AC/DC DISTRIBUTION PANEL FOR 3 KV TRACTION SUBSTATIONS
BBB3005	2	3 KV DC UNDER VOLTAGE RELAY MANUFACTURING SPECIFICATION
BBB3139	2	WAVE FILTER CAPACITOR FOR 3 KV DC TRACTION SUBSTATIONS
BBB3162	2	WAVE FILTER INDUCTORS FOR 3 KV DC TRACTION SUBSTATIONS
BBB3483	1	WAVE FILTER HARMONIC COIL CARRIER ASSEMBLY 3 KV DC SUBSTATIONS
BBB3620	6	3 KV DC EARTHING ARRANGEMENT FOR HIGH VOLTAGE OUTDOOR YARDS
BBB3890	3	REQUIREMENTS FOR A 1.8 Milli Henry DC REACTOR FOR 3 KV DC TRACTION SUBSTATIONS
BBB4182	5	INDOOR, MEDIUM VOLTAGE METAL ENCLOSED SWITCHGEAR AND CONTROL GEAR IN ACCORDANCE WITH IEC-62271-200
BBB0938	9	CONNECTION OF HIGH VOLTAGE SURGE ARRESTER INSTALLED ON CROSS ARM
BBB5019	6	REQUIREMENTS FOR TRACTION TRANSFORMERS FOR 3 KV DC TRACTION SUBSTATIONS IN ACCORDANCE WITH SANS 60076
BBB5452	7	TRANSNET FREIGHT RAIL'S REQUIREMENTS FOR THE INSTALLATION OF ELECTRICAL EQUIPMENT FOR 3 KV DC TRACTION SUBSTATIONS
BBB7842	1	OUTDOOR, HIGH VOLTAGE, ALTERNATING CURRENT DISCONNECTORS COMBINED WITH EARTHING SWITCHES

BBB8205	4	HIGH VOLTAGE SUPPLY TRANSFORMERS IN ACCORDANCE WITH IEC 60076 AND BS 171 (FOR NOMINAL SYSTEM VOLTAGE 33KV UO TO 132KV)
BBC0198	2	REQUIREMENTS FOR THE SUPPLY OF ELECTRIC CABLES
BBC330	2	REQUIREMENTS FOR ISOLATION TRANSFORMERS
BBD6774	1	DESIGN,SUPPLY, INSTALLATION, TESTING AND COMMISSIONING OF A NEW 88 KV TO 11 KV INTAKE DISTRIBUTION SUBSTATION AND NETWORK CHANGES AT ERMELO
BBF8128		HANDBOOK FOR TESTING AND CALIBRATION OF RAILWAY ELECTRICAL PROTECTION EQUIPMENT
BBF3690	1	ELECTRICAL SAFETY INSTRUCTIONS
CEE0023	2012	INSTALLATION OF LOW AND MEDIUM VOLTAGE CABLES
CEE045	2014	PAINTING OF STEEL COMPONENTS OF ELECTRICAL EQUIPMENT
CEE0099	2013	3 KILO VOLTS DC HIGH SPEED CIRCUIT BREAKERS FOR TRACTION SUBSTATIONS
CEE0111	2019	25 KV AC TRACTION SUBSTATIONS
CEE0224	2002	DRAWINGS, CATALOGUES, INSTRUCTION MANUALS AND SPARES LISTS FOR ELECTRICAL EQUIPMENT SUPPLIED UNDER CONTRACT
CEE0227	2018	THE MANUFACTURE OF 3 KV DC BREAKER CELLS AND TRUCKS
CEE-TBD-1	12	3 KV DC EARTHING ARRANGEMENT SYSTEM FOR TRACTION SUBSTATIONS
E4E	2	TRANSNET FREIGHT RAIL SAFETY HEALTH AND ENVIRONMENT (SHE) SPECIFICATION FOR CONTRACTORS
BBD8210	1	E7/1 –SPECIFICATION FOR GENERAL WORK AND WORKS ON, OVER, UNDER OR ADJACENT TO RAILWAY LINES AND NEAR HIGH VOLTAGE EQUIPMENT
BBB 0128	2	Repair and Refurbishment of oil-immersed Traction and Distribution Transformers
BBB0414	3	Yard Layout, 25 kV AC traction substation

5 Health and Safety Information

5.1 Safety risk management

5.1.1 The safety management plan (SMP) will be site specific and will be dealt with in accordance with Transnet's specification E4E.

5.2.2 The Contractor ensures that its Subcontractors comply with the requirements of the SMP.

6 Procurement

6.1 The Contractor's Invoices

6.1.1 The invoice states the following:

- Invoice addressed to Transnet SOC Limited;

-
- Transnet Limited's VAT No: 4720103177;
 - Invoice number;
 - The *Contractor's* VAT Number; and

6.1.2 The invoice contains the supporting detail:

A bill format as per the tender document indicating previously paid, paid to date and amount due for the month.

The invoice is presented either by post or by hand delivery.

6.1.3 Invoices submitted by post are addressed to:

Mr. Nkanyiso Mhlongo
4th Floor, North Wing – Transnet Freight Rail
138 Eloff Street,
Braamfontein, JHB
2001

6.1.4 Invoices submitted by hand are presented to:

Mr. Nkanyiso Mhlongo
4th Floor, North Wing – Transnet Freight Rail
138 Eloff Street,
Braamfontein, JHB
2001

The invoice is presented as an original.

PART C4: AFFECTED PROPERTY (CENTRAL AND CONTAINER CORRIDORS)

Core clause 11.2(2) states

"Affected Property is property which

- Is affected by the work of the *Contractor* or used by the *Contractor* in Providing the Service
- is in the documents which the Contract Data states it is in."

In Contract Data, reference has been made to this Part 4 of the contract for the location of the Affected Property.

1. Description of the Affected Property and its surroundings

- All sites in which the works shall be executed are situated within TWO Transnet Operations Corridors, viz:
 - Central, and
 - Container
- Infrastructure depots within:
 - Central Corridor are – Krugersdorp, Isando and Vereeniging.
 - Container Corridor are – Heidelberg, Ladysmith, and Durban

1.1. General description

Transnet Freight Rail has three traction systems that are currently in use. These includes the 3kV DC, 25kV AC and 50kV AC traction substations. There is also a distribution network component comprising of 6.6 kV and 11 kV used for signalling equipment supplies as well as yard lights. In total, as of April 2022, the company owns about 440 traction substations and 301 Distribution substations. These substations are in different geographical locations nationally and strategically placed in corridor groups. The geographical locations of Central and Container corridors are shown in Annexure1. As it can be seen on the maps, these two corridors are geographically vast and the mix of substations is spread across North-West, Gauteng, Mpumalanga, and Kwa-Zulu Natal provinces. Each substation comprises of a High Voltage yard and the indoor, refer to drawing BBB 0414 version 3 as shown in Annexure B, below.

1.2. Existing buildings, structures, and plant & machinery on the Affected Property

The purpose of the "On-site repair and maintenance of oil-immersed traction and distribution transformers on an "as and when" required contract basis" is to repair "On-Site", the existing traction and distribution transformers that have failed. Appendices B and C below show the typical layout of the outdoor equipment in Transnet substations.

1.3. Subsoil information

In cases where soil rehabilitation is required due to transformer oil spillages, the contractor shall take soil samples as frequently as required until compliance with environmental regulations is achieved.

1.4. 1.4 Hidden services

The requirement may differ per site, the contractor must comply with E7/1 specifications which states that:

- No pegs or stakes shall be driven, or any excavation made before the Contractor has established that there are no underground services which may be damaged thereby.
- Any damage shall be reported immediately to the Contract Supervisor, or to the official in charge at the nearest station, or to the traffic controller in the case of centralised traffic control.'

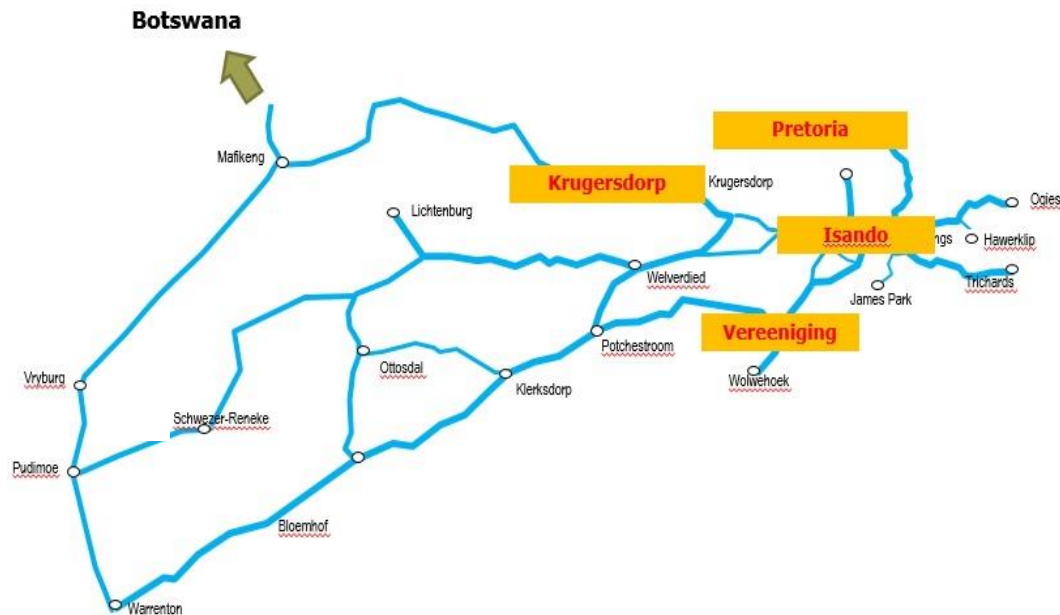
1.5. Other reports and publicly available information

Any other information applicable/required per site will be made available to the Contractor.



ANNEXURE A: Central and Container Corridors

CENTRAL

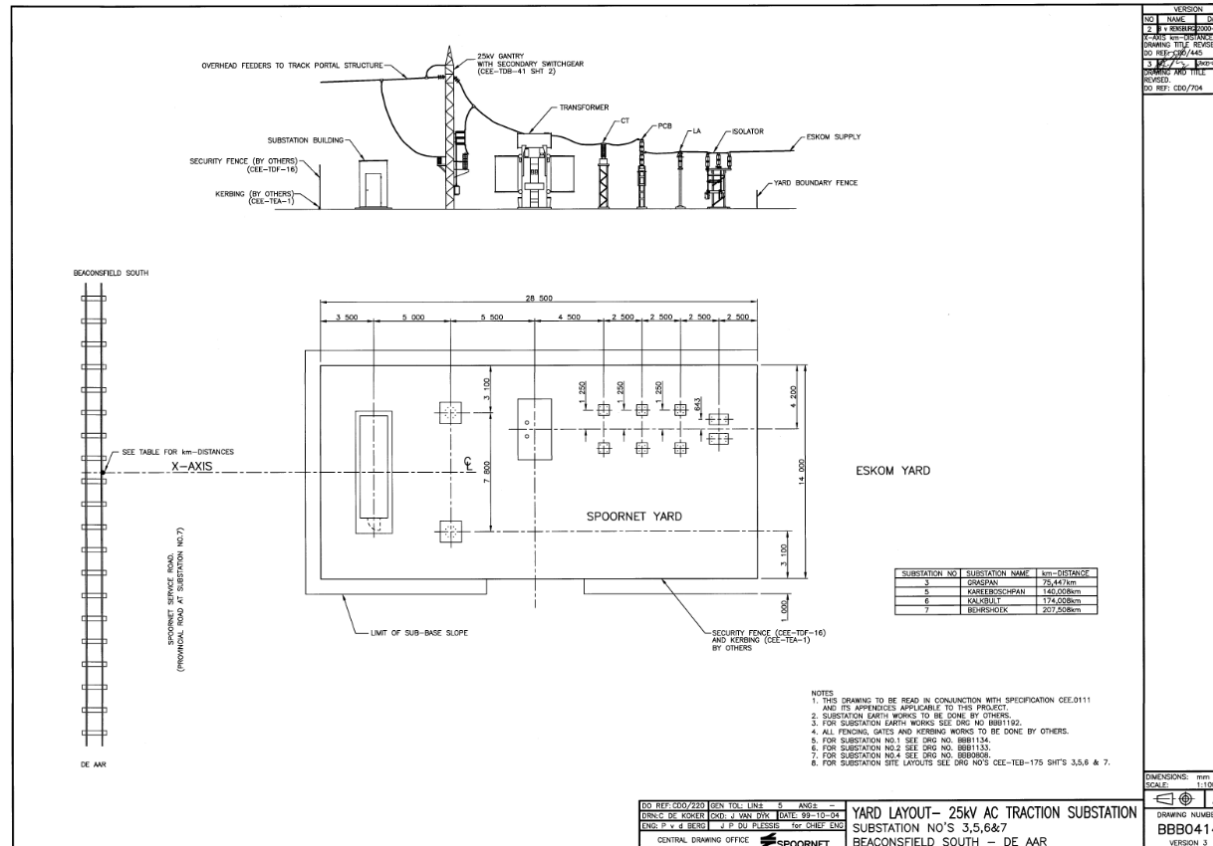


CONTAINER





ANNEXURE B: Typical 25kV AC Substation



ANNEXURE C: Typical Substation Layout of HT Yard (3kV DC, 11kV AC and 25kV AC)

TRANSNET FREIGHT RAIL

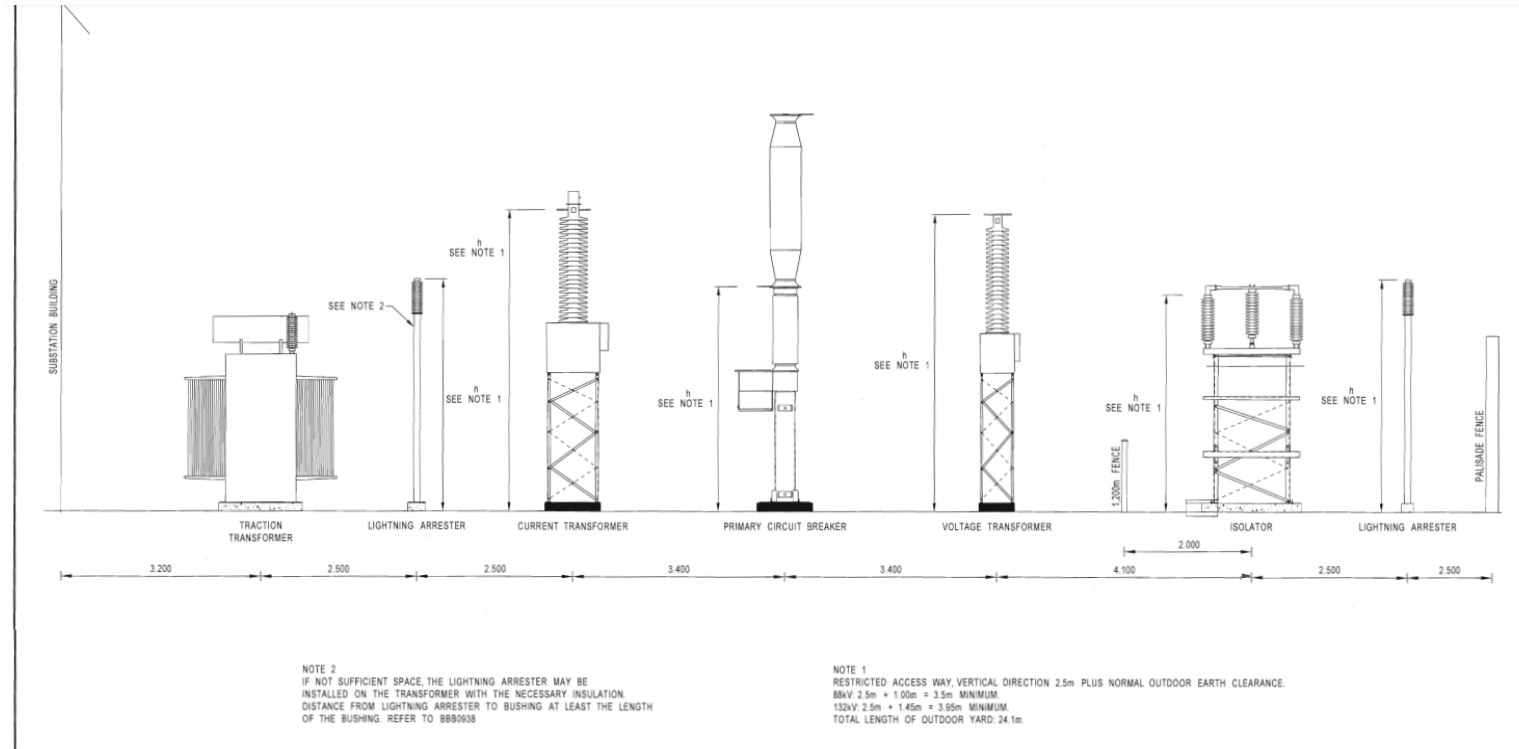
Tender Number: HOAC HO 39576

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers
Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-Corridors

TRANSNET



on "As and When" Required Basis for a
East Corridors and Cape and Ore



PART C3: SERVICE INFORMATION

North and North-East Corridors

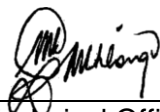
PART C3: SERVICE INFORMATION

Document reference	Title	No of pages
C3.1	This cover page	1
	<i>Service Information</i>	5
Total number of pages		6

CORRIDORS: NORTH AND NORTH - EAST

Compiled By:

Nkanyiso Mhlongo



11.10.2022

Senior Engineer, RN-Technical Office

Reviewed By:

Selby Mathebula

Principal Engineer, RN – Technical Office

1 Description of the service

1.1 Executive overview

The service that the Contractor is to perform includes:

- 1.1.1 On-site repairs and maintenance of oil-immersed Traction and Distribution Transformers on an "As and When" required contract basis for a period of 36 Months at various substations within North and North - East Corridors. These repairs and maintenance include:
 - 1.1.1.1 Soil rehabilitation, where oil spillage has occurred
 - 1.1.1.2 supply of required spares/components, & oil,
 - 1.1.1.3 and sometimes circulation/purification and testing of the existing oil,
 - 1.1.1.4 Testing and Commissioning,
 - 1.1.1.5 Design, Supply and Installation of the bund wall
 - 1.1.1.6 The service will be performed within North and North - East Corridors:
 - **North Corridor** entails the following infrastructure depots: Ermelo, Koedoespoort, Richards Bay and Vryheid; and
 - **North - East Corridor** entails: Nelspruit, Witbank and Polokwane
- 1.1.2 The service provides for emergency and urgent repair work of Traction and Distribution transformers commencing on the date of notification and acceptance of tender with Transnet Freight Rail for a period of 36 months on "As and When" contract.
- 1.1.3 The area of deployment is "North and North- East Corridors" on Transnet Freight Rail traction and distribution substations.
- 1.1.4 Implementation requirements will differ from site to site, depending on the scope of required service per site. However, adherence to the project's technical specification is mandatory.

1.2 Employers Objective

The Employer's current objectives are:

- 1.2.1 That the "As and When" contract for Traction and Distribution transformer on-site repairs will serve as a proactive strategy that enables Rail Network to speedily respond to costly unavailability of the electrical infrastructure due to transformer failures

1.3 Access to the Affected Property

- TFR shall issue Site access certificate for each site where the contractor is required to work

1.4 Provisions

- 1.4.1 The Contractor shall provide all necessary Plant and Equipment, Security of the affect property, ablution facilities, etc. until the affected property is handed over back to Transnet.

1.5 Tests and inspections before and during the Provision of the Service as per Service Information

- 1.5.1 Testing and Commissioning shall be performed upon completion of all repairs and maintenance activities as a quality assurance that the whole service rendered is adequate and complies with all Engineering and Safety Standards.

2 ENGINEERING AND DESIGN

2.1 Contractor's Design

No specific designs are required from the contractor for site repairs, however for all maintenance and repair activities the contractor shall adhere to applicable Transnet Specifications, SANS, ISO and IEC Standards.

2.2 Parts of the Service which the Contractor is to design

2.2.1 The Contractor is to design the following parts of the services:

- Winding temperature Indicator
- Oil Temperature Indicator
- Buchholz Relay,
- Breather system,
- Bushings,
- Other small components, i.e. clamps, leads, mech-box, etc.

2.3 Procedure for the Submission and Acceptance of Contractor's Design

2.3.1 The Contractor shall, before installation or implementation, supply the Employer with the design to be reviewed.

2.3.2 The Contractor undertakes design safety as per standard, and best practice codes of Engineering.

2.3.3 In undertaking the 'Services' (including all incidental services required), the Contractor shall conform and adhere to the requirements of the 'Contractor Document Submittal Requirements'

2.4 Review and Acceptance of Contractor's Design

The Contractor submits documentation as the Service Information requires to the Service Manager for review and acceptance.

3 SERVICE

The *Contractor's* design shall comply with Transnet's latest specifications of BBB 5452, CEE-0111_ISS_2019, BBD 6774 and BBB 0128

3.1 Temporary service, Affected Property & constraints on how the *Contractor* Provides the Service

3.1.1 Affected Property entry and security control, permits, and Affected Property regulations

The *Contractor* complies with the Employer's Affected Property entry and security control, permits and Affected Property regulations.

3.1.2 Restrictions to access on Affected Property, roads, walkways and barricades:

3.1.2.1 The *Contractor* is specifically excluded from entering the Employer's Operational Areas which are adjacent to the Affected Property. The *Contractor* plans and organises his work in such a manner so as to cause the least possible disruption to the Employer's operations.

3.1.2.2 The *Contractor* ensures safe passage of his team, to traffic and around the Affected Property working areas at all times which includes providing flagmen.

3.1.2.3 The *Contractor* ensures that any of his staff, labour and Equipment moving outside of his allocated Affected Property and Service Areas does not obstruct the operations of the third parties

To this end, access routes are allocated and coordinated by the *Service Manager*.

3.1.2.4 The *Contractor* ensures that all his Service staff, labour, and Equipment remains within his allocated and fenced off working Area.

3.1.2.5 All *Contractor's* staff and labour working within the specified affected property complies with Transnet Freight Rail (TFR) operational safety requirements and are equipped with all necessary personnel protective equipment (PPE).

3.1.2 People restrictions on Affected Property; hours of work, conduct and records: The *Contractor* keeps daily records of his people engaged on the Affected Property with access to such daily records available for inspection by the *Service Manager* at all reasonable times.

4 LIST OF REFERENCE SPECIFICATIONS

The above stipulation is for information and reference purposes only.

Please refer to electronic references.

Specification/Drawing number	Revision	Title
BBC0198	2	REQUIREMENTS FOR THE SUPPLY OF ELECTRIC CABLES
BBB0496	15	3 KV RECTIFIER FOR TRACTION SUBSTATIONS
BBB0845	4	REQUIREMENTS FOR METAL OXIDE SURGE ARRESTERS WITHOUT GAPS FOR TRACTION AND POWER DISTRIBUTION SUBSTATIONS IN ACCORDANCE WITH SANS 60099-4
BBB0937	4	REQUIREMENTS FOR OUTDOOR POST TYPE CURRENT TRANSFORMERS FOR TRACTION AND DISTRIBUTION SUBSTATIONS
BBB0938	9	CONNECTION OF HIGH VOLTAGE SURGE ARRESTER INSTALLED ON CROSS ARM
BBB1267	10	REQUIREMENTS FOR OUTDOOR ALTERNATING-CURRENT CIRCUIT BREAKERS FOR TRACTION AND DISTRIBUTION SUBSTATIONS
BBB1616	3	450 VOLT GAS ARRESTER SPARKGAP FOR TRACTION POWER SUPPLIES
BBB2502	6	REQUIREMENTS FOR BATTERY CHARGERS FOR 3 KV DC TRACTION SUBSTATIONS
BBB2721	11	AC PRIMARY CIRCUIT BREAKER CONTROL PANEL AND AC/DC DISTRIBUTION PANEL FOR 3 KV TRACTION SUBSTATIONS
BBB3005	2	3 KV DC UNDER VOLTAGE RELAY MANUFACTURING SPECIFICATION
BBB3139	2	WAVE FILTER CAPACITOR FOR 3 KV DC TRACTION SUBSTATIONS
BBB3162	2	WAVE FILTER INDUCTORS FOR 3 KV DC TRACTION SUBSTATIONS
BBB3483	1	WAVE FILTER HARMONIC COIL CARRIER ASSEMBLY 3 KV DC SUBSTATIONS
BBB3620	6	3 KV DC EARTHING ARRANGEMENT FOR HIGH VOLTAGE OUTDOOR YARDS
BBB3890	3	REQUIREMENTS FOR A 1.8 Milli Henry DC REACTOR FOR 3 KV DC TRACTION SUBSTATIONS
BBB4182	5	INDOOR, MEDIUM VOLTAGE METAL ENCLOSED SWITCHGEAR AND CONTROL GEAR IN ACCORDANCE WITH IEC-62271-200
BBB0938	9	CONNECTION OF HIGH VOLTAGE SURGE ARRESTER INSTALLED ON CROSS ARM
BBB5019	6	REQUIREMENTS FOR TRACTION TRANSFORMERS FOR 3 KV DC TRACTION SUBSTATIONS IN ACCORDANCE WITH SANS 60076
BBB5452	7	TRANSNET FREIGHT RAIL'S REQUIREMENTS FOR THE INSTALLATION OF ELECTRICAL EQUIPMENT FOR 3 KV DC TRACTION SUBSTATIONS
BBB7842	1	OUTDOOR, HIGH VOLTAGE, ALTERNATING CURRENT DISCONNECTORS COMBINED WITH EARTHING SWITCHES

BBB8205	4	HIGH VOLTAGE SUPPLY TRANSFORMERS IN ACCORDANCE WITH IEC 60076 AND BS 171 (FOR NOMINAL SYSTEM VOLTAGE 33KV UO TO 132KV)
BBC0198	2	REQUIREMENTS FOR THE SUPPLY OF ELECTRIC CABLES
BBC330	2	REQUIREMENTS FOR ISOLATION TRANSFORMERS
BBD6774	1	DESIGN,SUPPLY, INSTALLATION, TESTING AND COMMISSIONING OF A NEW 88 KV TO 11 KV INTAKE DISTRIBUTION SUBSTATION AND NETWORK CHANGES AT ERMELO
BBF8128		HANDBOOK FOR TESTING AND CALIBRATION OF RAILWAY ELECTRICAL PROTECTION EQUIPMENT
BBF3690	1	ELECTRICAL SAFETY INSTRUCTIONS
CEE0023	2012	INSTALLATION OF LOW AND MEDIUM VOLTAGE CABLES
CEE045	2014	PAINTING OF STEEL COMPONENTS OF ELECTRICAL EQUIPMENT
CEE0099	2013	3 KILO VOLTS DC HIGH SPEED CIRCUIT BREAKERS FOR TRACTION SUBSTATIONS
CEE0111	2019	25 KV AC TRACTION SUBSTATIONS
CEE0224	2002	DRAWINGS, CATALOGUES, INSTRUCTION MANUALS AND SPARES LISTS FOR ELECTRICAL EQUIPMENT SUPPLIED UNDER CONTRACT
CEE0227	2018	THE MANUFACTURE OF 3 KV DC BREAKER CELLS AND TRUCKS
CEE-TBD-1	12	3 KV DC EARTHING ARRANGEMENT SYSTEM FOR TRACTION SUBSTATIONS
E4E	2	TRANSNET FREIGHT RAIL SAFETY HEALTH AND ENVIRONMENT (SHE) SPECIFICATION FOR CONTRACTORS
BBD8210	1	E7/1 –SPECIFICATION FOR GENERAL WORK AND WORKS ON, OVER, UNDER OR ADJACENT TO RAILWAY LINES AND NEAR HIGH VOLTAGE EQUIPMENT
BBB 0128	2	Repair and Refurbishment of oil-immersed Traction and Distribution Transformers
BBB0414	3	Yard Layout, 25 kV AC traction substation

5 Health and Safety Information

5.1 Safety risk management

- 5.1.1 The safety management plan (SMP) will be site specific and will be dealt with in accordance with Transnet’s specification E4E.
- 5.1.2 The Contractor ensures that its Subcontractors comply with the requirements of the SMP.

6 Procurement

6.1 The Contractor’s Invoices

6.1.1 The invoice states the following:

- Invoice addressed to Transnet SOC Limited;
- Transnet Limited's VAT No: 4720103177;
- Invoice number;
- The *Contractor's* VAT Number; and

6.1.2 The invoice contains the supporting detail:

A bill format as per the tender document indicating previously paid, paid to date and amount due for the month.

The invoice is presented either by post or by hand delivery.

6.1.3 Invoices submitted by post are addressed to:

Mr. Nkanyiso Mhlongo
4th Floor, North Wing – Transnet Freight Rail
138 Eloff Street,
Braamfontein, JHB
2001

6.1.4 Invoices submitted by hand are presented to:

Mr. Nkanyiso Mhlongo
4th Floor, North Wing – Transnet Freight Rail
138 Eloff Street,
Braamfontein, JHB
2001

The invoice is presented as an original.

PART C4: AFFECTED PROPERTY(NORTH AND NORTH-EAST CORRIDORS)

Core clause 11.2(2) states

"Affected Property is property which

- Is affected by the work of the *Contractor* or used by the *Contractor* in Providing the Service
- is in the documents which the Contract Data states it is in."

In Contract Data, reference has been made to this Part 4 of the contract for the location of the Affected Property.

1. Description of the Affected Property and its surroundings

- All sites in which the works shall be executed are situated within TWO Transnet Operations Corridors, viz:
 - North, and
 - North-East
- Infrastructure depots within:
 - North Corridor are – Koedoespoort (Pretoria), Ermelo, Vryheid, and Richards Bay.
 - North-East Corridor are – Polokwane, Witbank, and Nelspruit

1.1. General description

Transnet Freight Rail has three traction systems that are currently in use. These includes the 3kV DC, 25kV AC and 50kV AC traction substations. There is also a distribution network component comprising of 6.6 kV and 11 kV used for signalling equipment supplies as well as yard lights. In total, as of April 2022, the company owns about 440 traction substations and 301 Distribution substations. These substations are in different geographical locations nationally and strategically placed in corridor groups. The geographical locations of North and North-East corridors are shown in Annexure1. As it can be seen on the maps, these two corridors are geographically vast and the mix of substations is spread across Limpopo, Gauteng, North-West, Mpumalanga and Kwa-Zulu Natal provinces. Each substation comprises of a High Voltage yard and the indoor, refer to drawing BBB 0414 version 3 as shown in Annexure B, below.

1.2. Existing buildings, structures, and plant & machinery on the Affected Property

The purpose of the "On-site repair and maintenance of oil-immersed traction and distribution transformers on an "as and when" required contract basis" is to repair "On-Site", the existing traction and distribution transformers that have failed. Appendices B and C below show the typical layout of the outdoor equipment in Transnet substations.

1.3. Subsoil information

In cases where soil rehabilitation is required due to oil spillages, the contractor shall take soil samples as frequently as required until compliance with environmental regulations is achieved.

1.4. Hidden services

The requirement may differ per site, the contractor must comply with E7/1 specifications which states that:

- No pegs or stakes shall be driven, or any excavation made before the Contractor has established that there are no underground services which may be damaged thereby.
- Any damage shall be reported immediately to the Contract Supervisor, or to the official in charge at the nearest station, or to the traffic controller in the case of centralised traffic control.'

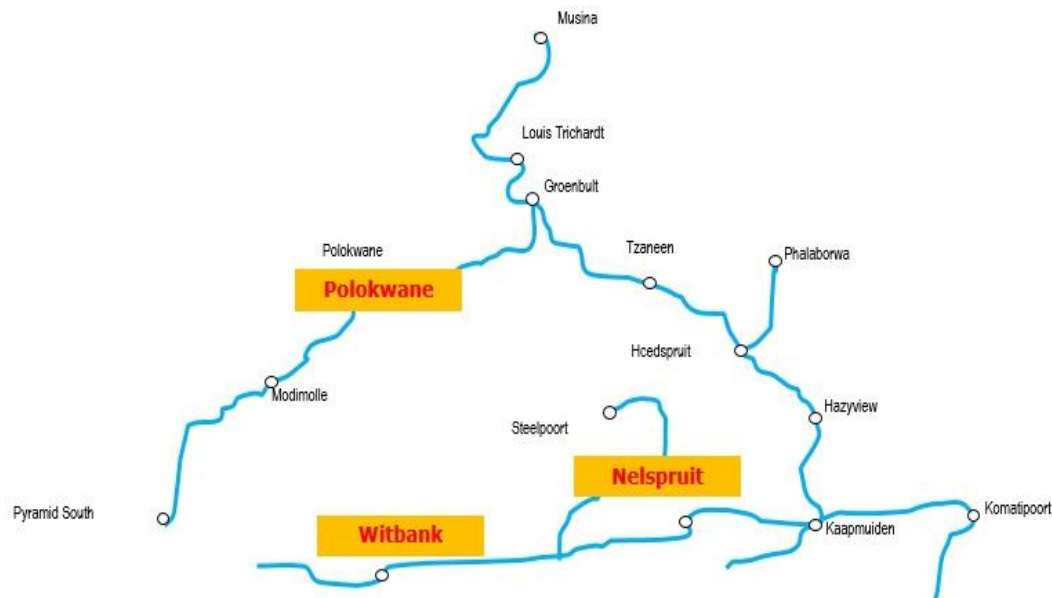
1.5. Other reports and publicly available information

Any other information applicable/required per site will be made available to the Contractor.



ANNEXURE A: North & North-East Corridors

NORTH EAST



NORTH



TRANSNET FREIGHT RAIL

Tender Number: HOAC HO 39576

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers
Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-
Corridors



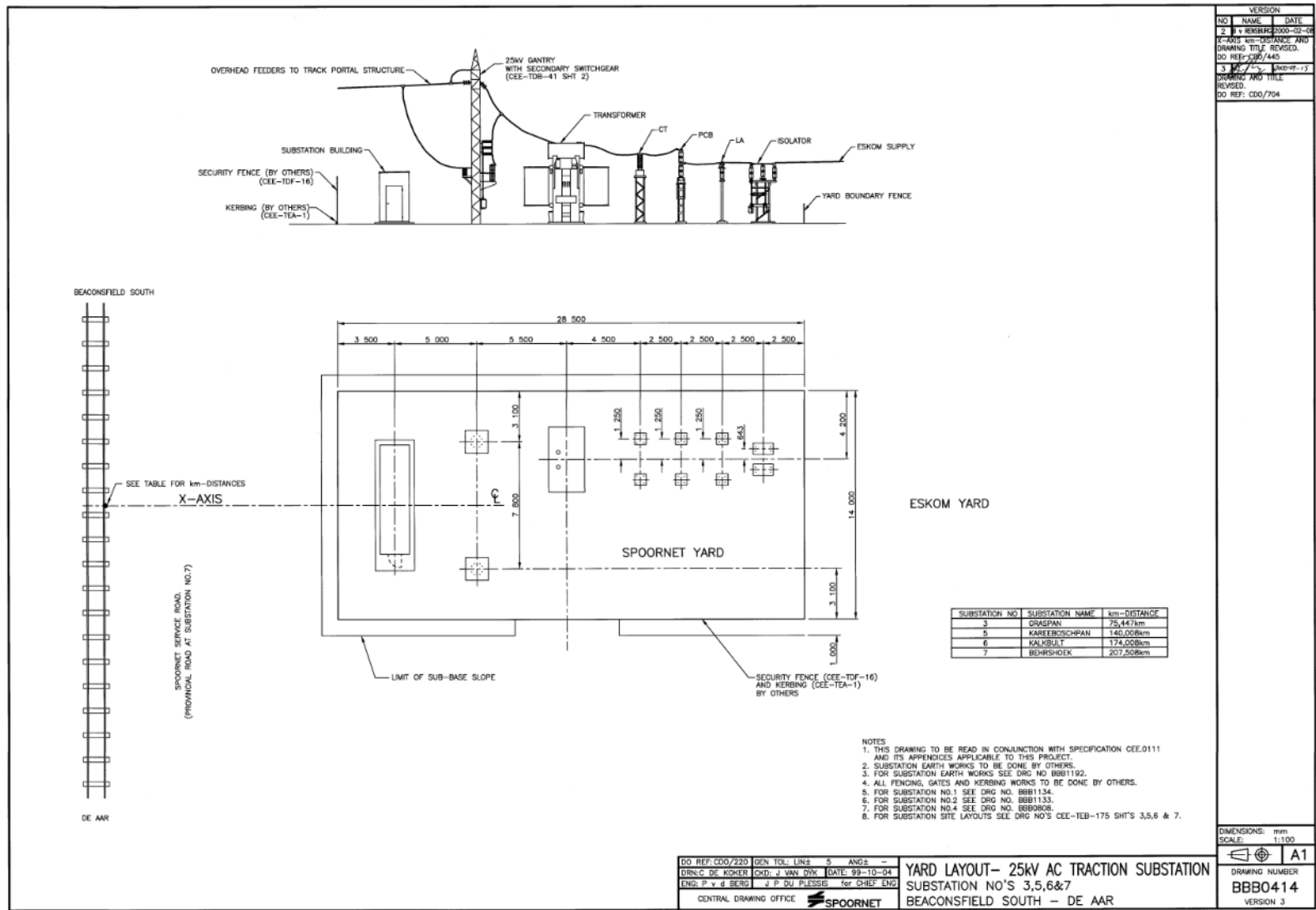
on "As and When" Required Basis for a
East Corridors and Cape and Ore

ANNEXURE B: Typical 25kV AC Substation

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers
Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-Corridors

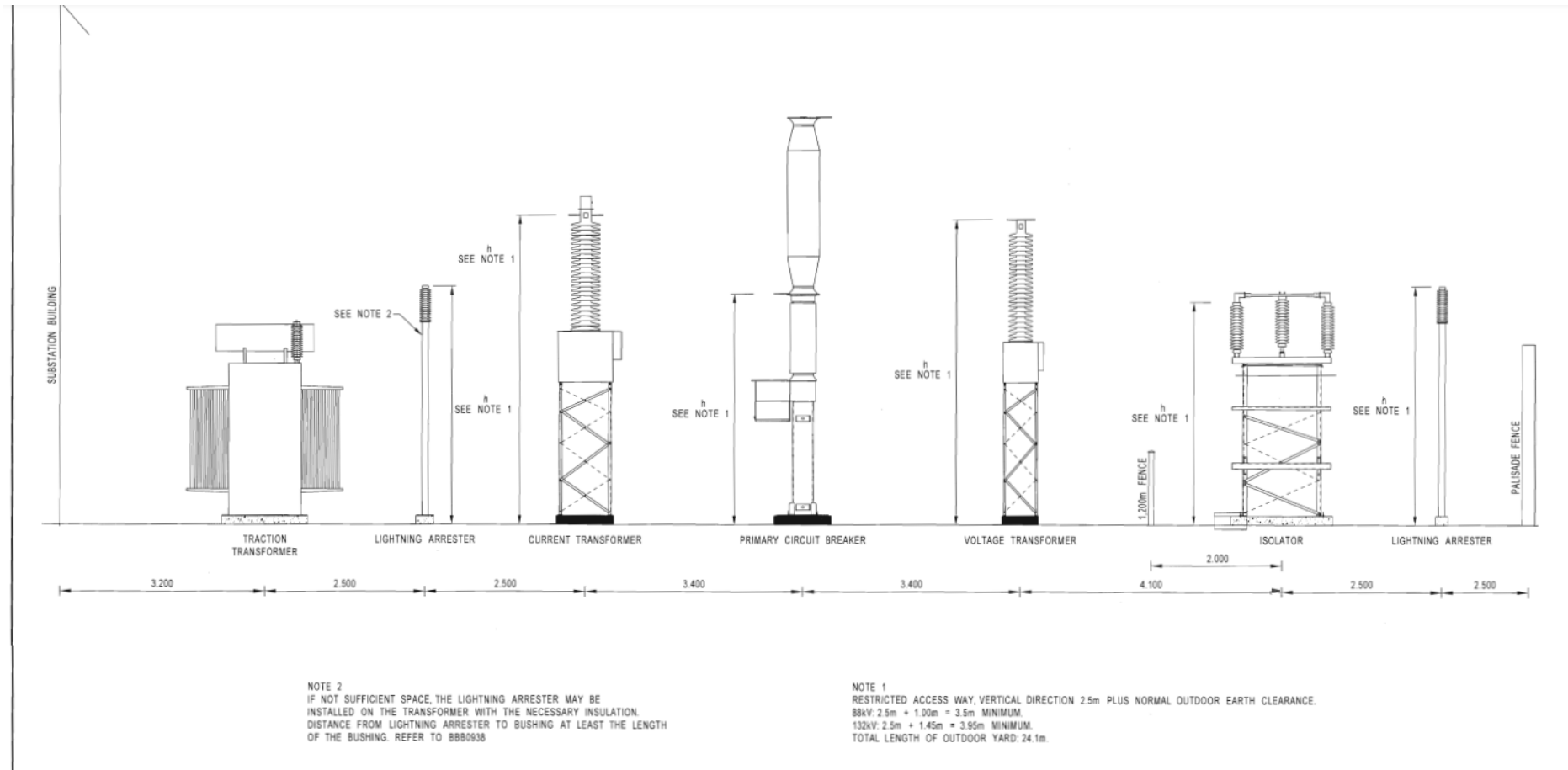


on “As and When” Required Basis for a
East Corridors and Cape and Ore





ANNEXURE C: Typical Substation Layout of HT Yard (3kV DC, 11kV AC and 25kV AC)



TRANSNET FREIGHT RAIL

Tender Number: HOAC HO 39576

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers
Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-
Corridors



on "As and When" Required Basis for a
East Corridors and Cape and Ore

PART C3: SERVICE INFORMATION

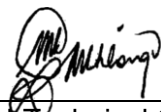
Cape and Ore Corridors

PART C3: SERVICE INFORMATION

Document reference	Title	No of pages
C3.1	This cover page	1
	<i>Service Information</i>	5
Total number of pages		6

CORRIDORS: CAPE AND ORE**Compiled By:**

Nkanyiso Mhlongo



11.10.2022

Senior Engineer, RN-Technical Office

Reviewed By:

Selby Mathebula

Principal Engineer, RN – Technical Office

1 Description of the service

1.1 Executive overview

The service that the Contractor is to perform includes:

- 1.1.1 On-site repairs and maintenance of oil-immersed Traction and Distribution Transformers on an "As and When" required contract basis for a period of 36 Months at various substations within Cape and Ore Corridors. These repairs and maintenance include:
 - 1.1.1.1 Soil rehabilitation, where oil spillage has occurred
 - 1.1.1.2 supply of required spares/components, & oil,
 - 1.1.1.3 and sometimes circulation/purification and testing of the existing oil,
 - 1.1.1.4 Testing and Commissioning,
 - 1.1.1.5 Design, Supply and Installation of the bund wall
 - 1.1.1.6 The service will be performed within Cape and Ore Corridors:
 - **Cape Corridor** entails the following infrastructure depots: Bellville, Bloemfontein, East London, Kimberley North, Kimberley South, Port Elizabeth; and
 - **Ore Corridor** entails: Saldanha and Upington
- 1.1.2 The service provides for emergency and urgent repair work of Traction and Distribution transformers commencing on the date of notification and acceptance of tender with Transnet Freight Rail for a period of 36 months on "As and When" contract.
- 1.1.3 The area of deployment is "Cape and Ore Corridors" on Transnet Freight Rail traction and distribution substations.
- 1.1.4 Implementation requirements will differ from site to site, depending on the scope of required service per site. However, adherence to the project's technical specification is mandatory.

1.2 Employers Objective

The Employer's current objectives are:

- 1.2.1 That the "As and When" contract for Traction and Distribution transformer on-site repairs will serve as a proactive strategy that enables Rail Network to speedily respond to costly unavailability of the electrical infrastructure due to transformer failures

1.3 Access to the Affected Property

- TFR shall issue Site access certificate for each site where the contractor is required to work

1.4 Provisions

- 1.4.1 The Contractor shall provide all necessary Plant and Equipment, Security of the affect property, ablution facilities, etc. until the affected property is handed over back to Transnet.

1.5 Tests and inspections before and during the Provision of the Service as per Service Information

- 1.5.1 Testing and Commissioning shall be performed upon completion of all repairs and maintenance activities as a quality assurance that the whole service rendered is adequate and complies with all Engineering and Safety Standards.

2 ENGINEERING AND DESIGN

2.1 Contractor's Design

No specific designs are required from the contractor for site repairs, however for all maintenance and repair activities the contractor shall adhere to applicable Transnet Specifications, SANS, ISO and IEC Standards.

2.2 Parts of the Service which the Contractor is to design

2.2.1 The Contractor is to design the following parts of the services:

- Winding temperature Indicator
- Oil Temperature Indicator
- Buchholz Relay,
- Breather system,
- Bushings,
- Other small components, i.e. clamps, leads, mech-box, etc.

2.3 Procedure for the Submission and Acceptance of Contractor's Design

2.3.1 The Contractor shall, before installation or implementation, supply the Employer with the design to be reviewed.

2.3.2 The Contractor undertakes design safety as per standard, and best practice codes of Engineering.

2.3.3 In undertaking the 'Services' (including all incidental services required), the Contractor shall conform and adhere to the requirements of the 'Contractor Document Submittal Requirements'

2.4 Review and Acceptance of Contractor's Design

The Contractor submits documentation as the Service Information requires to the Service Manager for review and acceptance.

3 SERVICE

The *Contractor's* design shall comply with Transnet's latest specifications of BBB 5452, CEE-0111_ISS_2019, BBD 6774 and BBB 0128

3.1 Temporary service, Affected Property & constraints on how the *Contractor* Provides the Service

3.1.1 Affected Property entry and security control, permits, and Affected Property regulations

The *Contractor* complies with the Employer's Affected Property entry and security control, permits and Affected Property regulations.

3.1.2 Restrictions to access on Affected Property, roads, walkways and barricades:

3.1.2.1 The *Contractor* is specifically excluded from entering the Employer's Operational Areas which are adjacent to the Affected Property. The *Contractor* plans and organises his work in such a manner so as to cause the least possible disruption to the Employer's operations.

3.1.2.2 The *Contractor* ensures safe passage of his team, to traffic and around the Affected Property working areas at all times which includes providing flagmen.

3.1.2.3 The *Contractor* ensures that any of his staff, labour and Equipment moving outside of his allocated Affected Property and Service Areas does not obstruct the operations of the third parties

To this end, access routes are allocated and coordinated by the *Service Manager*.

3.1.2.4 The *Contractor* ensures that all his Service staff, labour, and Equipment remains within his allocated and fenced off working Area.

3.1.2.5 All *Contractor's* staff and labour working within the specified affected property complies with Transnet Freight Rail (TFR) operational safety requirements and are equipped with all necessary personnel protective equipment (PPE).

3.1.2 People restrictions on Affected Property; hours of work, conduct and records: The *Contractor* keeps daily records of his people engaged on the Affected Property with access to such daily records available for inspection by the *Service Manager* at all reasonable times.

4 LIST OF REFERENCE SPECIFICATIONS

The above stipulation is for information and reference purposes only.

Please refer to electronic references.

Specification/Drawing number	Revision	Title
BBC0198	2	REQUIREMENTS FOR THE SUPPLY OF ELECTRIC CABLES
BBB0496	15	3 KV RECTIFIER FOR TRACTION SUBSTATIONS
BBB0845	4	REQUIREMENTS FOR METAL OXIDE SURGE ARRESTERS WITHOUT GAPS FOR TRACTION AND POWER DISTRIBUTION SUBSTATIONS IN ACCORDANCE WITH SANS 60099-4
BBB0937	4	REQUIREMENTS FOR OUTDOOR POST TYPE CURRENT TRANSFORMERS FOR TRACTION AND DISTRIBUTION SUBSTATIONS
BBB0938	9	CONNECTION OF HIGH VOLTAGE SURGE ARRESTER INSTALLED ON CROSS ARM
BBB1267	10	REQUIREMENTS FOR OUTDOOR ALTERNATING-CURRENT CIRCUIT BREAKERS FOR TRACTION AND DISTRIBUTION SUBSTATIONS
BBB1616	3	450 VOLT GAS ARRESTER SPARKGAP FOR TRACTION POWER SUPPLIES
BBB2502	6	REQUIREMENTS FOR BATTERY CHARGERS FOR 3 KV DC TRACTION SUBSTATIONS
BBB2721	11	AC PRIMARY CIRCUIT BREAKER CONTROL PANEL AND AC/DC DISTRIBUTION PANEL FOR 3 KV TRACTION SUBSTATIONS
BBB3005	2	3 KV DC UNDER VOLTAGE RELAY MANUFACTURING SPECIFICATION
BBB3139	2	WAVE FILTER CAPACITOR FOR 3 KV DC TRACTION SUBSTATIONS
BBB3162	2	WAVE FILTER INDUCTORS FOR 3 KV DC TRACTION SUBSTATIONS
BBB3483	1	WAVE FILTER HARMONIC COIL CARRIER ASSEMBLY 3 KV DC SUBSTATIONS
BBB3620	6	3 KV DC EARTHING ARRANGEMENT FOR HIGH VOLTAGE OUTDOOR YARDS
BBB3890	3	REQUIREMENTS FOR A 1.8 Milli Henry DC REACTOR FOR 3 KV DC TRACTION SUBSTATIONS
BBB4182	5	INDOOR, MEDIUM VOLTAGE METAL ENCLOSED SWITCHGEAR AND CONTROL GEAR IN ACCORDANCE WITH IEC-62271-200
BBB0938	9	CONNECTION OF HIGH VOLTAGE SURGE ARRESTER INSTALLED ON CROSS ARM
BBB5019	6	REQUIREMENTS FOR TRACTION TRANSFORMERS FOR 3 KV DC TRACTION SUBSTATIONS IN ACCORDANCE WITH SANS 60076
BBB5452	7	TRANSNET FREIGHT RAIL'S REQUIREMENTS FOR THE INSTALLATION OF ELECTRICAL EQUIPMENT FOR 3 KV DC TRACTION SUBSTATIONS
BBB7842	1	OUTDOOR, HIGH VOLTAGE, ALTERNATING CURRENT DISCONNECTORS COMBINED WITH EARTHING SWITCHES

BBB8205	4	HIGH VOLTAGE SUPPLY TRANSFORMERS IN ACCORDANCE WITH IEC 60076 AND BS 171 (FOR NOMINAL SYSTEM VOLTAGE 33KV UO TO 132KV)
BBC0198	2	REQUIREMENTS FOR THE SUPPLY OF ELECTRIC CABLES
BBC330	2	REQUIREMENTS FOR ISOLATION TRANSFORMERS
BBD6774	1	DESIGN,SUPPLY, INSTALLATION, TESTING AND COMMISSIONING OF A NEW 88 KV TO 11 KV INTAKE DISTRIBUTION SUBSTATION AND NETWORK CHANGES AT ERMELO
BBF8128		HANDBOOK FOR TESTING AND CALIBRATION OF RAILWAY ELECTRICAL PROTECTION EQUIPMENT
BBF3690	1	ELECTRICAL SAFETY INSTRUCTIONS
CEE0023	2012	INSTALLATION OF LOW AND MEDIUM VOLTAGE CABLES
CEE045	2014	PAINTING OF STEEL COMPONENTS OF ELECTRICAL EQUIPMENT
CEE0099	2013	3 KILO VOLTS DC HIGH SPEED CIRCUIT BREAKERS FOR TRACTION SUBSTATIONS
CEE0111	2019	25 KV AC TRACTION SUBSTATIONS
CEE0224	2002	DRAWINGS, CATALOGUES, INSTRUCTION MANUALS AND SPARES LISTS FOR ELECTRICAL EQUIPMENT SUPPLIED UNDER CONTRACT
CEE0227	2018	THE MANUFACTURE OF 3 KV DC BREAKER CELLS AND TRUCKS
CEE-TBD-1	12	3 KV DC EARTHING ARRANGEMENT SYSTEM FOR TRACTION SUBSTATIONS
E4E	2	TRANSNET FREIGHT RAIL SAFETY HEALTH AND ENVIRONMENT (SHE) SPECIFICATION FOR CONTRACTORS
BBD8210	1	E7/1 –SPECIFICATION FOR GENERAL WORK AND WORKS ON, OVER, UNDER OR ADJACENT TO RAILWAY LINES AND NEAR HIGH VOLTAGE EQUIPMENT
BBB 0128	2	Repair and Refurbishment of oil-immersed Traction and Distribution Transformers
BBB0414	3	Yard Layout, 25 kV AC traction substation

5 Health and Safety Information

5.1 Safety risk management

5.1.1 The safety management plan (SMP) will be site specific and will be dealt with in accordance with Transnet's specification E4E.

5.2.2 The Contractor ensures that its Subcontractors comply with the requirements of the SMP.

6 Procurement

6.1 The Contractor's Invoices

6.1.1 The invoice states the following:

- Invoice addressed to Transnet SOC Limited;
- Transnet Limited's VAT No: 4720103177;

-
- Invoice number;
 - The *Contractor's* VAT Number; and

6.1.2 The invoice contains the supporting detail:

A bill format as per the tender document indicating previously paid, paid to date and amount due for the month.

The invoice is presented either by post or by hand delivery.

6.1.3 Invoices submitted by post are addressed to:

Mr. Nkanyiso Mhlongo
4th Floor, North Wing – Transnet Freight Rail
138 Eloff Street,
Braamfontein, JHB
2001

6.1.4 Invoices submitted by hand are presented to:

Mr. Nkanyiso Mhlongo
4th Floor, North Wing – Transnet Freight Rail
138 Eloff Street,
Braamfontein, JHB
2001

The invoice is presented as an original.

PART 4: AFFECTED PROPERTY (CAPE AND ORE CORRIDORS)

Core clause 11.2(2) states

"Affected Property is property which

- Is affected by the work of the *Contractor* or used by the *Contractor* in Providing the Service
- is in the documents which the Contract Data states it is in."

In Contract Data, reference has been made to this Part 4 of the contract for the location of the Affected Property.

1. Description of the Affected Property and its surroundings

- All sites in which the works shall be executed are situated within TWO Transnet Operations Corridors, viz:
 - Cape, and
 - Ore
- Infrastructure depots within:
 - Cape Corridor are – Bellville (Cape Town), Port Elizabeth, East London, Kimberley North, Kimberley South, and Bloemfontein.
 - Ore Corridor are – Saldanha and Upington

1.1. General description

Transnet Freight Rail has three traction systems that are currently in use. These includes the 3kV DC, 25kV AC and 50kV AC traction substations. There is also a distribution network component comprising of 6.6 kV and 11 kV used for signalling equipment supplies as well as yard lights. In total, as of April 2022, the company owns about 440 traction substations and 301 Distribution substations. These substations are in different geographical locations nationally and strategically placed in corridor groups. The geographical locations of Cape and Ore corridors are shown in Annexure1. As it can be seen on the maps, these two corridors are geographically vast, and the mix of substations is spread across Eastern Cape, Free State, Northern Cape and Western Cape provinces. Each substation comprises of a High Voltage yard and the indoor, refer to drawing BBB 0414 version 3 as shown in Annexure B, below.

1.2. Existing buildings, structures, and plant & machinery on the Affected Property

The purpose of the "On-site repair and maintenance of oil-immersed traction and distribution transformers on an "as and when" required contract basis" is to repair "On-Site", the existing traction and distribution transformers that have failed. Appendices B and C below show the typical layout of the outdoor equipment in Transnet substations.

1.3. Subsoil information

In cases where soil rehabilitation is required due to oil spillages, the contractor shall take soil samples as frequently as required until compliance with environmental regulations is achieved.

1.4. Hidden services

The requirement may differ per site, the contractor must comply with E7/1 specifications which states that:

- No pegs or stakes shall be driven, or any excavation made before the Contractor has established that there are no underground services which may be damaged thereby.
- Any damage shall be reported immediately to the Contract Supervisor, or to the official in charge at the nearest station, or to the traffic controller in the case of centralised traffic control.'

1.5. Other reports and publicly available information

Any other information applicable/required per site will be made available to the Contractor.

TRANSNET FREIGHT RAIL

Tender Number: HOAC HO 39576

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers
Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-
Corridors

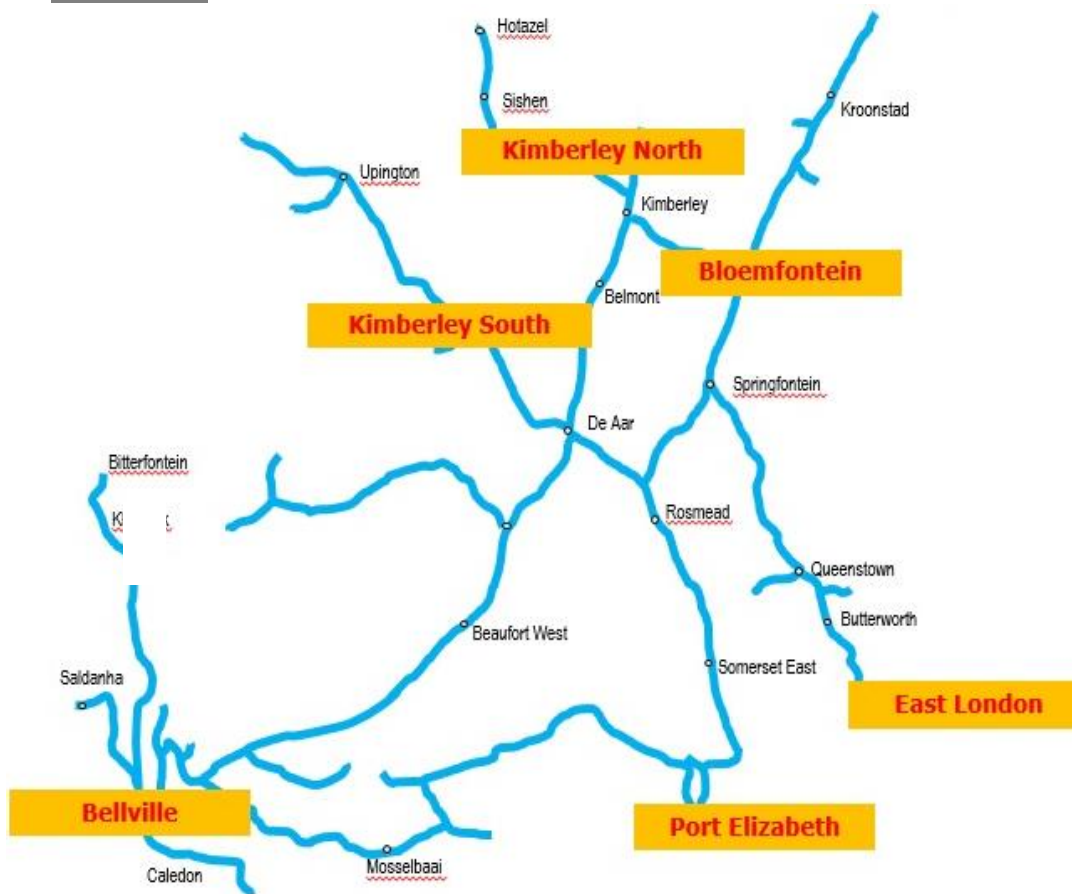
TRANSNET



on "As and When" Required Basis for a
East Corridors and Cape and Ore

ANNEXURE A: Cape & Ore Corridors

Cape



Ore



TRANSNET FREIGHT RAIL

Tender Number: HOAC HO 39576

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers
Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-
Corridors



on "As and When" Required Basis for a
East Corridors and Cape and Ore

ANNEXURE B: Typical 25kV AC Substation

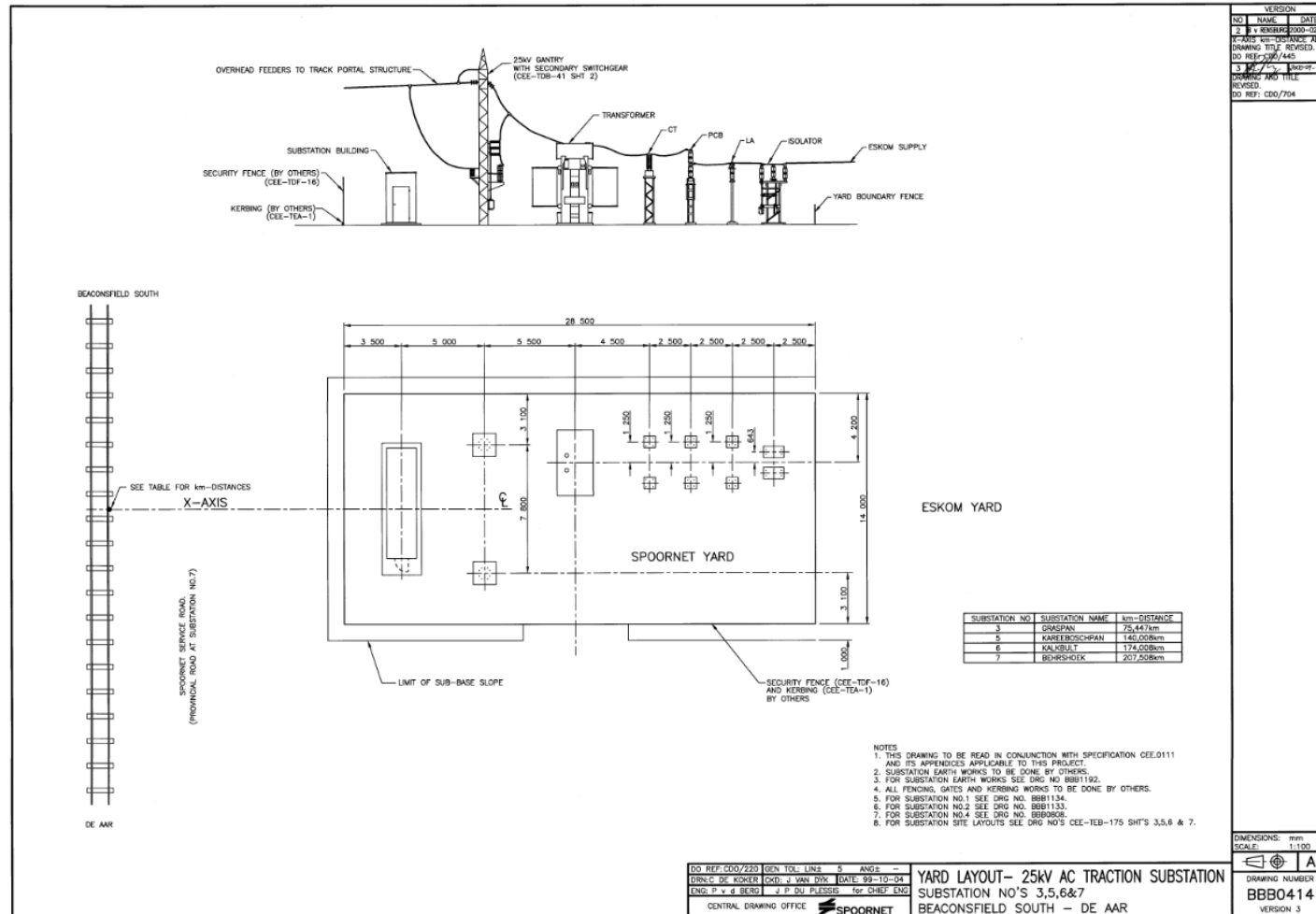
TRANSNET FREIGHT RAIL

Tender Number: HOAC HO 39576

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers
Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-Corridors



on "As and When" Required Basis for a
East Corridors and Cape and Ore



ANNEXURE C: Typical Substation Layout of HT Yard (3kV DC, 11kV AC and 25kV AC)

TRANSNET FREIGHT RAIL

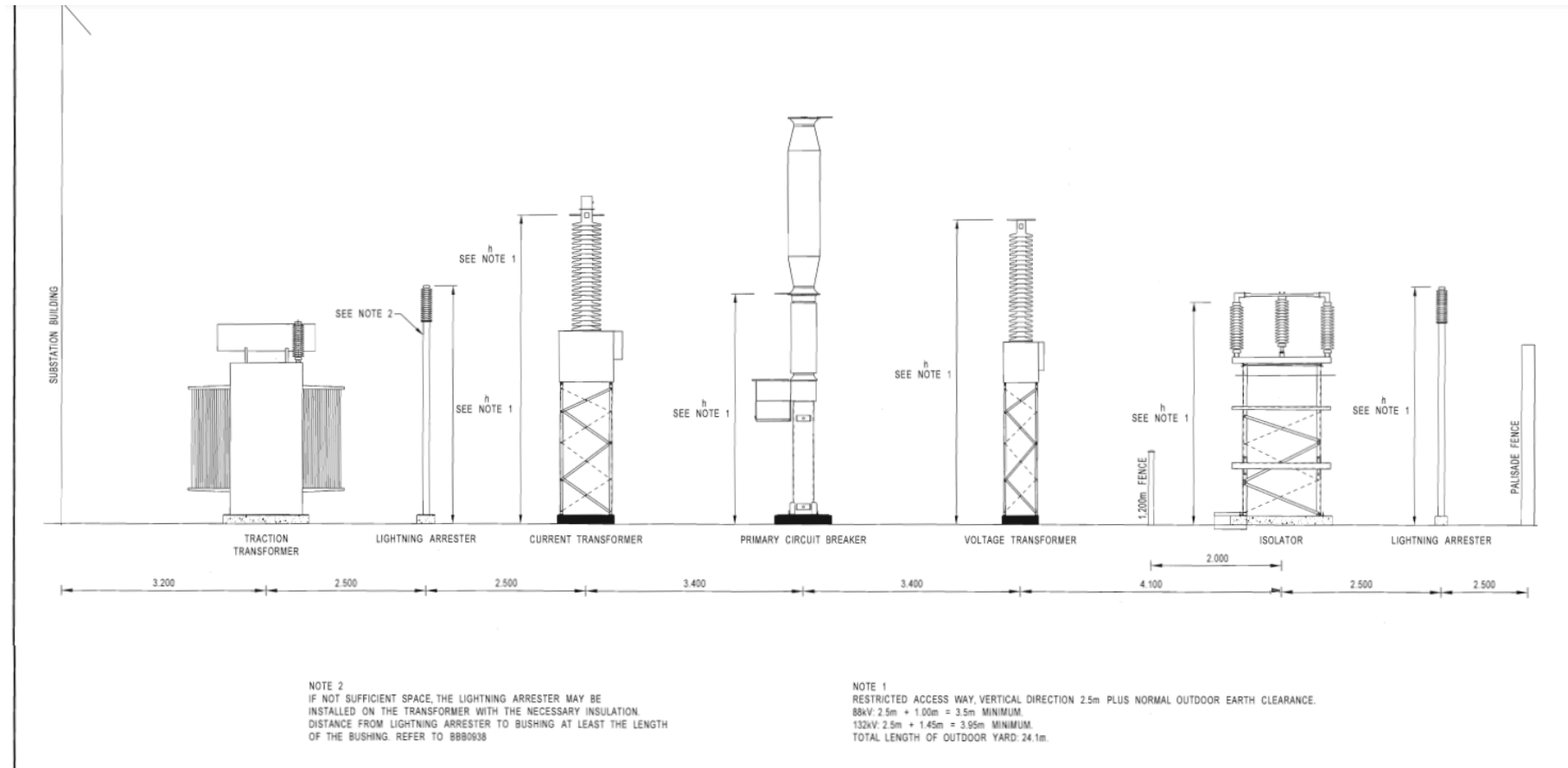
Tender Number: HOAC HO 39576

Description of the Service: On-site Repair of Oil-Immersed Distribution and Traction Transformers
Period of 36 Months at Various Substations, in Central and Container Corridors, North and North-Corridors

TRANSNET



on "As and When" Required Basis for a
East Corridors and Cape and Ore





Transnet SOC Limited Registration Number 1990/00900/06

TRANSNET SPECIFICATION

E7/1 - SPECIFICATION FOR GENERAL WORK AND WORKS ON, OVER, UNDER OR ADJACENT TO RAILWAY LINES AND NEAR HIGH VOLTAGE EQUIPMENT





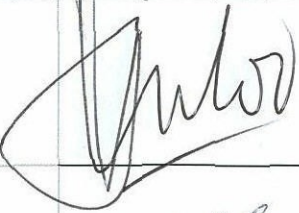



(This specification shall be used in network operator contracts)

Circulation Not Restricted

© This document as a whole is protected by copyright. The information herein is the sole property of Transnet SOC Ltd. It may not be used, disclosed or reproduced in part or in whole in any manner whatsoever, except with the written permission of and in a manner permitted by the proprietors.

(This page not to be issued with contract)

SPECIFICATION FOR GENERAL WORK AND WORKS ON, OVER, UNDER OR ADJACENT TO RAILWAY LINES AND NEAR HIGH VOLTAGE EQUIPMENT

Author:	Project Manager Capital Program (Electrical)	G. Maposa	
Approved:	Senior Engineer Infra Engineering (Train Authorisation Systems)	J. van den Berg	
"	Principal Engineer Infra Engineering (Track)	M. Marutla	
"	Principal Engineer Infra Engineering (Structures)	J. Homan	
"	Principal Engineer Infra Engineering (Electrical)	J. Vosloo	
"	Principal Engineer Technology Management (Electrical)	W. Coetzee	
"	Chief Engineer Transport Telecoms	D. Botha	 17 June 11
Authorised:	Chief Engineer Infrastructure Engineering	J. van Aardt	 2011/06/30

Date: May 2011

(This page not to be issued with contract)



Transnet SOC Limited Registration Number 1990/00900/06

TRANSNET SPECIFICATION

E7/1 - SPECIFICATION FOR GENERAL WORK AND WORKS ON, OVER, UNDER OR ADJACENT TO RAILWAY LINES AND NEAR HIGH VOLTAGE EQUIPMENT

(This specification shall be used in network operator contracts)

Circulation Not Restricted

© This document as a whole is protected by copyright. The information herein is the sole property of Transnet SOC Ltd. It may not be used, disclosed or reproduced in part or in whole in any manner whatsoever, except with the written permission of and in a manner permitted by the proprietors.

CONTENTS

<u>CLAUSE</u>	<u>HEADING</u>	<u>PAGE</u>
1.0	SCOPE	3
2.0	DEFINITIONS	3
	PART A - GENERAL SPECIFICATION	
3.0	AUTHORITY OF OFFICERS OF TRANSNET	4
4.0	CONTRACTOR'S REPRESENTATIVES AND STAFF	4
5.0	OCCUPATIONS AND WORK PERMITS	4
6.0	SPEED RESTRICTIONS AND PROTECTION	5
7.0	ROADS ON THE NETWORK OPERATOR'S PROPERTY	5
8.0	CLEARANCES	5
9.0	STACKING OF MATERIAL	5
10.0	EXCAVATION, SHORING, DEWATERING AND DRAINAGE	5
11.0	FALSEWORK FOR STRUCTURES	6
12.0	PILING	6
13.0	UNDERGROUND SERVICES	6
14.0	BLASTING AND USE OF EXPLOSIVES	6
15.0	RAIL TROLLEYS	7
16.0	SIGNAL TRACK CIRCUITS	7
17.0	PENALTY FOR DELAYS TO TRAINS	7
18.0	SURVEY BEACONS AND PEGS	7
19.0	TEMPORARY LEVEL CROSSINGS	8
20.0	COMPLETION OF THE WORKS	8
21.0	PROTECTION OF PERSONS AND PROPERTY	9
22.0	INTERFERENCE WITH THE NETWORK OPERATOR'S ASSETS AND WORK ON OPEN LINES	10
23.0	ACCESS, RIGHTS-OF-WAY AND CAMPSITES	10
24.0	SUPERVISION	10
25.0	HOUSING OF EMPLOYEES	10
26.0	OPTICAL FIBRE CABLE ROUTES	10
	PART B - ADDITIONAL SPECIFICATION FOR WORK NEAR HIGH-VOLTAGE ELECTRICAL EQUIPMENT	
27.0	GENERAL	11
28.0	WORK ON BUILDINGS OR FIXED STRUCTURES	11
29.0	WORK DONE ON OR OUTSIDE OF ROLLING STOCK, INCLUDING LOADING AND UNLOADING	11
30.0	USE OF EQUIPMENT	12
31.0	CARRYING AND HANDLING MATERIAL AND EQUIPMENT	12
32.0	PRECAUTIONS TO BE TAKEN WHEN ERECTING OR REMOVING POLES, ANTENNAE AND TREES ETC.	12
33.0	USE OF WATER	13
34.0	USE OF CONSTRUCTION PLANT	13
35.0	WORK PERFORMED UNDER DEAD CONDITIONS UNDER COVER OF A WORK PERMIT	13
36.0	TRACTION RETURN CIRCUITS IN RAILS	13
37.0	HIGH-VOLTAGE ELECTRICAL EQUIPMENT NOT MAINTAINED AND/OR OPERATED BY THE NETWORK OPERATOR	14

1.0 SCOPE

- 1.1 This specification covers the network operator's requirements for general work and works on, over, under or adjacent to railway lines and near high voltage equipment.

2.0 DEFINITIONS

The following definitions shall apply:

"Authorised Person" - A person whether an employee of the network operator or not, who has been specially authorised to undertake specific duties in terms of Transnet' publication Electrical Safety Instructions, and who holds a certificate or letter of authority to that effect.

"Barrier" Any device designed to restrict access to "live" high-voltage electrical equipment.

"Bond" - A short conductor installed to provide electrical continuity.

"Contractor" - Any person or organisation appointed by the network operator to carry out work on its behalf.

"Contract Supervisor" - The person or juristic person appointed by the network operator from time to time as the Contract Supervisor, to administer the Contractor's performance and execution of the Works according to the powers and rights held by and obligations placed upon the Contract Supervisor in terms of the Contract.

"Dead" - Isolated and earthed.

"Electrical Officer (Contracts)" - The person appointed in writing by the Project Manager in terms of this specification as the person who shall be consulted by the Contractor in all electrical matters to ensure that adequate safety precautions are taken by the Contractor.

"Executive Officer" - The person appointed by the network operator from time to time as the Executive Officer to act according to the rights and powers held by and obligations placed upon him in terms of the Contract.

"High-Voltage" - A voltage normally exceeding 1000 volts.

"Live" - A conductor is said to be "live" when it is at a potential different from that of the earth or any other conductor of the system of which it forms a part.

"Near" - To be in such a position that a person's body or the tools he is using or any equipment he is handling may come within 3 metres of "live" exposed high-voltage electrical equipment.

"Occupation" - An authorisation granted by the network operator for work to be carried out under specified conditions on, over, under or adjacent to railway lines.

"Occupation Between Trains" - An occupation during an interval between successive trains.

"Optical Fibre Cable" - Buried or suspended composite cable containing optical fibres used in:

- telecommunication networks for transmission of digital information and
- safety sensitive train operations systems.

"Project Manager" – As defined in the special conditions of the contract. The person or juristic person appointed by the network operator from time to time as the Project Manager, to administer the Contract according to the powers and rights held by and obligations placed upon him in terms of the Contract.

"Responsible Representative" - The responsible person in charge, appointed by a contractor, who has undergone specific training (and holds a certificate) to supervise (general or direct) staff under his control who perform general work or to work on, over, under or adjacent to railway lines and in the vicinity of high-voltage electrical equipment.

"Total Occupation" - An occupation for a period when trains are not to traverse the section of line covered by the occupation.

"Work on" - Work undertaken on or so close to the equipment that the specified working clearances to the "live" equipment cannot be maintained.

"Work Permit" - A combined written application and authority to proceed with work on or near dead electrical equipment.

"Works" – The contractual intent for the work to be done as defined in the contract at a defined work site.

PART A - GENERAL SPECIFICATION

3.0 AUTHORITY OF OFFICERS OF TRANSNET

- 3.1 The Contractor shall co-operate with the officers of the network operator and shall comply with all instructions issued and restrictions imposed with respect to the Works which bear on the existence and operation of the network operator's railway lines and high-voltage equipment.
- 3.2 Without limiting the generality of the provisions of clause 3.1, any duly authorised representative of the network operator, having identified himself, may stop the work if, in his opinion, the safe passage of trains or the safety of the network operator's assets or any person is affected. **CONSIDERATIONS OF SAFETY SHALL TAKE PRECEDENCE OVER ALL OTHER CONSIDERATIONS.**

4.0 CONTRACTOR'S REPRESENTATIVES AND STAFF

- 4.1 The Contractor shall nominate Responsible Representatives of whom at least one shall be available at any hour for call-out in cases of emergency. The Contractor shall provide the Contract Supervisor with the names, addresses and telephone numbers of the representatives.
- 4.2 The Contractor guarantees that he has satisfied himself that the Responsible Representative is fully conversant with this specification and that he shall comply with all his obligations in respect thereof.
- 4.3 The Contractor shall ensure that all contractor staff receives relevant awareness, educational and competence training regarding safety as prescribed.

5.0 OCCUPATIONS AND WORK PERMITS

- 5.1 Work to be done during total occupation or during an occupation between trains or under a work permit shall be done in a manner decided by the Contract Supervisor and at times to suit the network operator requirements.
- 5.2 The Contractor shall organise the Works in a manner which will minimise the number and duration of occupations and work permits required.
- 5.3 The network operator will not be liable for any financial or other loss suffered by the Contractor arising from his failure to complete any work scheduled during the period of an occupation or work permit.
- 5.4 The Contractor shall submit to the Contract Supervisor, in writing, requests for occupations or work permits together with details of the work to be undertaken, at least 21 days before they are required. The network operator does not undertake to grant an occupation or work permit for any particular date, time or duration.
- 5.5 The network operator reserves the right to cancel any occupation or work permit at any time before or during the period of occupation or work permit. If, due to cancellation or change in date or time, the Contractor is not permitted to start work under conditions of total occupation or work permit at the time arranged, all costs caused by the cancellation shall be born by the Contractor except as provided for in clauses 5.6 to 5.8.
- 5.6 When the Contractor is notified less than 2 hours before the scheduled starting time that the occupation or work permit is cancelled, he may claim reimbursement of his direct financial losses caused by the loss of working time up to the time his labour and plant are employed on other work, but not exceeding the period of the cancelled occupation or work permit.
- 5.7 When the Contractor is notified less than 2 hours before the scheduled starting time, or during an occupation or work permit, that the duration of the occupation or work permit is reduced, he may claim reimbursement of his direct financial losses caused by the loss of working time due to the reduced duration of the occupation or work permit.
- 5.8 Reimbursement of the Contractor for any loss of working time in terms of clause 5.6 and 5.7, shall be subject to his claims being submitted within 14 days of the event with full details of labour and plant involved, and provided that the Contract Supervisor certifies that no other work on which the labour and plant could be employed was immediately available.
- 5.9 Before starting any work for which an occupation has been arranged, the Contractor shall obtain from the Contract Supervisor written confirmation of the date, time and duration of the occupation.
- 5.10 Before starting any work for which a work permit has been arranged, the Responsible Representative shall read and sign portion C of the Work Permit, signifying that he is aware of the work boundaries within which work may be undertaken. After the work for which the permit was granted has been completed, or when the

work permit is due to be terminated, or if the permit is cancelled after the start, the same person who signed portion C shall sign portion D of the Work Permit, thereby acknowledging that he is aware that the electrical equipment is to be made "live". The Contractor shall advise all his workmen accordingly.

6.0 SPEED RESTRICTIONS AND PROTECTION

- 6.1 When speed restrictions are imposed by the network operator because of the Contractor's activities, the Contractor shall organise and carry out his work so as to permit the removal of the restrictions as soon as possible.
- 6.2 When the Contract Supervisor considers protection to be necessary the Contractor shall, unless otherwise agreed, provide all protection including flagmen, other personnel and all equipment for the protection of the network operator's and the Contractor's personnel and assets, the public and including trains.
- 6.2.1 The network operator will provide training free of charge of the Contractor's flagmen and other personnel performing protection duties. The Contractor shall consult with the Contract Supervisor, whenever he considers that protection will be necessary, taking into account the minimum permissible clearances set out in the Manual for Track Maintenance (Document no. BBB0481):
- Drawing no. BE-97 Sheet 1: Horizontal Clearances: 1065mm gauge (Annexure 1 sheet 1)
 - Drawing no. BE-97 Sheet 2: Vertical Clearances: 1065mm gauge (Annexure 1 sheet 2)
 - Drawing no. BE-97 Sheet 3: Clearances: Platform (Annexure 1 sheet 3)
 - Drawing no. BE-97 Sheet 5: Clearances: 610mm Gauge (Annexure 1 sheet 5)
- 6.3 The Contractor shall appoint a Responsible Representative to receive and transmit any instruction which may be given by the network operator personnel providing protection.

7.0 ROADS AND ROADS ON THE NETWORK OPERATOR'S PROPERTY

- 7.1 The Contractor shall take every reasonable precaution to prevent damage to any roads or bridges used to obtain access to the site, and shall select routes, use vehicles, and restrict loads so that any extraordinary traffic as may arise from the moving of plant or material to or from the site shall be limited as far as is reasonably possible.
- 7.2 The Contractor shall not occupy or interfere in any way with the free use of any public or private road, right-of-way, path or street unless the Contract Supervisor has obtained the approval of the road authority concerned.

8.0 CLEARANCES

- 8.1 No temporary works shall encroach on the appropriate minimum clearances set out in the Manual for Track Maintenance (Document no. BBB0481):
- Drawing no. BE-97 Sheet 1: Horizontal Clearances: 1065mm gauge (Annexure 1 sheet 1)
 - Drawing no. BE-97 Sheet 2: Vertical Clearances: 1065mm gauge (Annexure 1 sheet 2)
 - Drawing no. BE-97 Sheet 3: Clearances: Platform (Annexure 1 sheet 3)
 - Drawing no. BE-97 Sheet 5: Clearances: 610mm Gauge (Annexure 1 sheet 5)

9.0 STACKING OF MATERIAL

- 9.1 The Contractor shall not stack any material closer than 3m from the centre line of any railway line without prior approval of the Contract Supervisor.

10.0 EXCAVATION, SHORING, DEWATERING AND DRAINAGE

- 10.1 Unless otherwise approved by the Contract Supervisor any excavation adjacent to a railway line shall not encroach on the hatched area shown in Figure 1.

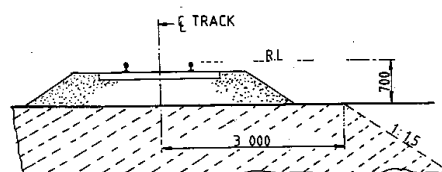


Fig. 1.

- 10.2 The Contractor shall provide, at his own cost any shoring, dewatering or drainage of any excavation unless otherwise stipulated elsewhere in the Contract.
- 10.3 Where required by the Contract Supervisor, drawings of shoring for any excavation under or adjacent to a railway line shall be submitted and permission to proceed, obtained before the excavation is commenced.
- 10.4 The Contractor shall prevent ingress of water to the excavation but where water does enter, he shall dispose of it as directed by the Contract Supervisor.
- 10.5 The Contractor shall not block, obstruct or damage any existing drains either above or below ground level unless he has made adequate prior arrangements to deal with drainage.

11.0 FALSEWORK FOR STRUCTURES

- 11.1 Drawings of falsework for the construction of any structure over, under or adjacent to any railway line shall be submitted to the Contract Supervisor and his permission to proceed obtained before the falsework is erected. Each drawing shall be given a title and a distinguishing number and shall be signed by a registered professional engineer certifying that he has checked the design of the falsework and that the drawings are correct and in accordance with the design.
- 11.2 After the falsework has been erected and before any load is applied, the Contractor shall submit to the Contract Supervisor a certificate signed by a registered professional engineer certifying that he has checked the falsework and that it has been erected in accordance with the drawings. Titles and numbers of the drawings shall be stated in the certificate. Notwithstanding permission given by the Contract Supervisor to proceed, the Contractor shall be entirely responsible for the safety and adequacy of the falsework.

12.0 PILING

- 12.1 The Contract Supervisor will specify the conditions under which piles may be installed on the network operator's property.

13.0 UNDERGROUND SERVICES

- 13.1 No pegs or stakes shall be driven or any excavation made before the Contractor has established that there are no underground services which may be damaged thereby.
- 13.2 Any damage shall be reported immediately to the Contract Supervisor, or to the official in charge at the nearest station, or to the traffic controller in the case of centralised traffic control.

14.0 BLASTING AND USE OF EXPLOSIVES

- 14.1 When blasting within 500m of a railway line, the Contractor shall observe the requirements stipulated in this specification.
- 14.2 No blasting shall be carried out except with the prior written permission of the Contract Supervisor and under such conditions as he may impose.
- 14.3 On electrified lines the Contractor shall also obtain the permission of the Electrical Officer (Contracts) before blasting, and shall give at least 21 days notice of his intention to blast. No blasting shall be done in the vicinity of electrified lines unless a member of the network operator's electrical personnel is present.
- 14.4 The Contractor shall arrange for the supply, transport storage and use of explosives.
- 14.5 The Contractor shall have labour, tools and plant, to the satisfaction of the Contract Supervisor, available on the site to clear immediately any stones or debris deposited on the track or formation by blasting, and to repair any damage to the track or formation immediately after blasting. Repairs to the track shall be carried out only under the supervision of a duly authorised representative of the network operator.
- 14.6 The Contractor shall notify the Contract Supervisor of his intention to blast at least 21 days before the commencement of any blasting operations.
- 14.7 Before any blasting is undertaken, the Contractor and the Contract Supervisor shall jointly examine and measure up any buildings, houses or structures in the vicinity of the proposed blasting to establish the extent of any existing cracking or damage to such structures, etc. The Contractor, shall, subject to the provisions stipulated in the Contract Insurance Policy, make good any deterioration of such buildings, houses, or structures, which, in the opinion of the Contract Supervisor, was directly caused by the blasting.
- 14.8 After completion of the blasting the Contractor shall obtain a written clearance from each landowner in

the vicinity of the blasting operations to the effect that all claims for compensation in respect of damage caused by the blasting operations to their respective properties, have been settled.

- 14.9 The Contractor shall provide proof that he has complied with the provisions of clauses 10.17.1 to 10.17.4 of the Explosives Regulations (Act 26 of 1956 as amended).
- 14.10 Blasting within 500m of a railway line will only be permitted during intervals between trains. A person appointed by the Contract Supervisor, assisted by flagmen with the necessary protective equipment, will be in communication with the controlling railway station.
- Only this person will be authorised to give the Contractor permission to blast, and the Contractor shall obey his instructions implicitly regarding the time during which blasting may take place.
- 14.11 The flagmen described in clause 14.10, where provided by the network operator, are for the protection of trains and the network operator's property only, and their presence does not relieve the Contractor in any manner of his responsibilities in terms of Explosives Act or Regulations, or any obligation in terms of this Contract.
- 14.12 The person described in clause 14.10 will record in a book provided and retained by the network operator, the dates and times:-
- (i) when each request is made by him to the controlling station for permission to blast;
 - (ii) when blasting may take place;
 - (iii) when blasting actually takes place; and
 - (iv) when he advises the controlling station that the line is safe for the passage of trains.
- 14.13 Before each blast the Contractor shall record in the same book, the details of the blast to be carried out. The person appointed by the Contract Supervisor and the person who will do the blasting shall both sign the book whenever an entry described in clause 14.12 is made.

15.0 RAIL TROLLEYS

- 15.1 The use of rail trolleys or trestle trolleys on a railway line for working on high voltage equipment will be permitted only if approved by the Contract Supervisor and under the conditions stipulated by him.
- 15.2 All costs in connection with trolley working and any train protection services requested by the Contractor shall, be borne by the Contractor, unless otherwise agreed.

16.0 SIGNAL TRACK CIRCUITS

- 16.1 Where signal track circuits are installed, the Contractor shall ensure that no material capable of conducting an electrical current makes contact between rails of railway line/lines.
- 16.2 No signal connections on track-circuited tracks shall be severed without the Contract Supervisor's knowledge and consent.

17.0 PENALTY FOR DELAYS TO TRAINS

- 17.1 If any trains are delayed by the Contractor and the Contract Supervisor is satisfied that the delay was avoidable, a penalty will be imposed on the Contractor as stipulated in the contract, for the period and number of trains delayed.

18.0 SURVEY BEACONS AND PEGS

- 18.1 The Contractor shall not on any account move or damage any beacon, bench mark, reference mark, signal or trigonometrical station in the execution of the Works without the written approval of the Contract Supervisor.

Should the Contractor be responsible for any such occurrence, he shall report the circumstances to the Contract Supervisor who will arrange with the Director-General of Surveys for replacement of the beacon or mark at the cost of the Contractor.

- 18.2 The Contractor shall not move or damage any cadastral or mining beacon without the written approval of the Contract Supervisor and before it has been referenced by a registered land surveyor. Any old boundary beacon, which becomes an internal beacon on creation of new boundaries, shall not be moved without the written approval of the Contract Supervisor.

Should the Contractor move or damage any cadastral or mining beacon without authority, he shall be responsible for having it replaced, at his cost, by a land surveyor.

- 18.3 The Contractor shall preserve all pegs and bench marks. Such survey points shall not be removed without the written approval of the Contract Supervisor. Should any peg or benchmark be removed without authority, the Contract Supervisor will arrange for its replacement and the cost will be recovered from the Contractor. No claim will be considered for delay in replacing any such peg or bench mark. Each peg replaced shall be checked by the Contractor.
- 18.4 Where a new boundary has been established, beacons on the fence line shall not be disturbed, and fence posts or anchors may not be placed or excavations made within 0,6 m of any beacon without the prior written approval of the Contract Supervisor.

19.0 TEMPORARY LEVEL CROSSINGS

- 19.1 The Contract Supervisor may, on request of the Contractor, and if necessary for the purpose of execution of the Works, permit the construction of a temporary level crossing over a railway a line at a position approved by the Contract Supervisor and at the Contractor's cost. The period for which the temporary level crossing is permitted will be at the discretion of the Contract Supervisor.

- 19.2 The Contractor will provide protection and supervise the construction of the road over the track(s) and within the railway servitude at the level crossing, as well as the erection of all road signs and height gauges. All cost to be borne by the applicant.

The Contractor shall exercise extreme caution in carrying out this work, especially in respect of damage to tracks, services, overhead power and communications routes and prevent contact with "live" overhead electrical equipment.

Unless otherwise agreed, the Contractor will provide the service deviations or alterations to the network operator's track-, structure-, drainage-, electrical-, telecommunications- and train authorisation systems to accommodate the level crossing.

- 19.3 The Contractor shall take all necessary steps including the provision of gates, locks and, where necessary, watchmen to restrict the use of the temporary level crossing to himself and his employees, his subcontractors and their employees, the staff of the network operator and to such other persons as the Contract Supervisor may permit and of whose identity the Contractor will be advised. If so ordered by the Contract Supervisor, the Contractor shall provide persons to control road traffic using the temporary level crossing. Such persons shall stop all road traffic when any approaching train is within seven hundred and fifty (750) metres of the temporary level crossing, and shall not allow road traffic to proceed over it until the lines are clear.
- 19.4 The Contractor shall maintain the temporary level crossing within the railway servitude in good condition for the period it is in use. A temporary agreement with the road authority to be concluded for the maintenance of the level crossing outside the railway servitude.
- 19.5 When the temporary level crossing is no longer required by the Contractor, or permitted by the network operator, the Contractor shall at his own cost remove it and restore the site and the network operator's track-, structure-, drainage-, electrical-, telecommunications- and train authorisation systems to its original condition. Work over the tracks and within the railway servitude will be supervised by the network operator.

20.0 COMPLETION OF THE WORKS

- 20.1 On completion of the works, the Contractor shall remove all the remaining construction plant and material from the site, other than material which is the property of the network operator, and leave the site in a clean, neat and tidy condition. If material and plant is required for the liability and maintenance period the Contract supervisor must authorise it's retention on site.

21.0 PROTECTION OF PERSONS AND PROPERTY

- 21.1 The Contractor shall provide and maintain all lights, guards, barriers, fencing and watchmen when and where necessary or as required by the Contract Supervisor or by any statutory authority, for the protection of the Works and for the safety and convenience of the public.

Red, yellow, green or blue lights may not be used by the Contractor as they can be mistaken for signals. Red, yellow, green or white flags shall only be used for protection by the Contractor. Within the precincts of a port the Contractor shall obtain the permission of the Port Captain before installing any light.

- 21.2 The Contractor shall take all the requisite measures and precautions during the course of the Works to:
- (i) protect the public and property of the public,
 - (ii) protect the property and workmen of both the network operator and the Contractor,
 - (iii) avoid damage to and prevent trespass on adjoining properties, and
 - (iv) ensure compliance with any instruction issued by the Contract Supervisor or other authorised person, and with any stipulation embodied in the contract documents which affects the safety of any person or thing.
- 21.3 The network operator will provide, at its own cost, protection for the safe working of trains during such operations as the Contract Supervisor may consider necessary. Protection by the network operator for any purpose whatsoever, does not absolve the Contractor of his responsibilities in terms of the Contract.
- 21.4 The Contractor shall take all precautions and appoint guards, watchmen and compound managers for prevention of disorder among and misconduct by the persons employed on the Works and by any other persons, whether employees or not, on the work site and for the preservation of the peace and protection of persons and property in the direct neighbourhood. Any relocation of camps because of disorder shall be at the Contractor's expense.
- 21.5 All operations necessary for the execution of the Works, including the provision of any temporary work and camping sites, shall be carried out so as not to cause veldt fires, ground and environmental pollution, soil erosion or restriction of or interference with streams, furrows, drains and water supplies.
- If the original surface of the ground is disturbed in connection with the Works, it shall be made good by the Contractor to the satisfaction of the land owner, occupier or responsible authority.
- 21.6 The Contractor shall take all reasonable steps to minimise noise and disturbance when carrying out the Works, including work permitted outside normal working hours.
- 21.7 Dumping of waste or excess materials by the Contractor shall, in urban areas, be done under the direction and control of, and at sites made available by the local authority. Dumping outside local authority boundaries shall be done only with the express permission and under the direction and control of the Contract Supervisor.
- 21.8 The Contractor shall comply with environmental protection measures and specifications stipulated by the Contract Supervisor and/or local and environmental authorities.
- 22.0 INTERFERENCE WITH THE NETWORK OPERATOR'S ASSETS AND WORK ON OPEN LINES**
- 22.1 The Contractor shall not interfere in any manner whatsoever with an open line, nor shall he carry out any work or perform any act which affects the security, use or safety of an open line except with the authority of the Contract Supervisor and in the presence of a duly authorised representative of the network operator.
- 22.2 The Contractor shall not carry out any work or operate any plant, or place any material whatsoever nearer than three metres from the centre line of any open line except with the written permission of the Contract Supervisor and subject to such conditions as he may impose.
- 22.3 Care must be taken not to interfere with or damage any services such as overhead wire routes, cables or pipes and optical fibre cable, except as provided for the work specified. The Contractor will be held responsible for any damage to or interruption of such services arising from any act or omission on his part or of any of his employees, or persons engaged by him on the Works. The cost of repairing, replacing or restoring the services, as well as all other costs arising from any damage to services, shall be borne by, and will be recovered from the Contractor.
- 22.4 Authority granted by the Contract Supervisor and the presence of an authorised representative of the network operator in terms hereof, shall not relieve the Contractor of his duty to comply with this specification.
- 23.0 ACCESS, RIGHTS-OF-WAY AND CAMPSITES**
- 23.1 Where entry onto the network operator's property is restricted, permission to enter will be given only for the purpose of carrying out the Works and will be subject to the terms and conditions laid down by the network operator.
- 23.2 The Contractor shall arrange for campsites, workplaces and access thereto as well as for any right-of-

way over private property to the site of the Works, and for access within the boundaries of the network operator's property. The owners of private property to be traversed shall be approached and treated with tact and courtesy by the Contractor, who shall, if necessary, obtain a letter of introduction to such property owners from the Contract Supervisor.

The Contractor shall be responsible for the closing of all gates on roads and tracks used by him or his employees. Except with the prior approval of the Contract Supervisor and the owner or occupier of any private land to be traversed, the Contractor shall not cut, lower, damage, remove or otherwise interfere with any fence or gate which is either on the network operator's property or on private property and which restricts access to the Works. Where such approval has been given, the Contractor shall prevent entry of animals or unauthorised persons onto the network operator's or private property, and shall make the fences safe against trespass at the close of each day's work.

23.3 The Contractor shall take all reasonable steps to confine the movement of vehicles and plant to the approved right-of-way to minimise damage to property, crops and natural vegetation.

23.4 When access is no longer required, and before completion of the Works, the Contractor shall repair, restore or replace any fence or gate damaged during execution of the Works to the satisfaction of the Contract Supervisor and shall furnish the Contract Supervisor with a certificate signed by the owner and occupier of land over which he has gained access to a campsite, workplace and the Works, certifying that the owner and occupier have no claim against the Contractor or the network operator arising from the Contractor's use of the land. Should the Contractor be unable to obtain the required certificate, he shall report the circumstances to the Contract Supervisor.

24.0 SUPERVISION

24.1 The Contract Supervisor will provide overall technical superintendence of the Works, and may direct the Contractor in terms of the provisions of the Contract or in respect of any measures which the Contract Supervisor may require for the operations of the network operator, the safety of trains, property and workmen of the network operator, and for the safety of other property and persons. The Contractor shall carry out the directions of the Contract Supervisor. The superintendence exercised by the Contract Supervisor, including any agreement, approval, refusal or withdrawal of any approval given, shall not relieve the Contractor of any of his duties and liabilities under the Contract, and shall not imply any assumption by the network operator or by the Contract Supervisor of the legal and other responsibilities of the Contractor in carrying out the Works.

24.2 The Contract Supervisor may delegate to any deputy or other person, any of his duties or functions under the Contract. On receiving notice in writing of such delegation, the Contractor shall recognise and obey the deputy or person to whom any such duties or functions have been delegated as if he were the Contract Supervisor.

24.3 The Contractor shall exercise supervision over the Works at all times when work is performed or shall be represented by an agent having full power and authority to act on behalf of the Contractor. Such agent shall be competent and responsible, and have adequate experience in carrying out work of a similar nature to the Works, and shall exercise personal supervision on behalf of the Contractor. The Contract Supervisor shall be notified in writing of such appointment which will be subject to his approval.

24.4 The Contractor or his duly authorised agent shall be available on the site at all times while the Works are in progress to receive the orders and directions of the Contract Supervisor.

25.0 HOUSING OF EMPLOYEES

25.1 The Contractor shall, where necessary, make his own arrangements for suitable housing of his employees. Where temporary housing is permitted by the Contract Supervisor on any part of the site, the Contractor shall provide suitable sanitation, lighting and potable water supplies in terms of the requirements of the local authority or the current network operator's specification; Minimum Communal Health Requirements in Areas outside the Jurisdiction of a Local Authority - E.4B, as applicable.

25.2 Fouling the area inside or outside the network operator's boundaries shall be prevented. The Contractor will be called upon by the Contract Supervisor to dispose of any foul or waste matter generated by the Contractor.

26.0 OPTICAL FIBRE CABLE ROUTES

26.1 The Contractor shall not handle, impact, move or deviate any optical fibre cable without prior approval.

26.2 Works that in any way affect the optical fibre cable requires prior approval from the Contract Supervisor

who will determine the work method and procedures to be followed.

PART B - SPECIFICATION FOR WORK NEAR HIGH-VOLTAGE ELECTRICAL EQUIPMENT

27.0 GENERAL

- 27.1 This specification is based on the contents of Transnet's publication ELECTRICAL SAFETY INSTRUCTIONS, as amended, a copy of which will be made available on loan to the Contractor for the duration of the contract.
- These instructions apply to all work near "live" high-voltage equipment maintained and/or operated by the network operator, and the onus rests on the Contractor to ensure that he obtains a copy.
- 27.2 This specification must be read in conjunction with and not in lieu of the Electrical Safety Instructions.
- 27.3 The Contractor's attention is drawn in particular to the contents of Part I, Sections 1 and 2 of the Electrical Safety Instructions.
- 27.4 The Electrical Safety Instructions cover the minimum safety precautions which must be taken to ensure safe working on or near high-voltage electrical equipment, and must be observed at all times. Should additional safety measures be considered necessary because of peculiar local conditions, these may be ordered by and at the discretion of the Electrical Officer (Contracts).
- 27.5 The Contractor shall obtain the approval of the Electrical Officer (Contracts) before any work is done which causes or could cause any portion of a person's body or the tools he is using or any equipment he is handling, to come within 3 metres of any "live" high-voltage equipment.
- 27.6 The Contractor shall regard all high-voltage equipment as "live" unless a work permit is in force.
- 27.7 Safety precautions taken or barriers erected shall comply with the requirements of the Electrical Officer (Contracts), and shall be approved by him before the work to be protected is undertaken by the Contractor. The Contractor shall unless otherwise agreed, bear the cost of the provision of the barriers and other safety precautions required, including the attendance of the network operator's staff where this is necessary.
- 27.8 No barrier shall be removed unless authorised by the Electrical Officer (Contracts).

28.0 WORK ON BUILDINGS OR FIXED STRUCTURES

- 28.1 Before any work is carried out or measurements are taken on any part of a building, fixed structure or earthworks of any kind above ground level situated within 3 metres of "live" high-voltage equipment, the Electrical Officer (Contracts) shall be consulted to ascertain the conditions under which the work may be carried out.
- 28.2 No barrier erected to comply with the requirements of the Electrical Officer (Contracts) shall be used as temporary staging or shuttering for any part of the Works.
- 28.3 The shuttering for bridge piers, abutments, retaining walls or parapets adjacent to or over any track may be permitted to serve as a barrier, provided that it extends at least 2,5 metres above any working level in the case of piers, abutments and retaining walls and 1,5 metres above any working level in the case of parapets.

29.0 WORK DONE ON OR OUTSIDE OF ROLLING STOCK, INCLUDING LOADING OR UNLOADING

- 29.1 No person may stand, climb or work, whilst on any platform, surface or foothold:
- 29.1.1 higher than the normal unrestricted access way, namely -
 - 29.1.1.1 external walkways on diesel, steam and electric locomotives, steam heat vans, etc. and
 - 29.1.1.2 walkways between coaches and locomotives.
 - 29.1.2 of restricted access ways in terms of the Electrical Safety Instructions namely -
 - 29.1.2.1 the floor level of open wagons
 - 29.1.2.2 external walkways or decks of road-rail vehicles, on-track maintenance machines and material trains.
 - 29.1.3 Unauthorised staff working on these platforms must be directly supervised by duly authorised persons in terms of clause 607.1.3 of the Electrical Safety Instructions. These persons must attend the relevant electrical safety module training. A letter of training must then be issued by an accredited training authority. A Category C Certificate of Authority must be obtained from the

local depot examining officer.

- 29.2 When in the above positions no person may raise his hands or any equipment he is handling above his head.
- 29.3 In cases where the Contractor operates his own rail mounted equipment, he shall arrange for the walkways on this plant to be inspected by the Electrical Officer (Contracts) and approved, before commencement of work.
- 29.4 The handling of long lengths of material such as metal pipes, reinforcing bars, etc should be avoided, but if essential they shall be handled as nearly as possible in a horizontal position below head height.
- 29.5 The Responsible Representative shall warn all persons under his control of the danger of being near "live" high-voltage equipment, and shall ensure that the warning is fully understood.
- 29.6 Where the conditions in clauses 30.1 to 30.4 cannot be observed the Electrical Officer (Contracts), shall be notified. He will arrange for suitable Safety measures to be taken. The Electrical Officer (Contracts), may in his discretion and in appropriate circumstances, arrange for a suitable employee of the Contractor to be specially trained by the network operator and at the Contractor's cost, as an Authorised Person to work closer than 3 metres from "live" overhead conductors and under such conditions as may be imposed by the senior responsible electrical engineer of the network operator.

30.0 USE OF EQUIPMENT

30.1 Measuring Tapes and Devices

- 30.1.1 Measuring tapes may be used near "live" high-voltage equipment provided that no part of any tape or a person's body comes within 3 metres of the "live" equipment.
- 30.1.2 In windy conditions the distance shall be increased to ensure that if the tape should fall it will not be blown nearer than 3 metres from the "live" high-voltage equipment.
- 30.1.3 Special measuring devices longer than 2 metres such as survey sticks and rods may be used if these are of non-conducting material and approved by the responsible Electrical Engineer of the network operator, but these devices must not be used within 3 metres of "live" high-voltage equipment in rainy or wet conditions.
- 30.1.4 The assistance of the Electrical Officer (Contracts) shall be requested when measurements within the limits defined in clauses 31.1.1 to 31.1.3 are required.
- 30.1.5 The restrictions described in 31.1.1 to 31.1.3 do not apply on a bridge deck between permanent parapets nor in other situations where a barrier effectively prevents contact with the "live" high-voltage equipment.

30.2 Portable Ladders

- 30.2.1 Any type of portable ladder longer than 2 metres may only be used near "live" high-voltage equipment under the direct supervision of the Responsible Representative. He shall ensure that the ladder is always used in such a manner that the distance from the base of the ladder to any "live" high-voltage equipment is greater than the fully extended length of the ladder plus 3 metres. Where these conditions cannot be observed, the Electrical Officer (Contracts) shall be advised, and he will arrange for suitable safety measures to be taken.

31.0 CARRYING AND HANDLING MATERIAL AND EQUIPMENT

- 31.1 Pipes, scaffolding, iron sheets, reinforcing bars and other material which exceeds 2 metres in length shall be carried completely below head height near "live" high-voltage equipment. For maximum safety such material should be carried by two or more persons so as to maintain it as nearly as possible in a horizontal position. The utmost care must be taken to ensure that no part of the material comes within 3 metres of any "live" high-voltage equipment.
- 31.2 Long lengths of wire or cable shall never be run out in conditions where a part of a wire or cable can come within 3 metres of any "live" high-voltage equipment unless the Electrical Officer (Contracts) has been advised and has approved appropriate safety precautions.
- 31.3 The presence of overhead power lines shall always be taken account of especially when communications lines or cables or aerial cables, stay wires, etc. are being erected above ground level.

32.0 PRECAUTIONS TO BE TAKEN WHEN ERECTING OR REMOVING POLES, ANTENNAE, TREES ETC.

- 32.1 A pole may be handled for the purpose of erection or removal near high-voltage equipment under the following conditions:

(i) If the distance between the point at which the pole is to be erected or removed and the nearest "live" high-voltage equipment is more than the length of the pole plus 3 metres, the work shall be supervised by the Responsible Representative.

(ii) If the distance described in (i) is less than the length of the pole plus 3 metres, the Electrical Officer (Contracts) shall be consulted to arrange for an Authorised Person to supervise the work and to ensure that the pole is earthed where possible. The pole shall be kept in contact with the point of erection, and adequate precautions shall be taken to prevent contact with "live" high-voltage equipment.

32.2 The cost of supervision by an Authorised Person and the provision of earthing shall, unless otherwise agreed, be borne by the Contractor.

32.3 The provisions of clauses 33.1 and 33.2 shall also apply to the erection or removal of columns, antennae, trees, posts, etc.

33.0 USE OF WATER

33.1 No water shall be used in the form of a jet if it can make contact with any "live" high-voltage equipment or with any person working on such equipment.

34.0 USE OF CONSTRUCTION PLANT

34.1 "Construction plant" entails all types of plant including cranes, piling frames, boring machines, excavators, draglines, dewatering equipment and road vehicles with or without lifting equipment.

34.2 When work is being undertaken in such a position that it is possible for construction plant or its load to come within 3 metres of "live" high-voltage equipment, the Electrical Officer (Contracts) shall be consulted. He will arrange for an Authorised Person to supervise the work and to ensure that the plant is adequately earthed. The Electrical Officer (Contracts) will decide whether further safety measures are necessary.

34.3 The cost of any supervision by an Authorised Person and the provision of earthing shall, unless otherwise agreed, be borne by the Contractor.

34.4 When loads are handled by cranes, non-metallic rope hand lines shall be used, affixed to such loads so as to prevent their swinging and coming within 3 metres of "live" high-voltage equipment.

34.5 Clauses 35.1 to 35.4 shall apply *mutatis mutandis* to the use of maintenance machines of any nature.

35.0 WORK PERFORMED UNDER DEAD CONDITIONS UNDER COVER OF A WORK PERMIT

35.1 If the Responsible Representative finds that the work cannot be done in safety with the high-voltage electrical equipment "live", he shall consult the Electrical Officer (Contracts) who will decide on the action to be taken.

35.2 If a work permit is issued the Responsible Representative shall-

(i) before commencement of work ensure that the limits within which work may be carried out have been explained to him by the Authorised Person who issued the permit to him, and that he fully understands these limits.

(ii) sign portion C of the permit before commencement of work;

(iii) explain to all persons under his control the limits within which work may be carried out, and ensure that they fully understand these limits;

(iv) care for the safety of all persons under his control whilst work is in progress; and

(v) withdraw all personnel under his control from the equipment on completion of the work before he signs portion D of the work permit.

36.0 TRACTION RETURN CIRCUITS IN RAILS

36.1 DANGEROUS CONDITIONS CAN BE CREATED BY REMOVING OR SEVERING ANY BOND.

36.2 Broken rails with an air gap between the ends, and joints at which fishplates are removed under "broken bond" conditions, are potentially lethal. The rails on either side of an air gap between rail ends on electrified lines shall not be touched simultaneously until rendered safe by the network operator personnel.

36.3 The Contractor shall not break any permanent bonds between rails or between rails and any structure. He shall give the Contract Supervisor at least 7 days written notice when removal of such bonds is necessary.

36.4 No work on the track which involves interference with the traction return rail circuit either by cutting or removing the rails, or by removal of bonds shall be done unless the Electrical Officer (Contracts) is consulted. He will take such precautions as may be necessary to ensure continuity of the return circuit before permitting the work to be commenced.

37.0 HIGH-VOLTAGE ELECTRICAL EQUIPMENT NOT MAINTAINED AND/OR OPERATED BY THE NETWORK OPERATOR

Where the work is undertaken on or near high-voltage electrical equipment which is not maintained and/or operated by the network operator, the Occupational Health and Safety Act No. 85 of 1993, and Regulations and Instructions, or the Mines Health and Safety Act (Act 29 of 1996), shall apply.

Such equipment includes:-

- (i) Eskom and municipal equipment;
- (ii) The Contractor's own power supplies; and
- (iii) Electrical equipment being installed but not yet taken over from the Contractor.

END

ISBN 978-0-626-26620-2

SATS 1286:2011

Edition 1

SABS STANDARDS DIVISION

Technical specification

Local goods, services and works — Measurement and verification of local content

This document does not have the status of a South African National Standard.

Published by SABS Standards Division
1 Dr Lategan Road Groenkloof ☒ Private Bag X191 Pretoria 0001
Tel: +27 12 428 7911 Fax: +27 12 344 1568
www.sabs.co.za
© SABS

SABS

SATS 1286:2011
Edition 1

Table of changes

Change No.	Date	Scope

Foreword

This South African technical specification was approved by National Committee SABS TC 180, *Conformity assessment (CASCO)*, in accordance with procedures of the SABS Standards Division, in compliance with annex 3 of the WTO/TBT agreement.

This SATS was published in November 2011.

This document is being issued as a South African technical specification because there is a need for clarity and the ability to measure and validate the local content of goods, works and services in order to implement a procurement system that takes the local content into account.

This document will in future be revised and issued as a national standard.

Reference is made in 1.1 and 2.6 to the "relevant national legislation". In South Africa, this means the Preferential Procurement Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

Reference is made in the note to 2.10 to a "national accreditation body". In South Africa, this means the South African National Accreditation System (SANAS).

Reference is made in 5.1(a) to an "accredited verification body". In South Africa, this means a body accredited by the South African National Accreditation System (SANAS).

Reference is made in 5.1(b) to an "independent registered auditor". In South Africa, this means a registered auditor approved by the Independent Regulatory Board for Auditors (IRBA) in terms of the Auditing Profession Act, 2005 (Act No. 26 of 2005).

Annexes A and B form an integral part of this document.

Introduction

Preferential procurement policies and their associated regulations, such as local content requirements, are mechanisms used by the government and organs of state in the adjudication of tenders, to give consideration to procuring locally manufactured products that comply with specified requirements. Governments may identify specific industries which are deemed to be of critical importance to the economic sustainability and industrial development of their country.

In order to calculate and verify local content, a standardized approach is essential, and this document specifies the approach used in South Africa.

Contents

	Page
Foreword	
Introduction	
1 Scope.....	3
2 Definitions	3
3 Local content measurement.....	4
4 Declaration.....	5
5 Verification.....	5
Annex A (normative) Notes to purchasers.....	6
Annex B (normative) Local content declaration.....	7
Bibliography	8

SATS 1286:2011

Edition 1

This page is intentionally left blank

Local goods, services and works — Measurement and verification of local content

1 Scope

1.1 This technical specification specifies requirements and procedures to define, measure, declare and verify the local content of goods, services and works when required for procurement and other purposes, in terms of the relevant national legislation (see foreword):

NOTE The product should contain no less than the level of local content as determined by the relevant national legislation (see foreword) and other procurement requirements.

1.2 This technical specification does not specify the required safety, quality or other properties of the product.

The responsibility to include the above requirements rests with the procurement authority.

2 Definitions

For the purposes of this document, the following definitions apply.

2.1

component

elementary part (element or portion) of a product

2.2

imported content

that portion of the tender price represented by

a) the cost of imported components, and

b) the cost of parts or materials which have been or are still to be imported (whether by the suppliers or the suppliers' subcontractors or any other third party) the costs of which are inclusive of the costs abroad,

plus freight and other direct importation costs, such as landing cost, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry excluding value added tax (VAT)

2.3

local content

that portion of the tender price that is not included in the imported content, provided that local manufacturing takes place and is calculated in accordance with the local content formula (see 3.1)

SATS 1286:2011

Edition 1

2.4

manufacture

any kind of working or processing, including assembly or specific operations

2.5

material

ingredient, raw material, component or part used in the manufacture of a product

2.6

products

produced goods, services or works, or manufactured goods as defined in the relevant national legislation (see foreword)

2.7

tender price

price offered by the tenderer, excluding value added tax (VAT)

2.8

tenderer

person or organization that submits a tender offer

[ISO 10845-1:2010]

2.9

verification

confirmation through the provision of objective evidence that the specified requirements have been fulfilled.

2.10

verification body

body that provides assurance of the claims of local content made by the supplier

NOTE In order to provide assurance as to the competence of the verification body, the user may require that the verification body be accredited to perform these functions by a national accreditation body (see foreword).

3 Local content measurement

3.1 Calculation of local content

The local content percentage of the product shall be as specified (see annex A). The local content, LC, expressed as a percentage of the tender price, shall be calculated as follows:

$$LC = (1 - x/y) * 100$$

where

x is the imported content (see 2.2), in Rand (ZAR);

y is the tender price (see 2.7), in Rand (ZAR).

Prices referred to in the determination of x shall all be converted to Rand (ZAR) by using the exchange rate as specified (see annex A).

3.2 Documentation required for the calculation of local content

3.2.1 Documentation used for the purposes of measuring local content shall include, but is not limited to, details of all imported components, parts or materials indicating origin, manufacturer, freight cost and other direct importation costs, such as landing cost, dock duties, and import duty and sales duty, i.e. landed cost.

3.2.2 Documentary proof used for calculating x in the measurement of local content and proof of the tender price y shall be kept accessible for a period of no less than five years.

3.2.3 The tenderer shall be responsible for the accuracy of the information, including the imported content in the supply chain.

3.2.4 If information on the origin of components, parts or materials is not available, it will be deemed to be imported content.

3.3 Control of documents and records by the tenderer

Documents and records to provide evidence of compliance with the requirements of this technical specification shall be controlled.

A documented procedure to define the controls needed for the identification, storage, protection, retrieval, retention and disposition of records shall be established.

Records shall remain legible, readily identifiable and retrievable.

4 Declaration

The tenderer shall attach the declaration in annex B signed by the Chief Financial Officer or other legally responsible person nominated in writing by the Chief Executive, or senior member/person with management responsibility (close corporation, partnership or individual) to the purchaser stating the local content percentage of the product, calculated in accordance with 3.1, and confirming the final tender price.

5 Verification

5.1 The procurement authority may require that the measurement of local content be verified. The verification shall be conducted by:

- a) an accredited verification body (see foreword); or
- b) an independent registered auditor (see foreword).

5.2 Those conducting the verification shall have defined and documented procedures for the verification activities.

Annex A
(normative)

Notes to purchasers

In addition to data clearly describing the product ordered, the following requirements shall be specified in tender invitations and in each order or contract:

- a) the local content percentage requirements (see 3.1), and
- b) the exchange rate requirements (see 3.1).

Annex B
(normative)

Local content declaration

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF TENDER No.
ISSUED BY: (Procurement Authority):

NB The obligation to complete and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the tenderer.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of(name of tendering entity),
the following:

- (a) The facts herein contained are within my own personal knowledge.
- (b) I have satisfied myself that the goods/services to be delivered in terms of the above-specified tender comply with the minimum local content requirements as specified in the tender, and as measured in terms of SATS 1286.
- (c) The local content has been calculated using the formula given in clause 3 of SATS 1286 and the following figures:

	Rand (ZAR)
Tender price, excluding VAT	
Less imported content, as calculated in terms of SATS 1286	
Local content	
Local content %	

If the tender is for more than one product, a schedule of the local content by product shall be attached.

- (d) I accept that the Procurement Authority has the right to request that the local content be verified in terms of the requirements of SATS 1286.
- (e) I understand that the awarding of the tender is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286, may result in the procurement authority imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations promulgated under the Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

Bibliography

ISO 10845:2010, *Construction procurement – Part 1: Processes, methods and procedures.*

© SABS

SABS – Standards Division

The objective of the SABS Standards Division is to develop, promote and maintain South African National Standards. This objective is incorporated in the Standards Act, 2008 (Act No. 8 of 2008).

Amendments and Revisions

South African National Standards are updated by amendment or revision. Users of South African National Standards should ensure that they possess the latest amendments or editions.

The SABS continuously strives to improve the quality of its products and services and would therefore be grateful if anyone finding an inaccuracy or ambiguity while using this standard would inform the secretary of the technical committee responsible, the identity of which can be found in the foreword.

Tel: +27 (0) 12 428 6666 Fax: +27 (0) 12 428 6928

The SABS offers an individual notification service, which ensures that subscribers automatically receive notification regarding amendments and revisions to South African National Standards.

Tel: +27 (0) 12 428 6883 Fax: +27 (0) 12 428 6928 E-mail: sales@sabs.co.za

Buying Standards

Contact the Sales Office for South African and international standards, which are available in both electronic and hardcopy format.

Tel: +27 (0) 12 428 6883 Fax: +27 (0) 12 428 6928 E-mail: sales@sabs.co.za

South African National Standards are also available online from the SABS website <http://www.sabs.co.za>

Information on Standards

The Standards Information Centre provides a wide range of standards-related information on both national and international standards, and is the official WTO/TBT enquiry point for South Africa. The Centre also offers an individual updating service called INFOPLUS, which ensures that subscribers automatically receive notification regarding amendments to, and revisions of, international standards.

Tel: +27 (0) 12 428 6666 Fax: +27 (0) 12 428 6928 E-mail: info@sabs.co.za

Copyright

The copyright in a South African National Standard or any other publication published by the SABS Standards Division vests in the SABS. Unless exemption has been granted, no extract may be reproduced, stored in a retrieval system or transmitted in any form or by any means without prior written permission from the SABS Standards Division. This does not preclude the free use, in the course of implementing the standard, of necessary details such as symbols, and size, type or grade designations. If these details are to be used for any purpose other than implementation, prior written permission must be obtained.

Details and advice can be obtained from the Senior Manager.

Tel: +27 (0) 12 428 6666 Fax: +27 (0) 12 428 6928 E-mail: info@sabs.co.za

**DEPARTMENT OF PUBLIC WORKS
NOTICE 423 OF 2019**



DEVELOPMENT THROUGH PARTNERSHIP

**CONSTRUCTION INDUSTRY DEVELOPMENT BOARD
STANDARD FOR UNIFORMITY IN ENGINEERING AND CONSTRUCTION
WORKS CONTRACTS**

AUGUST 2019

This standard is issued in terms of sections 4(f), 5(3)(c) and 5(4)(b) of the Construction Industry Development Board Act 38 of 2000 read with Regulation 24 of the Construction Industry Development Regulations, (as amended) issued in terms of section 33.

The Standard for Uniformity in Construction Procurement was first published in Board Notice 62 of 2004 in Government Gazette No 26427 of 9 June 2004. It was subsequently amended in Board Notice 67 of 2005 in Government Gazette No 27831 of 22 July 2005, Board Notice 99 of 2005 in Government Gazette No 28127 of 14 October 2005, Board Notice 93 of 2006 in Government Gazette No 29138 of 18 August 2006, Board Notice 9 of 2008 in Government Gazette No 30692 of 1 February 2008, Board Notice 11 of 2009 in Government Gazette No 31823 of 30 January 2009, Board Notice 86 of 2010 in Government Gazette No 33239 of 28 May 2010 and Board Notice 136 of 2015 in Government Gazette 38960 of 10 July 2015.

Contents

- 1 Scope
- 2 Normative references
- 3 Definitions
- 4 Requirements
 - 4.1 General
 - 4.2 Solicitation of tender offers
 - 4.2.1 General
 - 4.2.2 Activities associated with the solicitation of tender offers
 - 4.2.3 Competitive selection procedures
 - 4.3 The evaluation of tenders on functionality
 - 4.3.1 Process for evaluation of Tenders on Functionality
 - 4.3.2 Functionality in different contracting strategies
 - 4.4 Procurement documents
 - 4.4.1 General
 - 4.4.2 Tender Data
 - 4.4.3 Contract data
 - 4.4.4 Submission Data
 - 4.4.5 Subcontracting as a condition to tender
 - 4.4.6 Scope of work
- 4.4 Applying the cidb register of contractors to public contracts

- Annex A: Standard Tender Notice and Invitation to Tender
- Annex B: Form of Offer and Acceptance
- Annex C: Standard Conditions of Tender
- Annex D: Standard Conditions for the calling for Expressions of Interest
- Annex E: Standard Notice and Invitation to submit an Expression of Interest
- Annex F: Record of Addenda to Tender Documents
- Annex G: Compulsory Enterprise Questionnaire

STANDARD FOR UNIFORMITY IN ENGINEERING AND CONSTRUCTION WORKS CONTRACTS

1. Scope

This standard establishes requirements for engineering and construction works contracts aimed at bringing about standardisation and uniformity in construction contracts documentation, practices and procedures.

2. Normative references

The following referenced documents are for the application of this standard.

For undated references, the latest edition of the referenced document (including any amendments) applies.

- 2.1** Conditions of Contract for Construction for Building and Engineering Works designed by the Employer ("Red Book") as published by the International Federation of Consulting Engineers (FIDIC).
- 2.2** Conditions of Contract for Plant and Design-Build for Electrical and Mechanical Plant and for Building and Engineering Works, designed by the Contractor ("Yellow Book") as published by the International Federation of Consulting Engineers (FIDIC).
- 2.3** Conditions of Contract for EPC Turnkey Projects ("Silver Book") as published by the International Federation of Consulting Engineers (FIDIC).
- 2.4** Conditions of Contract for Design, Build and Operate Projects ("Gold Book") as published by the International Federation of Consulting Engineers (FIDIC).
- 2.5** General Conditions of Contract for Construction Works as published by the South African Institution of Civil Engineering.
- 2.6** JBCC Series 2000 Principal Building Agreement as published by the Joint Building Contracts Committee.
- 2.7** JBCC Series 2000 Minor Works Agreement as published by the Joint Building Contracts Committee.
- 2.8** NEC3 Engineering and Construction Short Contract as published by the Institution of Civil Engineers.
- 2.9** NEC3 Engineering and Construction Contract as published by the Institution of Civil Engineers.
- 2.10** Short Form of Contract ("Green Book") as published by the International Federation of Consulting Engineers (FIDIC).
- 2.11** Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2017 (as amended).
- 2.12** South African Bureau of Standards, SANS 10845-1, Construction procurement – Part 1: Processes, methods and procedures.
- 2.13** South African Bureau of Standards, SANS 10845-2, Construction procurement – Part 2: Formatting and compilation of procurement documentation.

2.14 South African Bureau of Standards, SANS 10845-3, Construction procurement – Part 3: Standard conditions of tender.

2.15 South African Bureau of Standards, SANS 10845-4, Construction procurement – Part 4: Standard conditions for the calling for expressions of interest.

3. Definitions

For purposes of this standard, the following definitions apply:

3.1 black people means Africans, Coloureds and Indians -

(a) who are citizens of the Republic of South Africa by birth or descent; or

(b) who became citizens of the Republic of South Africa by naturalisation -

(i) before 27 April 1994; or

(ii) on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalisation prior to that date.

3.2 capability means the abilities necessary to perform at the required level;

3.3 capacity means the resources (human capital, financial, physical assets, systems, procedures) which a tenderer puts at the disposal of the project to select, fund and execute the work;

3.4 conflict of interest means any situation in which someone in a position of trust has competing professional or personal interests which make it difficult for him to fulfill his duties impartially, an individual or the tenderer is in a position to exploit a professional or official capacity in some way for his personal or for corporate benefit, or incompatibility or contradictory interests exist between an employee and the tenderer who employs that employee;

3.5 contracting strategy means strategy that defines the nature of the relationship which the employer wishes to foster with the contractor, which in turn determines the risks and responsibilities between the parties to the contract and the methodology by which the contractor is to be paid;

3.6 contract data means document that identifies the applicable conditions of a contract and states the associated contract-specific data;

3.7 design and build means contract in which a contractor designs a project based on a brief provided by the employer and constructs it;

3.8 develop and construct means contract based on a scheme design prepared by the employer under which a contractor produces drawings and constructs it;

3.9 design by employer means contract under which a contractor undertakes only construction based on full designs issued by the employer;

3.10 employer means an organ of state entering into a contract with a contractor for the provision of engineering and construction works;

3.11 expression of interest means a request for respondents to register their interest in undertaking a specific contract or to participate in a project or programme and to submit their credentials, so they may, in terms of the employer's procurement procedures, be invited to submit a tender offer should they qualify or be selected to do so;

3.12 financial offer means the cost of the procurement in monetary terms;

- 3.13 form of offer and acceptance** means the documents that formalize the legal process of offer and acceptance;
- 3.14 functionality** means the ability of a tenderer to provide engineering and construction works in accordance with specifications as set out in the tender documents;
- 3.15 invitation to tender** means formal invitation to qualified tenderers to make a written offer for construction works;
- 3.16 list of returnable documents** means document that lists everything the employer requires a tenderer to include with the tender submission;
- 3.17 management contractor** means contract under which a contractor provides consultation during the design stage and is responsible for planning and managing all post contract activities for contractors and the performance of the whole contract;
- 3.18 notice and invitation to submit an expression of interest** means the document that alerts respondents to submit their credentials in order to be admitted to an electronic database or to be invited to submit tenders should they satisfy the stated criteria;
- 3.19 potentially emerging enterprise** means an enterprise which is least 50 percent owned, managed and controlled by black people;
- 3.20 preference** means points awarded for Broad-Based Black Economic Empowerment (B-BBEE) status level of contribution;
- 3.21 pricing assumptions** means the document that provides the criteria and assumptions which are assumed in the contract and which the tenderer has taken into account when developing his prices, or target in the case of target cost contracts;
- 3.22 quality** means totality of features and characteristics of a product or service that bears on the ability of the product or service to satisfy stated or implied needs;
- 3.23 scope of work** means the documentation that specifies and describes the engineering and construction works which are to be provided and any other requirements and constraints relating to the manner in which the contract work is to be performed;
- 3.24 services contract** means the contract for the provision of labour or work, including knowledge-based expertise, carried out by hand, or with the assistance of equipment and plant;
- 3.25 site information** means the document that describes the site as at the time of tender, to enable the tenderer to price tender and to decide upon the method of working and programming;
- 3.26 submission data** means document that establishes the respondent's obligations in responding to a call for an expression of interest and the employer's undertakings in administering the process of calling for and receiving expressions of interest;
- 3.27 term contract** means a contract that enables the employer to order work during a prescribed period at agreed rate;
- 3.28 tender data** means the document that establishes the tenderer's obligations in submitting a tender and the employer's undertakings in administering the tender process and evaluating tender offers;
- 3.29 tenderer** means a cidb registered sole proprietor, partnership or trust who establishes a company or close corporation in terms of the Companies Act, 1973 or the Close Corporations Act, 1984; submitting a tender offer;

3.30 tender notice means a formal communication to tenderers to submit competitive tenders;

3.31 tender offer means a written offer to carry out engineering and construction works under given conditions, usually at a stated price, and which is capable of acceptance and conversion into a binding contract;

3.32 threshold means a monetary value of a procurement contract established in any legislation governing procurement or by the executive of an institution, below which a procedure must be used.

4 Requirements

4.1 General

Procurement of construction works shall be undertaken in accordance with:

- a) the provisions of legislation regulating procurement;
- b) the cidb Code of Conduct for all parties engaged in Construction Procurement published in terms of section 5(4) of the Construction Industry Development Board Act.

4.2 Solicitation of tender offers

4.2.1 General

4.2.1.1 Tender offers shall be solicited using one of the Standard Procurement Procedures and Tender Evaluation Methods described in Table 1.

4.2.1.2 As a general rule, engineering and construction works contract shall be solicited using Standard Methods of procuring different categories of engineering and construction works contracts in accordance with the provisions of Table 2.

4.2.1.3 The scope of work, terms and conditions and prices that are negotiated in the negotiation procedure, the proposal procedure using the two-stage system or the competitive negotiation procedure shall be in the best interests of the employer.

4.2.1.4 Minutes of such negotiations and the reasons for pursuing such procedures shall be kept for record and audit purposes.

4.2.1.5 Subject to section 23(2) of the Construction Industry Development Board Act, 38 of 2000, all tender offers above the prescribed tender value published by the Minister shall include a condition that such contracts comply with the cidb best practice standards, published in terms of project assessment scheme.

4.2.2 Activities associated with the solicitation of tender offers

4.2.2.1 Preparation of procurement documents

- a) Procurement documents for engineering and construction works contract shall in general:
 - i) require tenderers to submit particulars sufficient for the employer to evaluate their tenders and to assess their status, capabilities and capacities to perform the contract;
 - ii) set out, in a clear and unambiguous manner, the criteria by which tenders are to be evaluated;
 - iii) define the risks, liabilities and contractual obligations of the parties to the contract;
 - iv) define the nature and quality of construction works to be provided in the performance of the contract.

Table 1: Standard Procurement Procedures and Tender Evaluation Methods

Procedure		Description
PP1	Negotiation procedure	A tender offer is solicited from a single tenderer.
PP2	Competitive selection procedure	Any procurement procedure in which the contract is normally awarded to the contractor who submits the lowest financial offer or obtains the highest number of tender evaluation points.
	PP2A Nominated procedure	Tenderers that satisfy prescribed criteria are accepted to an electronic data base. Tenderers are invited to submit tender offers based on search criteria and their position on the data base. Tenderers are repositioned on the data base upon appointment or upon the submission of a tender offer.
	PP2B Open procedure	Tenderers must submit tender offers in response to an advertisement by the employer to do so.
	PP2C Qualified procedure	A call for expressions of interest is advertised and thereafter only those tenderers who have expressed interest, satisfy objective criteria and who are selected to submit tender offers, are invited to do so.
	PP2D Quotation procedure	Tender offers are solicited from not less than three tenderers in any manner the employer chooses, subject to the procedures being fair, equitable, transparent, competitive and cost-effective.
	PP2E Proposal procedure using the two-envelope system	Tenderers submit technical and financial proposals in two envelopes. The financial proposal is only opened should the technical proposal be found to be acceptable.
	PP2F Proposal procedure using the two-stage system	Non-financial proposal are called for. Tender offers are then invited from those tenderers that submit acceptable proposals based on revised procurement documents. Alternatively, a contract is negotiated with the tenderer scoring the highest number of evaluation points.
	PP2G Shopping procedure	Written or verbal offers are solicited in respect of readily available goods obtained from three sources. The goods are purchased from the source providing the lowest price once it is confirmed in writing.
PP3	Competitive negotiation procedure	A procurement procedure which reduces the number of tenderers competing for the contract through a series of negotiations until the remaining tenderers are invited to submit final offers.
	PP3A Restricted competitive negotiations	A call for expressions of interest is advertised and thereafter only those tenderers who have expressed interest, satisfy objective criteria and who are selected to submit tender offers, are invited to do so. The employer evaluates the offers and determines who may enter into competitive negotiations.
	PP3B Open competitive negotiations	Tenderers must submit tender offers in response to an advertisement by the employer to do so. The employer evaluates the offers and determines who may enter into competitive negotiations.

Table 2: Standard methods for procuring different categories of engineering and construction works contracts

Category of contract	Type of contracting strategies	Definitions	Standard Procurement Procedure
Engineering and construction works	Design by employer	Contract under which a contractor undertakes only construction based on full designs issued by the employer	PP2B Open Procedure
	Design and build	Contract in which a contractor designs a project based on a brief provided by the employer and constructs it	PP2E Proposal Procedure using two-stage system PP2C Qualified Procedure and eligibility criteria framed around the attainment of a minimum functionality score or requirements
	Develop and construct	Contract based on a scheme design prepared by the employer under which a contractor produces drawings and constructs	PP3A Restricted Competitive Negotiation Procedure

Category of contract	Type of contracting strategies	Definitions	Standard Procurement Procedure
	Management contractor / Construction Management	Contract under which a contractor provides consultation during the design stage and is responsible for planning and managing all post contract activities for contractors and the performance of the whole contract	PP3B Open Competitive Negotiation Procedure

4.2.2.2 The employer shall apply the Register of Contractors as a requirement to any contracting strategy in Table 2 above for engineering and construction works contract.

4.2.3 Competitive negotiation procedures

4.2.3.1 The competitive negotiation procedures shall be used to negotiate with a number of responsive and qualified tenderers in order to arrive at the most acceptable offer in terms of one of the methods for the evaluation of tenders.

4.2.3.2 The employer shall negotiate with responsive and qualified tenderers when using the competitive negotiation procedures through one or more rounds of competitive negotiations, based on their rankings or the number of tender evaluation points, until the remaining tenderers are invited to submit final offers. During such negotiations, the employer:

- a) shall ensure equal treatment of all tenderers and not provide any requirements, criteria, guidelines, documents, clarification or other information relative to the negotiations in a discriminatory manner which may give some tenderers an advantage over others;
- b) may provide for the negotiated procedure to take place in successive stages in order to reduce the number of tenders to be negotiated with, by applying the evaluation criteria disclosed in the procurement documents that are issued to tenderers;
- c) may not reveal to the other participants solutions proposed or other confidential information communicated by a tenderer participating in the process without that tenderer's agreement;
- d) may request that tender offers be clarified, specified and fine-tuned provided that such clarification, specification, fine-tuning or additional information does not:
 - i) involve changes to the basic features of the tender process or the tender data; or
 - ii) alter any fundamental aspects of the offers or impose substantial new requirements which restrict or distort competition or have a discriminatory effect on the tender process; and
- e) shall close the negotiation with tenderers when solutions which are capable of meeting its needs are identified, inform the tenderers accordingly and call for best and final offers.

4.2.3.3 Tenderers shall be informed of the competitive negotiation process and notified of the evaluation criteria and associated weightings in the tender data. The evaluation criteria associated with each successive round of negotiations shall not be varied. Tenderers shall be notified in advance of the weighting attached to each category or subcategory of evaluation criteria whenever another round of offers is called for.

4.3 Evaluation of Tenders on Functionality

Generally, tender submissions are evaluated in terms of "Financial offer and preference". In the event of "functionality" being introduced as part of an evaluation criteria, such a requirement must be stated in the tender documents.

4.3.1 Process for Evaluation of Tenders on Functionality

4.3.1.1 The evaluation criteria for measuring functionality must be objective.

4.3.1.2 The tender documents must specify-

- a) the evaluation criteria for measuring functionality;
- b) the points for each criteria and, if any, each sub-criterion; and
- c) the minimum qualifying score for functionality.

4.3.1.3 The minimum qualifying score for functionality for a tender to be considered further-

- a) must be determined separately for each tender; and
- b) may not be so-
 - i. low that it may jeopardize the quality of the required engineering and construction works; or
 - ii. high that it is unreasonably restrictive.

4.3.1.4 Points scored for functionality must be rounded off to the nearest two decimal places.

4.3.1.5 A tender that fails to obtain the minimum qualifying score for functionality, as indicated in the tender documents is not an acceptable tender.

4.3.1.6 Each tender that obtained the minimum qualifying score for functionality must be evaluated further in terms of price and the preference point system and any objective criteria envisaged in regulation 11 of the Preferential Procurement Regulations, 2017 (as amended).

4.3.2 Functionality in different Contracting Strategies

To apply the different contracting strategies, works shall be classified as follows:

- **Simple/straightforward/routine work** - where the tasks or activities are of a straightforward nature in terms of which inputs are relatively well known and outputs can be readily defined.
- **Complex work** - characterised by requirements for higher levels of skills, greater resources or not well defined inputs and outputs.
- **Specialist work** - requiring considerable innovation, creativity, and expertise or skill (or both) or work that has a high downstream impact.

Note: The value of the project or quantities shall not be used to determine whether the project is of a complex or specialist nature.

4.3.2.1 Design by an employer

- a) If the construction works contract is deemed to be simple or straightforward or routine. No functionality criteria shall be specified in the tender data.
- b) If the construction works contract is deemed to be of a complex or specialist works, the employer may, in the tender data, specify functionality criteria and such criteria shall include:
 - i. Relevant applicable trades or skills in accordance with the scope of works; or
 - ii. Suitably qualified professional person in the built environment; or
 - iii. Any other legislated requirements as per the scope of works.

Note: The following contracting strategies are deemed to be deployed in circumstances where construction works contracts are of a complex or specialist works.

4.3.2.2 Develop and Construct

The employer must, in the tender data, specify functionality criteria and such criteria shall include:

- i. Professionals registered with relevant built environment professions councils.
- ii. Demonstrated experience of key personnel in relation to the scope of works.
- iii. Any other legislated requirements as per the scope of work.

4.3.2.3 Design and Build/Construct

The employer must, in the tender data, specify functionality criteria and such criteria shall include:

- i. Professionals registered with relevant built environment professions councils.
- ii. Demonstrated experience of key personnel in relation to the scope of works.
- iii. Any other legislated requirements as per the scope of work.

4.3.2.4 Management Contract

The employer must, in the tender data, specify functionality criteria and such criteria shall include:

- i. Professionals registered with relevant built environment professions councils.
- ii. Demonstrated experience of key personnel in relation to the scope of works.
- iii. Any other legislated requirements as per the scope of work.

4.3.3 Where functionality is evaluated, at least three persons who are fully conversant with the technical aspects of the scope of works shall undertake such evaluation.

4.4 Procurement documents

4.4.1 General

4.4.1.1 Construction procurement documents for engineering and construction works shall be formatted and compiled in accordance with the approach adopted under the headings contained in:

- a) Table 3: Calling for expressions of interest; or
- b) Table 4: Tenders are invited using a three-volume; or
- c) Table 5 Tenders are invited using a single volume;
- d) Table 6: Standard headings and sequencing of documents in the contract.

Table 3: Documents that relate to a call for expressions of interest

Contents		Function and broad outline of contents
Number	Heading	
Part E1: Submission procedures		
E1.1	Notice and invitation to submit an expression of interest	Alerts respondents to submit their credentials in order to be admitted to an electronic database or to be invited to submit tenders should they satisfy the stated criteria.
E1.2	Submission data	Establishes the rules from the time a call for an expression of interest is advertised to the time a submission is evaluated.

Part E2: Returnable documents		
E2.1	List of returnable documents	Ensures that everything the employer requires a respondent to include in his submission is included in, or returned with, such a submission.
E2.2	Submission schedules	Contains documents that the respondent is required to complete for the purpose of evaluating submissions.
Part E3: Indicative scope of work (where appropriate)		
E3	Indicative scope of work	Indicates to respondents what the contract is likely to entail so that they can make an informed decision as to whether or not they wish to respond and, if so, structure their submission around the likely demands of the project.

Table 4: Standard headings and sequencing of documents when soliciting tenders where a three-volume approach is adopted

Volume	Contents		Broad outline of contents
	Number	Heading	
Volume 1	TENDERING PROCEDURES		
	T1.1	Tender Notice and Invitation to Tender	Ensures that everything the employer requires a tenderer to submit with the tender is included in or returned with the tender submission.
	T1.2	Tender Data	Establishes the rules from the time a tender is invited to the time a tender is awarded.
Volume 2	RETURNABLE DOCUMENTS		
	T2.1	List of Returnable Documents	Ensures that everything the employer requires a tenderer to submit with the tender is included in or returned with the tender submission.
	C1.1	Form of Offer and Acceptance	Formalizes the legal process of offer and acceptance.
	C1.2	Contract Data (Part 2: Data provided by the contractor)	Identifies the applicable conditions of contract and associated contract-specific data that collectively describe the risks, liabilities and obligations of the contracting parties and the procedures for the administration of the contract.
	C2.2	Activity Schedule or Bills of Quantities	Records the contractor's prices for providing engineering and construction works which are described in the scope of work section of the contract.
Volume 3	T2.2	Returnable Schedules	Contains documents that the tenderer is required to complete for the purpose of evaluating tenders and other schedules which, upon acceptance, become part of the subsequent contract.
	CONTRACT		
	Part C1: Agreement and Contract Data		
	C1.2	Contract Data (Part 1: Data provided by the employer)	Identifies the applicable conditions of contract and associated contract-specific data that collectively describe the risks, liabilities and obligations of the contracting parties and the procedures for the administration of the contract.
	Part C2: Pricing data		
	C2.1	Pricing Assumptions	Provides the criteria and assumptions which it is assumed (in the contract) that the tenderer has taken into account when developing the prices, or target in the case of target and cost-reimbursable contracts.
	Part C3: Scope of Work		
	C3	Scope of Work	Specifies and describes the engineering and construction works which shall be provided and any other requirements and constraints relating to the manner in which the contract work shall be performed.
	Part C4: Site information (engineering and construction works contracts only)		
	C4	Site Information	Describes the site at the time of tender to enable the tenderer to price his tender and to decide upon the method of working and programming, and risks.

4.4.1.2 The contract arising from the solicitation of tender offers using a three-volume approach or the Negotiated Procedure shall be formatted and compiled under the headings contained in Table 6.

4.4.1.3 The Tender Notice and Invitation to Tender shall, as a minimum, contain the wording provided in Annex A.

Table 5: Standard headings and sequencing of documents when soliciting tenders where a single volume approach is adopted

Contents		Function and broad outline of contents
Number	Heading	
TENDER		
Part T1: Tendering procedures		
T1.1	Tender Notice and Invitation to Tender	Alerts tenderers to the nature of the engineering and construction works required by the employer and must contain sufficient information to enable them to respond appropriately.
T1.2	Tender Data	Establishes the rules from the time a tender is invited to the time a tender is awarded.
Part T2: Returnable documents		
T2.1	List of Returnable Documents	Ensures that everything the employer requires a tenderer to submit with the tender is included in or returned with the tender submission.
T2.2	Returnable Schedules	Contains documents that the tenderer is required to complete for the purposes of evaluating tenders and other schedules which, upon acceptance, become part of the subsequent contract.
CONTRACT		
Part C1: Agreement and Contract Data		
C1.1	Form of Offer and Acceptance	Formalizes the legal process of offer and acceptance.
C1.2	Contract Data	Identifies the applicable conditions of contract and associated contract-specific data that collectively describe the risks, liabilities and obligations of the contracting parties and the procedures for the administration of the contract.
Part C2: Pricing data		
C2.1	Pricing Assumptions	Provides the criteria and assumptions which it is assumed (in the contract) that the tenderer has taken into account when developing the prices, or target in the case of target and cost-reimbursable contracts.
C2.2	Pricing schedules / Activity Schedule or Bills of Quantities	Records the contractor's prices for providing engineering and construction works which are described in the scope of work section of the contract.
Part C3: Scope of Work		
C3	Scope of Work	Specifies and describes the engineering and construction works which shall be provided and any other requirements and constraints relating to the manner where the works shall be performed.
Part C4: Site information (engineering and construction works contracts only)		
C4	Site Information	Describes the site at the time of tender to enable the tenderer to price his tender and to decide upon his method of working and programming, and risks.

Table 6: Standard headings and sequencing of documents in the contract

Contents		Broad outline of contents
Number	Heading	
Part C1: Agreements and contract data		
C1.1	Form of Offer and Acceptance	Formalizes the legal process of offer and acceptance.
C1.2	Contract Data	Identifies the applicable conditions of contract and associated contract-specific data that collectively describe the risks, liabilities and obligations of the contracting parties and the procedures for the administration of the contract.
Part C2: Pricing data		
C2.1	Pricing Assumptions	Provides the criteria and assumptions which it is assumed (in the contract) that the tenderer has taken into account when developing the prices, or target in the case of target and cost-reimbursable contracts.
C2.2	Activity Schedule or Bills of Quantities	Records the contractor's prices for providing engineering and construction works which are described in the scope of work section of the contract.
Part C3: Scope of Work		
C3	Scope of Work	Specifies and describes the engineering and construction works which shall be provided and any other requirements and constraints relating to the manner in which the contract work shall be performed.
Part C4: Site information (engineering and construction works contracts only)		
C4	Site Information	Describes the site at the time of tender to enable the tenderer to price the tender and to decide upon the method of working and programming, and risks.

4.4.1.4 The Form of Offer and Acceptance with a schedule of deviations provided in Annex B shall be used with minimal contract specific amendments to form the basis of agreements arising from the solicitation of tender offers.

4.4.1.5 The Notice and Invitation to submit an Expression of Interest shall, as a minimum, contain the wording provided in Annex D.

4.4.1.6 The Record of Addenda to Tender Documents and the Compulsory Enterprise Questionnaire contained in Annexes F and G, respectively, shall form part of the Returnable Documents in all procurement documents issued by employer.

4.4.2 Tender Data

4.4.2.1 The Tender Data shall reference the Standard Conditions of Tender contained in Annex C.

4.4.2.2 The tender offer validity period provided for in the tender data shall not exceed twelve (12) weeks. Any extension beyond twelve (12) weeks must be approved by the Accounting Officer.

4.4.2.3 The Tender Data associated with a Standard Tender Evaluation Method shall reference the method to be used by the employer.

4.4.3 Contract data

4.4.3.1 The contract data in respect of prime or main contracts must reference one of the following standard industry forms of contract unless the publishers of such forms of contract indicate that such a form of contract is not suited for the intended application:

- a) Engineering and Construction Works Contract -
 - i) General Conditions of Contract for Construction Works (GCC);
 - ii) Conditions of Contract for Construction, Conditions of Contract for Plant and Design-Build, Conditions of Contract for FIDIC EPC/Turnkey Projects, Conditions of Contract for Design, Build and Operate Projects or Short Form of Contract;
 - iii) JBCC series 2000 Principal Building Agreement or Minor Works Agreement; or
 - iv) NEC3 Engineering and Construction Short Contract or NEC3 Engineering and Construction Contract.

4.4.3.2 The standard industry forms of contract shall be used with minimal project specific variations and additions which do not change their intended usage.

4.4.3.3 Guarantees required in engineering and construction contracts shall not substantially differ from the samples provided by the drafters of the forms of contract listed in paragraph (4.4.3.1a) or the form as provided in the contract. Such guarantees shall in the case of a fixed guarantee not exceed 10% of the contract price or, in the case of a variable guarantee not exceed 12, 5%, and shall be stated in the contract data.

4.4.3.3.1 Forms of Guarantees shall, where the parties otherwise agree; include one or more of the following:

- a) Guarantee issued by an insurance company duly registered in terms of the Insurance Act (Long Term Insurance Act No 52 of 1998 or Short Term Insurance Act No 53 of 1998) or a bank duly registered in terms of the Banks Act No 94 of 1990; or
- b) A cash deposit paid in the name of employer; or
- c) A payment reduction against payment certificates; or
- d) Combination of (a) to (c) above.

4.4.3.4 The deduction of retention monies, as stated in the contract data, shall not exceed 10% of any amount due to a contractor. Where guarantees are provided in terms of 4.4.3.3, the total amount of retention monies held shall not exceed 5% of the contract price.

4.4.4 Submission Data

4.4.4.1 The Submission Data shall reference the Standard Conditions for the Calling for Expressions of Interest contained in Annex D.

4.4.5 Subcontracting as a condition of tender

If feasible to subcontract for an engineering and construction works contract, an employer must apply subcontracting to advance designated groups in accordance with the provisions of sections 9 and 12 of the Preferential Procurement Regulations, 2017 (as amended).

4.4.6 Scope of work

4.4.6.1 The scope of work shall, wherever possible be:

- a) described in terms of performance rather than the design or descriptive characteristics, and
- b) based on national or international standards, where such exist.

4.4.6.2 Requirements in the form of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling or conformity certification shall not create trade barriers. Reference to any particular trademark, name, patent, design, type, specific origin or producer shall not be made unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work. Such reference shall be accompanied by the words "or equivalent".

4.5 Applying the cidb register of contractors to public contracts

4.5.1 Subject to regulation 6 read with regulation 25 of the Construction Industry Development Regulations, 2004 (as amended), contractor grading designations shall, where appropriate, be described in all procurement documents by a three-digit alpha-numeric where the first character is a number representing the tender value designation and the next two characters are capital letters representing the designation for the class of engineering and construction works.

4.5.2 The following wording must be included in the Notice and Invitation to Tender in all engineering and construction works contracts:

It is estimated that tenderers must have a cidb contractor grading designation of or or higher...

Note: Delete "or" where only one class of construction works is applicable.

4.5.3 The following wording must be included in the Tender Data, where the class of work is designated in terms clause 4.5.1:

Clause number (refer to Annex C)	
C.2.1	<p>Only those tenderers who are registered with the cidb, or are capable of being so prior to the evaluation of submissions, in a contractor grading designation equal to or higher than a contractor grading designation determined in accordance with the sum tendered, or a value determined in accordance with Regulation 25 (1B) or 25(7A) of the Construction Industry Development Regulations, for a Or* class of construction work, are eligible to have their tenders evaluated.</p> <p>Joint ventures are eligible to submit tenders provided that:</p> <ol style="list-style-type: none"> 1. every member of the joint venture is registered with the cidb; 2. the lead partner has a contractor grading designation in the or* class of construction work; or not lower than one level below the required grading designation in the class of works construction works under considerations and possess the required recognition status. 3. the combined contractor grading designation calculated in accordance with the Construction Industry Development Regulations is equal to or higher than a contractor grading designation determined in accordance with the sum tendered for a or* class of construction work or a value determined in accordance with Regulation 25 (1B) or 25(7A) of the Construction Industry Development Regulations.

** insert class of construction work. Delete "or" where only one class of construction works is applicable.*

- 4.5.4 The following wording must be included in the Notice and Invitation to submit an Expression of Interest in respect of engineering and construction works, where the contractor grading designation is based on the estimated value of a tender that may arise:

Respondents must have a contractor grading designation of ... oror higher.

Note: Delete "or" where only one class of construction works is applicable.

- 4.5.5 The following wording must be included in the Submission Data:

Clause number (refer to Annex E)	
E.2.1	Only those respondents who are registered with the Construction Industry Development Board, or are capable of being so registered within twenty-one (21) working days from the closing date for submission of tenders, in a contractor grading designation of or * or higher, are eligible to have their submissions evaluated.

**insert contractor grading designation for one or two classes of construction works. Delete "or" where only one class of construction works is applicable.*

- 4.5.6 The following wording must be included in the Submission Data:

Clause number (refer to Annex E)	
E.2.1	Joint ventures are eligible to have their submissions evaluated provided that: <ol style="list-style-type: none"> 1. every member of the joint venture is registered with the cidb not later than twenty-one (21) working days from the closing date for tenders; 2. the lead partner has a contractor grading designation in the or* class of construction work; or not lower than one level below the required grading designation in the class of works construction works under considerations and possess the required recognition status. 3. the combined contractor grading designation calculated in accordance with the Construction Industry Development Regulations is equal to or higher than the required contractor grading designation.

** insert class of construction work. Delete "or" where only one class of construction works is applicable.*

- 4.5.7 Where an employer promotes potentially emerging enterprises within a framework of a targeted development programme as contemplated in terms of the Construction Industry Development Regulations:

- a) the wording provided in the Notice and Invitation to Tender in terms of 4.5.2 shall be amended as follows:

It is estimated that tenderers must have a cidb contractor grading designation of or or higher. or** potentially emerging enterprises who satisfy criteria stated in the Tender Data may submit tender offers.*

** insert estimated contractor grading designation in one or two construction classes, as relevant.*

*** insert one contractor grading designation below estimated contractor grading designation*

Note: Delete "or" where only one class of construction works is applicable.

- b) the wording in the Tender Data provided in terms of 4.5.3 shall be amended as follows:

Clause number (refer to Annex C)	
C.2.1	The following tenderers who are registered with the cidb, or are capable of being so registered prior to the evaluation of submissions, are eligible to have their tenders evaluated: <ol style="list-style-type: none"> a) contractors who have a contractor grading designation equal to or higher than a contractor grading designation determined in accordance with the sum tendered, or a value determined in accordance with Regulation 25 (1B) or 25(7A) of the Construction Industry Development Regulations, for a or* class of construction work; and b) contractors registered as potentially emerging enterprises with the cidb who are registered in one contractor grading designation lower than that required in terms of a) above and who satisfy the following criteria:.....**

** insert class of construction work. Delete "or" where only one class of construction works is applicable.*

***state criteria relevant to employer's targeted development programme*

- c) the wording provided in terms of 4.5.4 shall be amended as follows:

Respondents must have a contractor grading designation of ... or or higher. or potentially emerging enterprises who satisfy criteria stated in the Submission Data may submit expressions of interest.

Note: Delete "or" where only one class of construction works is applicable.

- d) the wording in the Submission Data provided in terms of 4.5.5 shall be amended as follows:

Clause number (refer to Annex D.)	
D.2.1	<p>The following respondents who are registered with the cidb or are capable of being so registered within twenty-one (21) working days from the closing date for the submission of tenders are eligible to have their submissions evaluated:</p> <p>a) those respondents who are registered with the Construction Industry Development Board or are capable of being so registered within twenty-one (21) working days from the closing date for submission of tenders, in a contractor grading designation of or .....*or higher; and</p> <p>b) contractors registered as potentially emerging enterprises with the cidb who are registered in one contractor grading designation lower than that required in terms of a) above and who satisfy the following criteria:</p> <p>.....**</p>

* insert contractor grading designation for one or two classes of construction works. Delete "or" where only one class of construction works is applicable.

**state criteria relevant to employer's targeted development programme.

- e) details appropriate to any support provided must be stated in the Contract Data, the Pricing Data and the Scope of Work, as relevant.

4.5.8 Employers, wherever appropriate, in support of industry development, shall in the application of the register of contractors, promote the participation and development of registered contractors by means of one or more of the following:

- a) unbundling projects into smaller contracts;
- b) implementing targeted development programmes to support potentially emerging contractors in accordance with the provisions regulations 25(8) of the Construction Industry Development Regulations;
- c) requiring a prime contractor to subcontract defined portions of the works to such contractors in accordance with the provisions of 4.4.5.

Annex A

Standard Tender Notice and Invitation to Tender

	Guidance Notes
..... invites tenders for	Enter the name of the employer and describe briefly what is to be procured, and if appropriate, over what time period.
It is estimated that tenderers must have a cidb contractor grading of ... or ... or higher.	Omit where: i) the contract involves goods or services; or ii) the employer promotes potentially emerging enterprises in engineering and construction works. Insert best estimate of required contractor grading designation.
It is estimated that tenderers must have a cidb contractor grading of ... or ... or higher. or potentially emerging enterprises who satisfy criteria stated in the Tender Data may submit tender offers.	Omit where: i) the contract involves goods or services; or ii) the employer does not promote potentially emerging enterprises in engineering and construction works. Insert best estimate of required contractor grading designation and one contractor grading designation lower before "potentially emerging".
Preferences are offered to tenderers who	Briefly indicate the nature of the preferences that are applicable, if so desired.
Only tenderers who are eligible to submit tenders.	Where applicable, state essence of eligibility criteria.
The physical address for collection of tender documents is: Documents may be collected during working hours after 09:00 on	Enter data
A non-refundable tender deposit of R.....payable in cash or by bank guaranteed cheque made out in favour of the Employer is required on collection of the tender documents.	Omit if not a requirement. Amend wording if cheques or cash are not acceptable.
Queries relating to the issue of these documents may be addressed to Mr/Ms, Tel No., Fax No. E- Mail	Enter data
A compulsory clarification meeting with representatives of the Employer will take place at on starting at hrs.	Omit if not a requirement
The closing time for receipt of tenders is hrs on Telegraphic, telephonic, telex, facsimile, e-mail and late tenders will not be accepted.	Enter data and delete that which does not apply
Tenders must only be submitted on the tender documentation that is issued.	
Requirements for sealing, addressing, delivery, opening and assessment of tenders are stated in the Tender Data.	

Annex B**Form of Offer and Acceptance**

- Note:** 1 This form of offer and acceptance is identical to that contained in Annex F of SANS 10845 - 1: Construction Procurement Processes, Procedures and Methods.
- 2 SAICE's Practice Manual #1, The use of South African National Standards in Construction Procurement, provides guidance on the formulation of the wording for the actual offer where it is not based on the offered total of prices.

Offer

The employer, identified in the acceptance signature block, has solicited offers to enter into a contract for the procurement of:

The tenderer, identified in the offer signature block, has examined the documents listed in the tender data and addenda thereto as listed in the returnable schedules, and by submitting this offer has accepted the conditions of tender.

By the representative of the tenderer, deemed to be duly authorized, signing this part of this form of offer and acceptance, the tenderer offers to perform all of the obligations and liabilities of the contractor under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of contract identified in the contract data.

THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX ISRand (in words);

R..... (in figures) (or other suitable wording)

This offer may be accepted by the employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the tenderer before the end of the period of validity stated in the tender data, whereupon the tenderer becomes the party named as the contractor in the conditions of contract identified in the contract data.

Signature(s)			
Name(s)			
Capacity			
for the tenderer			
	(Name and address of tenderer)		
Name and signature of witness		Date	

Acceptance

By signing this part of this form of offer and acceptance, the employer identified below accepts the tenderer's offer. In consideration thereof, the employer shall pay the contractor the amount due in accordance with the conditions of contract identified in the contract data. Acceptance of the tenderer's offer shall form an agreement between the employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

Part C1 Agreements and contract data, (which includes this agreement)

Part C2 Pricing data

Part C3 Scope of work

Part C4 Site information and drawings and documents or parts thereof, which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the tender data and any addenda thereto as listed in the returnable schedules as well as any changes to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance, are contained in the schedule of deviations attached to and forming part of this form of offer and acceptance. No amendments to or deviations from said documents are valid unless contained in this schedule.

The tenderer shall within two weeks after receiving a completed copy of this agreement, including the schedule of deviations (if any), contact the employer's agent (whose details are given in the contract data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of contract identified in the contract data. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the tenderer (now contractor) within five (5) working days of the date of such receipt notifies the employer in writing of any reason why he/she cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.¹

Signature(s)			
Name(s)			
Capacity			
for the Employer			
	(Name and address of employer)		
Name and signature of witness			Date

¹ As an alternative, the following wording may be used:

Notwithstanding anything contained herein, this agreement comes into effect two working days after the submission by the employer of one fully completed original copy of this document including the schedule of deviations (if any), to a courier-to-counter delivery / counter-to-counter delivery / door-to-counter delivery / door-to-door delivery / courier service (delete that which is not applicable), provided that the employer notifies the tenderer of the tracking number within 24 hours of such submission. Unless the tenderer (now contractor) within seven working days of the date of such submission notifies the employer in writing of any reason why he/she cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

Schedule of Deviations

Notes:

1. The extent of deviations from the tender documents issued by the employer before the tender closing date is limited to those permitted in terms of the conditions of tender.
2. A tenderer's covering letter shall not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid, become the subject of agreements reached during the process of offer and acceptance, the outcome of such agreement shall be recorded here.
3. Any other matter arising from the process of offer and acceptance either as a confirmation, clarification or change to the tender documents and which it is agreed by the Parties becomes an obligation of the contract shall also be recorded here.
4. Any change or addition to the tender documents arising from the above agreements and recorded here, shall also be incorporated into the final draft of the Contract.

1 Subject _____

Details _____

2 Subject _____

Details _____

3 Subject _____

Details _____

4 Subject _____

Details _____

By the duly authorised representatives signing this agreement, the employer and the tenderer agree to and accept the foregoing schedule of deviations as the only deviations from and amendments to the documents listed in the tender data and addenda thereto as listed in the returnable schedules, as well as any confirmation, clarification or change to the terms of the offer agreed by the tenderer and the employer during this process of offer and acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Agreement shall have any meaning or effect in the contract between the parties arising from this agreement.

Annex C

Standard Conditions of Tender

C.1 General

C.1.1 Actions

C.1.1.1 The employer and each tenderer submitting a tender offer shall comply with these conditions of tender. In their dealings with each other, they shall discharge their duties and obligations as set out in C.2 and C.3, timeously and with integrity, and behave equitably, honestly and transparently, comply with all legal obligations and not engage in anticompetitive practices.

C.1.1.2 The employer and the tenderer and all their agents and employees involved in the tender process shall avoid conflicts of interest and where a conflict of interest is perceived or known, declare any such conflict of interest, indicating the nature of such conflict. Tenderers shall declare any potential conflict of interest in their tender submissions. Employees, agents and advisors of the employer shall declare any conflict of interest to whoever is responsible for overseeing the procurement process at the start of any deliberations relating to the procurement process or as soon as they become aware of such conflict and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

Note: 1) A conflict of interest may arise due to a conflict of roles which might provide an incentive for improper acts in some circumstances. A conflict of interest can create an appearance of impropriety that can undermine confidence in the ability of that person to act properly in his or her position even if no improper acts result.

2) Conflicts of interest in respect of those engaged in the procurement process include direct, indirect or family interests in the tender or outcome of the procurement process and any personal bias, inclination, obligation, allegiance or loyalty which would in any way affect any decisions taken.

C.1.1.3 The employer shall not seek and a tenderer shall not submit a tender without having a firm intention and the capacity to proceed with the contract.

C.1.2 Tender Documents

The documents issued by the employer for the purpose of a tender offer are listed in the tender data.

C.1.3 Interpretation

C.1.3.1 The tender data and additional requirements contained in the tender schedules that are included in the returnable documents are deemed to be part of these conditions of tender.

C.1.3.2 These conditions of tender, the tender data and tender schedules which are required for tender evaluation purposes, shall form part of any contract arising from the invitation to tender.

C.1.3.3 For the purposes of these conditions of tender, the following definitions apply:

a) **conflict of interest** means any situation in which:

- i) someone in a position of trust has competing professional or personal interests which make it difficult to fulfill his or her duties impartially;
- ii) an individual or tenderer is in a position to exploit a professional or official capacity in some way for their personal or corporate benefit; or
- iii) incompatibility or contradictory interests exist between an employee and the tenderer who employs that employee.

b) **comparative offer** means the price after the factors of a non-firm price and all unconditional discounts it can be utilised to have been taken into consideration;

- c) **corrupt practice** means the offering, giving, receiving or soliciting of anything of value to influence the action of the employer or his staff or agents in the tender process;
- d) **fraudulent practice** means the misrepresentation of the facts in order to influence the tender process or the award of a contract arising from a tender offer to the detriment of the employer, including collusive practices intended to establish prices at artificial levels;

C.1.4 Communication and employer's agent

Each communication between the employer and a tenderer shall be to or from the employer's agent only, and in a form that can be readily read, copied and recorded. Communications shall be in the English language. The employer shall not take any responsibility for non-receipt of communications from or by a tenderer. The name and contact details of the employer's agent are stated in the tender data.

C.1.5 Cancellation and Re-Invitation of Tenders

C.1.5.1 An employer may, prior to the award of the tender, cancel a tender if-

- a) due to changed circumstances, there is no longer a need for the engineering and construction works specified in the invitation;
- b) funds are no longer available to cover the total envisaged expenditure; or
- c) no acceptable tenders are received.
- d) there is a material irregularity in the tender process.

C.1.5.2 The decision to cancel a tender invitation must be published in the same manner in which the original tender invitation was advertised

C.1.5.3 An employer may only with the prior approval of the relevant treasury cancel a tender invitation for the second time.

C.1.6 Procurement procedures

C.1.6.1 General

Unless otherwise stated in the tender data, a contract will, subject to C.3.13, be concluded with the tenderer who in terms of C.3.11 is the highest ranked or the tenderer scoring the highest number of tender evaluation points, as relevant, based on the tender submissions that are received at the closing time for tenders.

C.1.6.2 Competitive negotiation procedure

C.1.6.2.1 Where the tender data require that the competitive negotiation procedure is to be followed, tenderers shall submit tender offers in response to the proposed contract in the first round of submissions. Notwithstanding the requirements of C.3.4, the employer shall announce only the names of the tenderers who make a submission. The requirements of C.8 relating to the material deviations or qualifications which affect the competitive position of tenderers shall not apply.

C.1.6.2.2 All responsive tenderers or at least a minimum of not less than three responsive tenderers that are highest ranked in terms of the evaluation criteria stated in the tender data shall be invited to enter into competitive negotiations based on the principle of equal treatment, keeping confidential the proposed solutions and associated information.

Notwithstanding the provisions of C.2.17, the employer may request that tenders be clarified, specified and fine-tuned in order to improve a tenderer's competitive position provided that such clarification, specification, fine-tuning or additional information does not alter any fundamental aspects of the offers or impose substantial new requirements which restrict or distort competition or have a discriminatory effect.

C.1.6.2.3 At the conclusion of each round of negotiations, tenderers shall be invited by the employer to revise their tender offer based on the same evaluation criteria, with or without adjusted weightings. Tenderers shall be advised when they are to submit their best and final offer.

C.1.6.2.4 The contract shall be awarded in accordance with the provisions of C.3.11 and C.3.13 after tenderers have been requested to submit their best and final offer.

C.1.6.3 Proposal procedure using the two stage-system

C.1.6.3.1 Option 1

Tenderers shall in the first stage submit technical proposals and, if required, cost parameters around which a contract may be negotiated. The employer shall evaluate each responsive submission in terms of the method of evaluation stated in the tender data, and in the second stage negotiate a contract with the tenderer scoring the highest number of evaluation points and award the contract in terms of these conditions of tender.

C.1.6.3.2 Option 2

C.1.6.3.2.1 Tenderers shall submit in the first stage only technical proposals. The employer shall invite all responsive tenderers to submit tender offers in the second stage, following the issuing of procurement documents.

C.1.6.3.2.2 The employer shall evaluate tenders received during the second stage in terms of the method of evaluation stated in the tender data, and award the contract in terms of these conditions of tender.

C.2 Tenderer's obligations

C.2.1 Eligibility

C.2.1.1 Submit a tender offer only if the tenderer satisfies the criteria stated in the tender data and the tenderer, or any of his principals, is not under any restriction to do business with employer.

C.2.1.2 Notify the employer of any proposed material change in the capabilities or formation of the tendering entity (or both) or any other criteria which formed part of the qualifying requirements used by the employer as the basis in a prior process to invite the tenderer to submit a tender offer and obtain the employer's written approval to do so prior to the closing time for tenders.

C.2.2 Cost of tendering

C.2.2.1 Accept that, unless otherwise stated in the tender data, the employer will not compensate the tenderer for any costs incurred in the preparation and submission of a tender offer, including the costs of any testing necessary to demonstrate that aspects of the offer complies with requirements.

C.2.2.2 The cost of the tender documents charged by the employer shall be limited to the actual cost incurred by the employer for printing the documents. Employers must attempt to make available the tender documents on its website so as not to incur any costs pertaining to the printing of the tender documents.

C.2.3 Check documents

Check the tender documents on receipt for completeness and notify the employer of any discrepancy or omission.

C.2.4 Confidentiality and copyright of documents

Treat as confidential all matters arising in connection with the tender. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a tender offer in response to the invitation.

C.2.5 Reference documents

Obtain, as necessary for submitting a tender offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are not attached but which are incorporated into the tender documents by reference.

C.2.6 Acknowledge addenda

Acknowledge receipt of addenda to the tender documents, which the employer may issue, and if necessary apply for an extension to the closing time stated in the tender data, in order to take the addenda into account.

C.2.7 Clarification meeting

Attend, where required, a clarification meeting at which tenderers may familiarize themselves with aspects of the proposed work, services or supply and raise questions. Details of the meeting(s) are stated in the tender data.

C.2.8 Seek clarification

Request clarification of the tender documents, if necessary, by notifying the employer at least five (5) working days before the closing time stated in the tender data.

C.2.9 Insurance

Be aware that the extent of insurance to be provided by the employer (if any) might not be for the full cover required in terms of the conditions of contract identified in the contract data. The tenderer is advised to seek qualified advice regarding insurance.

C.2.10 Pricing the tender offer

C.2.10.1 Include in the rates, prices, and the tendered total of the prices (if any) all duties, taxes except Value Added Tax (VAT), and other levies payable by the successful tenderer, such duties, taxes and levies being those applicable fourteen (14) days before the closing time stated in the tender data.

C.2.10.2 Show VAT payable by the employer separately as an addition to the tendered total of the prices.

C.2.10.3 Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data.

C.2.10.4 State the rates and prices in Rand unless instructed otherwise in the tender data. The conditions of contract identified in the contract data may provide for part payment in other currencies.

C.2.11 Alterations to documents

Do not make any alterations or additions to the tender documents, except to comply with instructions issued by the employer, or necessary to correct errors made by the tenderer. All signatories to the tender offer shall initial all such alterations.

C.2.12 Alternative tender offers

C.2.12.1 Unless otherwise stated in the tender data, submit alternative tender offers only if a main tender offer, strictly in accordance with all the requirements of the tender documents, is also submitted as well as a schedule that compares the requirements of the tender documents with the alternative requirements that are proposed.

C.2.12.2 Accept that an alternative tender offer must be based only on the criteria stated in the tender data or criteria otherwise acceptable to the employer.

C.2.12.3 An alternative tender offer must only be considered if the main tender offer is the winning tender.

C.2.13 Submitting a tender offer

C.2.13.1 Submit one tender offer only, either as a single tendering entity or as a member in a joint venture to provide the whole of the works identified in the contract data and described in the scope of works, unless stated otherwise in the tender data.

C.2.13.2 Return all returnable documents to the employer after completing them in their entirety, either electronically (if they were issued in electronic format) or by writing legibly in non-erasable ink.

C.2.13.3 Submit the parts of the tender offer communicated on paper as an original plus the number of copies stated in the tender data, with an English translation of any documentation in a language other than English, and the parts communicated electronically in the same format as they were issued by the employer.

C.2.13.4 Sign the original and all copies of the tender offer where required in terms of the tender data. The employer will hold all authorized signatories liable on behalf of the tenderer. Signatories for tenderers proposing to contract as joint ventures shall state which of the signatories is the lead partner whom the employer shall hold liable for the purpose of the tender offer.

C.2.13.5 Seal the original and each copy of the tender offer as separate packages marking the packages as "ORIGINAL" and "COPY". Each package shall state on the outside the employer's address and identification details stated in the tender data, as well as the tenderer's name and contact address.

C.2.13.6 Where a two-envelope system is required in terms of the tender data, place and seal the returnable documents listed in the tender data in an envelope marked "financial proposal" and place the remaining returnable documents in an envelope marked "technical proposal". Each envelope shall state on the outside the employer's address and identification details stated in the tender data, as well as the tenderer's name and contact address.

C.2.13.7 Seal the original tender offer and copy packages together in an outer package that states on the outside only the employer's address and identification details as stated in the tender data.

C.2.13.8 Accept that the employer will not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated.

C.2.13.9 Accept that tender offers submitted by facsimile or e-mail will be rejected by the employer, unless stated otherwise in the tender data.

C.2.14 Information and data to be completed in all respects

Accept that tender offers, which do not provide all the data or information requested completely and in the form required, may be regarded by the employer as non-responsive.

C.2.15 Closing time

C.2.15.1 Ensure that the employer receives the tender offer at the address specified in the tender data not later than the closing time stated in the tender data. Accept that proof of posting shall not be accepted as proof of delivery.

C.2.15.2 Accept that, if the employer extends the closing time stated in the tender data for any reason, the requirements of these conditions of tender apply equally to the extended deadline.

C.2.16 Tender offer validity

C.2.16.1 Hold the tender offer(s) valid for acceptance by the employer at any time during the validity period stated in the tender data after the closing time stated in the tender data.

C.2.16.2 If requested by the employer, consider extending the validity period stated in the tender data for an agreed additional period with or without any conditions attached to such extension.

C.2.16.3 Accept that a tender submission that has been submitted to the employer may only be withdrawn or substituted by giving the employer's agent written notice before the closing time for tenders that a tender is to be withdrawn or substituted. If the validity period stated in C.2.16 lapses before the employer evaluating tender, the contractor reserves the right to review the price based on Consumer Price Index (CPI).

C.2.16.4 Where a tender submission is to be substituted, a tenderer must submit a substitute tender in accordance with the requirements of C.2.13 with the packages clearly marked as "SUBSTITUTE".

C.2.17 Clarification of tender offer after submission

Provide clarification of a tender offer in response to a request to do so from the employer during the evaluation of tender offers. This may include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the competitive position of tenderers or substance of the tender offer is sought, offered, or permitted.

Note: Sub-clause C.2.17 does not preclude the negotiation of the final terms of the contract with a preferred tenderer following a competitive selection process, should the Employer elect to do so.

C.2.18 Provide other material

C.2.18.1 Provide, on request by the employer, any other material that has a bearing on the tender offer, the tenderer's commercial position (including notarized joint venture agreements), preferencing arrangements, or samples of materials, considered necessary by the employer for the purpose of a full and fair risk assessment.

Should the tenderer not provide the material, or a satisfactory reason as to why it cannot be provided, by the time for submission stated in the employer's request, the employer may regard the tender offer as non-responsive.

C.2.18.2 Dispose of samples of materials provided for evaluation by the employer, where required.

C.2.19 Inspections, tests and analysis

Provide access during working hours to premises for inspections, tests and analysis as provided for in the tender data.

C.2.20 Submit securities, bonds and policies

If requested, submit for the employer's acceptance before formation of the contract, all securities, bonds, guarantees, policies and certificates of insurance required in terms of the conditions of contract identified in the contract data.

C.2.21 Check final draft

Check the final draft of the contract provided by the employer within the time available for the employer to issue the contract.

C.2.22 Return of other tender documents

If so instructed by the employer, return all retained tender documents within twenty-eight (28) days after the expiry of the validity period stated in the tender data.

C.2.23 Certificates

Include in the tender submission or provide the employer with any certificates as stated in the tender data.

C.3 The employer's undertakings**C.3.1 Respond to requests from the tenderer**

C.3.1.1 Unless otherwise stated in the tender Data, respond to a request for clarification received up to five (5) working days before the tender closing time stated in the Tender Data and notify all tenderers who collected tender documents.

C.3.1.2 Consider any request to make a material change in the capabilities or formation of the tendering entity (or both) or any other criteria which formed part of the qualifying requirements used to prequalify a tenderer to submit a tender offer in terms of a previous procurement process and deny any such request if as a consequence:

- a) an individual firm, or a joint venture as a whole, or any individual member of the joint venture fails to meet any of the collective or individual qualifying requirements;
- b) the new partners to a joint venture were not prequalified in the first instance, either as individual firms or as another joint venture; or
- c) in the opinion of the Employer, acceptance of the material change would compromise the outcome of the prequalification process.

C.3.2 Issue Addenda

If necessary, issue addenda that may amend or amplify the tender documents to each tenderer during the period from the date that tender documents are available until three (3) working days before the tender closing time stated in the Tender Data. If, as a result a tenderer applies for an extension to the closing time stated in the Tender Data, the Employer may grant such extension and, shall then notify all tenderers who collected tender documents.

C.3.3 Return late tender offers

Return tender offers received after the closing time stated in the Tender Data, unopened, (unless it is necessary to open a tender submission to obtain a forwarding address), to the tenderer concerned.

C.3.4 Opening of tender submissions

C.3.4.1 Unless the two-envelope system is to be followed, open valid tender submissions in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data. Tender submissions for which acceptable reasons for withdrawal have been submitted will not be opened.

C.3.4.2 Announce at the meeting held immediately after the opening of tender submissions, at a venue indicated in the tender data, the name of each tenderer whose tender offer is opened and, where

applicable, the total of his prices, number of points claimed for its BBBEE status level and time for completion for the main tender offer only.

C.3.4.3 Make available the record outlined in C.3.4.2 to all interested persons upon request.

C.3.5 Two-envelope system

C.3.5.1 Where stated in the tender data that a two-envelope system is to be followed, open only the technical proposal of valid tenders in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data and announce the name of each tenderer whose technical proposal is opened.

C.3.5.2 Evaluate functionality of the technical proposals offered by tenderers, then advise tenderers who remain in contention for the award of the contract of the time and place when the financial proposals will be opened. Open only the financial proposals of tenderers, who score in the functionality evaluation more than the minimum number of points for functionality stated in the tender data, and announce the score obtained for the technical proposals and the total price and any points claimed on BBBEE status level. Return unopened financial proposals to tenderers whose technical proposals failed to achieve the minimum number of points for functionality.

C.3.6 Non-disclosure

Not disclose to tenderers, or to any other person not officially concerned with such processes, information relating to the evaluation and comparison of tender offers, the final evaluation price and recommendations for the award of a contract, until after the award of the contract to the successful tenderer.

C.3.7 Grounds for rejection and disqualification

Determine whether there has been any effort by a tenderer to influence the processing of tender offers and instantly disqualify a tenderer (and his tender offer) if it is established that he engaged in corrupt or fraudulent practices.

C.3.8 Test for responsiveness

C.3.8.1 Determine, after opening and before detailed evaluation, whether each tender offer properly received:

- a) complies with the requirements of these Conditions of Tender,
- b) has been properly and fully completed and signed, and
- c) is responsive to the other requirements of the tender documents.

C.3.8.2 A responsive tender is one that conforms to all the terms, conditions, and specifications of the tender documents without material deviation or qualification. A material deviation or qualification is one which, in the Employer's opinion, would:

- a) detrimentally affect the scope, quality, or performance of the works, services or supply identified in the Scope of Work,
- b) significantly change the Employer's or the tenderer's risks and responsibilities under the contract, or
- c) affect the competitive position of other tenderers presenting responsive tenders, if it were to be rectified.

Reject a non-responsive tender offer, and not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.

C.3.9 Arithmetical errors, omissions and discrepancies

C.3.9.1 Check responsive tenders for discrepancies between amounts in words and amounts in figures. Where there is a discrepancy between the amounts in figures and the amount in words, the amount in words shall govern.

C.3.9.2 Check the highest ranked tender or tenderer with the highest number of tender evaluation points after the evaluation of tender offers in accordance with C.3.11 for:

- a) the gross misplacement of the decimal point in any unit rate;
- b) omissions made in completing the pricing schedule or bills of quantities; or
- c) arithmetic errors in:
 - (i) line item totals resulting from the product of a unit rate and a quantity in bills of quantities or schedules of prices; or
 - (ii) the summation of the prices.

C.3.9.3 Notify the tenderer of all errors or omissions that are identified in the tender offer and either confirm the tender offer as tendered or accept the corrected total of prices.

C.3.9.4 Where the tenderer elects to confirm the tender offer as tendered, correct the errors as follows:

- a) If bills of quantities or pricing schedules apply and there is an error in the line item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is an obviously gross misplacement of the decimal point in the unit rate, the line item total as quoted shall govern, and the unit rate shall be corrected.
- b) Where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the tenderer's addition of prices, the total of the prices shall govern and the tenderer will be asked to revise selected item prices (and their rates if bills of quantities apply) to achieve the tendered total of the prices.

C.3.10 Clarification of a tender offer

Obtain clarification from a tenderer on any matter that could give rise to ambiguity in a contract arising from the tender offer.

C.3.11 Evaluation of tender offers

The Standard Conditions of Tender standardize the procurement processes, methods and procedures from the time that tenders are invited to the time that a contract is awarded. They are generic in nature and are made project specific through choices that are made in developing the Tender Data associated with a specific project.

Conditions of tender are by definition the document that establishes a tenderer's obligations in submitting a tender and the employer's undertakings in soliciting and evaluating tender offers. Such conditions establish the rules from the time a tender is advertised to the time that a contract is awarded and require employers to conduct the process of offer and acceptance in terms of a set of standard procedures.

The CIDB Standard Conditions of Tender are based on a procurement system that satisfies the following system requirements:	
Requirement	Qualitative interpretation of goal
Fair	The process of offer and acceptance is conducted impartially without bias, providing simultaneous and timely access to participating parties to the same information.
Equitable	Terms and conditions for performing the work do not unfairly prejudice the interests of the parties.
Transparent	The only grounds for not awarding a contract to a tenderer who satisfies all requirements are restrictions from doing business with the employer, lack of capability or capacity, legal impediments and conflicts of interest.
Competitive	The system provides for appropriate levels of competition to ensure cost effective and best value outcomes.

Cost effective	The processes, procedures and methods are standardized with sufficient flexibility to attain best value outcomes in respect of quality, timing and price, and least resources to effectively manage and control procurement processes.
----------------	--

The activities associated with evaluating tender offers are as follows:

- a) Open and record tender offers received
- b) Determine whether or not tender offers are complete
- c) Determine whether or not tender offers are responsive
- d) Evaluate tender offers
- e) Determine if there are any grounds for disqualification
- f) Determine acceptability of preferred tenderer
- g) Prepare a tender evaluation report
- h) Confirm the recommendation contained in the tender evaluation report

C.3.11.1 General

The employer must appoint an evaluation panel of not less than three persons conversant with the proposed scope of works to evaluate each responsive tender offer using the tender evaluation methods and associated evaluation criteria and weightings that are specified in the tender data.

C.3.12 Insurance provided by the employer

If requested by the proposed successful tenderer, submit for the tenderer's information the policies and / or certificates of insurance which the conditions of contract identified in the contract data, require the employer to provide.

C.3.13 Acceptance of tender offer

Accept the tender offer; if in the opinion of the employer, it does not present any risk and only if the tenderer:

- a) is not under restrictions, or has principals who are under restrictions, preventing participating in the employer's procurement;
- b) can, as necessary and in relation to the proposed contract, demonstrate that he or she possesses the professional and technical qualifications, professional and technical competence, financial resources, equipment and other physical facilities, managerial capability, reliability, experience and reputation, expertise and the personnel, to perform the contract;
- c) has the legal capacity to enter into the contract;
- d) is not; insolvent, in receivership, under Business Rescue as provided for in chapter 6 of the Companies Act No. 2008, bankrupt or being wound up, has his/her affairs administered by a court or a judicial officer, has suspended his/her business activities or is subject to legal proceedings in respect of any of the foregoing;
- e) complies with the legal requirements, if any, stated in the tender data; and
- f) is able, in the opinion of the employer, to perform the contract free of conflicts of interest.

C.3.14 Prepare contract documents

C.3.14.1 If necessary, revise documents that shall form part of the contract and that were issued by the employer as part of the tender documents to take account of:

- a) addenda issued during the tender period,
- b) inclusion of some of the returnable documents and
- c) other revisions agreed between the employer and the successful tenderer.

C.3.14.2 Complete the schedule of deviations attached to the form of offer and acceptance, if any.

C.3.15 Complete adjudicator's contract

Unless alternative arrangements have been agreed or otherwise provided for in the contract, arrange for both parties to complete formalities for appointing the selected adjudicator at the same time as the main contract is signed.

C.3.16 Registration of the award

An employer must, within twenty-one (21) working days from the date on which a contractor's offer to perform a construction works contract is accepted in writing by the employer, register and publish the award on the cidb Register of Projects.

C.3.17 Provide copies of the contracts

Provide to the successful tenderer the number of copies stated in the Tender Data of the signed copy of the contract as soon as possible after completion and signing of the form of offer and acceptance.

C.3.18 Provide written reasons for actions taken

Provide upon request written reasons to tenderers for any action that is taken in applying these conditions of tender but withhold information which is not in the public interest to be divulged, which is considered to prejudice the legitimate commercial interests of tenderers or might prejudice fair competition between tenderers.

Annex D

Standard Conditions for the calling for Expressions of Interest

D.1 General

D.1.1 Actions

D.1.1.1 The employer and each respondent submitting an expression of interest shall comply with these conditions for calling for expressions of interest. In their dealings with each other, they shall discharge their duties and obligations as set out in D.2 and D.3, timeously and with integrity, and behave equitably, honestly and transparently, comply with all legal obligations and not engage in anti-competitive practices.

D.1.1.2 The employer and the respondent and all their agents and employees involved in the submission process shall avoid conflicts of interest and where a conflict of interest is perceived or known, declare any such conflict of interest, indicating the nature of such conflict. Respondents shall declare any potential conflict of interest in their submissions. Employees, agents and advisors of the employer shall declare any conflict of interest to whoever is responsible for overseeing the procurement process at the start of any deliberations relating to the procurement process or as soon as they become aware of such conflict and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

Note:

- 1) A conflict of interest may arise due to a conflict of roles which might provide an incentive for improper acts in some circumstances. A conflict of interest can create an appearance of impropriety that can undermine confidence in the ability of that person to act properly in his or her position even if no improper acts result.
- 2) Conflicts of interest in respect of those engaged in the procurement process include direct, indirect or family interests in the tender or outcome of the procurement process and any personal bias, inclination, obligation, allegiance or loyalty which would in any way affect any decisions taken.

D.1.1.3 The respondent shall not make a submission without having a firm intention and the capacity to proceed with the next stage of the procurement process.

D.1.2 Supporting documents

The documents issued by the employer for the purpose of obtaining expressions of interest are listed in the submission data.

D.1.3 Interpretation

D.1.3.1 The submission data and additional requirements contained in the submission schedules that are included in the returnable documents are deemed to be part of these conditions for the calling for expressions of interest.

D.1.3.2 For the purposes of these conditions for the calling for expressions of interest, the following definitions apply:

- a) **conflict of interest** means any situation in which:
 - i. someone in a position of trust has competing professional or personal interests which make it difficult to fulfill his or her duties impartially.
 - ii. an individual or tenderer is in a position to exploit a professional or official capacity in some way for their personal or corporate benefit.
 - iii. incompatibility or contradictory interests exist between an employee and the tenderer who employs that employee.
- b) **corrupt practice** means the offering, giving, receiving or soliciting of anything of value to influence the action of the employer or his staff or agents in the tender process; and

- c) **fraudulent practice** means the misrepresentation of the facts in order to influence the tender process or the award of a contract arising from a tender offer to the detriment of the employer, including collusive practices intended to establish prices at artificial levels

D.1.4 Communication and employer's agent

Each communication between the employer and a respondent shall be to or from the employer's agent only, and in a form that can be readily read, copied and recorded. Communications shall be in the English language. The employer shall not take any responsibility for non-receipt of communications from or by a respondent. The name and contact details of the employer's agent are stated in the submission data.

D.2 Respondent's obligations

D.2.1 Eligibility

Submit an expression of interest only if the respondent complies with the criteria stated in the submission data and the respondent, or any of his/her principals, is not under any restriction to do business with the employer.

D.2.2 Cost of submissions

Accept that the employer will not compensate the respondent for any costs incurred in the preparation and delivery of a submission.

D.2.3 Check documents

Check the submission documents on receipt, including pages within them, and notify the employer of any discrepancy or omission.

D.2.4 Acknowledge addenda

Acknowledge receipt of addenda to the submission documents, which the employer may issue, and if necessary apply for an extension to the closing time stated in the submission data, in order to take the addenda into account.

D.2.5 Clarification meeting

Attend the clarification meeting(s) at which respondents may familiarize themselves with the proposed work, services or supply (and location, etc.) and raise questions. Details of the meeting(s) are stated in the submission data.

D.2.6 Seek clarification

Request clarification of the submission documents, if necessary, by notifying the employer at least five (5) working days before the closing time stated in the submission data.

D.2.7 Making a submission

D.2.7.1 Return all returnable documents to the employer after completing them in their entirety, either electronically (if they were issued in electronic format) or by writing legibly in non-erasable ink.

D.2.7.2 Seal the original and each copy of the submission as separate packages marking the packages as "ORIGINAL" and "COPY". Each package shall state on the outside the employer's address and identification details stated in the submission data, as well as the respondent's name and contact address.

D.2.7.3 Accept that the employer shall not assume any responsibility for the misplacement or premature opening of the submission if the outer package is not sealed and marked as stated.

D.2.8 Information and data to be completed in all respects

Accept that submissions, which do not provide all the data or information requested completely and in the form required, may be regarded by the employer as non-responsive.

D.2.9 Closing time

Ensure that the employer receives the submissions at the address specified in the submission data not later than the closing time stated in the submission data. Proof of posting shall not be accepted as proof of delivery. The employer shall not accept submissions submitted by telegraph, telex, facsimile or e-mail, unless stated otherwise in the submission data.

Accept that, if the employer extends the closing time stated in the submission data for any reason, the requirements of these conditions for expressions of interest apply equally to the extended deadline.

D.2.10 Clarification of submission

Provide clarification of a submission in response to a request to do so from the employer during the evaluation of submissions.

D.3 Employer's undertakings

D.3.1 Respond to clarification

Respond to a request for clarification received up to five (5) working days before the submission closing time stated in the submission data and notify all respondents who attended the clarification meetings, if any, of those responses.

D.3.2 Issue Addenda

If necessary, issue addenda that may amend or amplify the submission documents to each respondent during the period from the date of the calling for expressions of interest until seven (7) working days before the closing time for submissions stated in the submission data. If, as a result, a respondent applies for an extension to the closing time stated in the submission data, the employer may grant such extension and, shall then notify it to all respondents.

D.3.3 Late submissions

Unless otherwise stated in the submission data, return submissions received after the closing time stated in the submission data, unopened, (unless it is necessary to open a submission to obtain a forwarding address), to the respondent concerned.

D.3.4 Opening of submissions

D.3.4.1 Record the name of each respondent whose submission is opened and acknowledge receipt of each submission.

D.3.4.2 Make available the names of the respondents that made submissions prior to the closing time for submissions to all interested persons upon request.

D.3.5 Non-disclosure

Not disclose to respondents, or to any other person not officially concerned with such processes, information relating to the evaluation and comparison of submissions until after the evaluation process is complete.

D.3.6 Grounds for rejection and disqualification

Determine whether there has been any effort by a respondent to influence the processing of submissions and instantly disqualify a respondent if it is established that he/she engaged in corrupt or fraudulent practices.

D.3.7 Test for responsiveness

Determine, on opening and before detailed evaluation, whether each submission received:

- a) meets the requirements of these conditions for the calling for expressions of interest;
- b) has all the substantive provisions properly and fully completed and signed, and
- c) is responsive to the other requirements of the call for expressions of interest.

D.3.8 Non-responsive submissions

Reject all non-responsive submissions.

D.3.9 Evaluation of responsive submissions

D.3.9.1 Appoint an evaluation panel of not less than three persons. Evaluate submissions using the evaluation criteria established in the submission data.

D.3.9.2 Notify the respondents of the outcome of the evaluation process within two (2) weeks of the evaluation report being accepted by the employer.

D.3.10 Provide written reasons for actions taken

Provide upon request written reasons to respondents for any action that is taken in applying these conditions, but withhold information which is not in the public interest to be divulged, which is considered to prejudice the legitimate commercial interests of respondents or might prejudice fair competition between respondents.

Annex E**Standard Notice and Invitation to submit an Expression of Interest**

	Guidance
Expressions of interest are invited for the provision of	<i>Describe briefly what is to be procured, and if appropriate, over what time period.</i>
The Employer is	
.....	<i>Describe objective selection criteria and provide any other pertinent information.</i>
The physical address for collection of documentation is: Documents may be collected during working hours after on	
Queries relating to the issues of these documents may be addressed to Mr/Ms , Tel No. , Fax No. E-mail	

Annex F**Record of Addenda to Tender Documents**

The undersigned confirm that the following communications received from the employer before the submission of this tender offer, amending the tender documents, have been taken into account in this tender offer:

	Date	Title or Details
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

Attach additional pages if more space is required.

Signed		Date	
Name		Position	
Tenderer			

Annex G**Compulsory Enterprise questionnaire**

The following particulars must be furnished. In the case of a joint venture, separate enterprise questionnaires in respect of each partner must be completed and submitted.

Section 1: Name of enterprise:

Section 2: VAT registration number, if any:

Section 3: cidb registration number, if any:

Section 4: CSD number:

Section 5: Particulars of sole proprietors and partners in partnerships:

Name*	Identity number*	Personal income tax number*

* Complete only if sole proprietor or partnership and attach separate page if more than 3 partners

Section 6: Particulars of companies and close corporations

Company registration number:

Close corporation number:

Tax reference number:

Section 7: SBD4 issued by National Treasury must be completed for each tender and be attached as a tender requirement.

Section 8: SBD 6 issued by National Treasury must be completed for each tender and be attached as a tender requirement.

Section 9: SBD8 issued by National Treasury must be completed for each tender and be attached as a tender requirement.

Section 10: SBD9 issued by National Treasury must be completed for each tender and be attached as a tender requirement.

The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise:

- authorizes the employer to verify the tenderers tax clearance status from the South African Revenue Services that it is in order;
- confirms that neither the name of the enterprise or the name of any partner, manager, director or other person, who wholly or partly exercises or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004;
- confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears, has within the last five years been convicted of fraud or corruption;
- confirms that I / we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest; and
- confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.

Signed		Date	
Name		Position	
Enterprise name			