



forestry, fisheries
& the environment

Department:
Forestry, Fisheries and the Environment
REPUBLIC OF SOUTH AFRICA

INVITATION TO BID

BID REFERENCE NUMBER: MLRF217/26

THE APPOINTMENT OF A SERVICE PROVIDER AS AN INDEPENDENT ENVIRONMENTAL CONTROL OFFICER (“ECO”) BY THE MLRF IN COMPLIANCE WITH THE STIPULATIONS IN THE ENVIRONMENTAL AUTHORISATION (“EA”) AND THE ENVIRONMENTAL MANAGEMENT PROGRAMME (“EMP”) FOR THE SEA-BASED AQUACULTURE DEVELOPMENT ZONE (“ADZ”) LOCATED WITHIN SALDANHA BAY IN THE WESTERN CAPE, FOR A PERIOD OF THIRTY-SIX (36) MONTHS.

Contact person:

Name: Ms. Ncumisa Matiwane & Ms Pamela Mtintelwa

Office Telephone No: 066 471 1471 / 073 164 6415

E-Mail: MLRFTENDERS@DFFE.GOV.ZA

NATIONAL TREASURY CENTRAL SUPPLIER DATABASE (CSD) REGISTRATION INFORMATION

| Company name | Supplier registration number | Unique reference number | |
|--------------|------------------------------|-------------------------|---|
| | | | Main contractor |
| | | | Sub-contracted/ joint venture comp 1 |

CLOSING DATE OF THE BID: 9th OF JUNE 2026 AT 11H00

Compulsory Briefing session:

Compulsory briefing session will be held on the 27th of May 2026 (Wednesday) at 10h00. Link can be requested from MLRFTENDERS@DFFE.GOV.ZA

Or

MS TEAMS DETAILS ARE AS FOLLOWS:

Tenant key: 94863853@t.plcm.vc.

Video ID: 124 841 942 8

Drop off Address:

The location of the drop off is: Tender Box, Ground Floor, Foretrust Building, 2 Martin Hammerschlag Way, Foreshore, Cape Town, 8001.

PART A INVITATION TO BID

| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY) | | | | | |
|---|---|---------------|--|---|-------|
| BID NUMBER: | MLRF217/26 | CLOSING DATE: | 9 JUNE 2026 | CLOSING TIME: | 11:00 |
| DESCRIPTION | <p>THE APPOINTMENT OF A SERVICE PROVIDER AS AN INDEPENDENT ENVIRONMENTAL CONTROL OFFICER (“ECO”) BY THE MLRF IN COMPLIANCE WITH THE STIPULATIONS IN THE ENVIRONMENTAL AUTHORISATION (“EA”) AND THE ENVIRONMENTAL MANAGEMENT PROGRAMME (“EMPr”) FOR THE SEA-BASED AQUACULTURE DEVELOPMENT ZONE (“ADZ”) LOCATED WITHIN SALDANHA BAY IN THE WESTERN CAPE, FOR A PERIOD OF THIRTY-SIX (36) MONTHS.</p> | | | | |
| BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS) | | | | | |
| GROUND FLOOR, FORETRUST BUILDING | | | | | |
| MARTIN HAMMERSCHLAG WAY | | | | | |
| FORESHORE, CAPE TOWN, 8001 | | | | | |
| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO | | | TECHNICAL ENQUIRIES MAY BE DIRECTED TO: | | |
| CONTACT PERSON | Ms. Pamela Mtintelwa | | CONTACT PERSON | Ms. Ncumisa Matiwane | |
| TELEPHONE NUMBER | 066 471 1471 | | TELEPHONE NUMBER | 073 164 6415 | |
| FACSIMILE NUMBER | | | FACSIMILE NUMBER | | |
| E-MAIL ADDRESS | MLRFtenders@dffe.gov.za | | E-MAIL ADDRESS | | |
| SUPPLIER INFORMATION | | | | | |
| NAME OF BIDDER | | | | | |
| POSTAL ADDRESS | | | | | |
| STREET ADDRESS | | | | | |
| TELEPHONE NUMBER | CODE | | NUMBER | | |
| CELLPHONE NUMBER | | | | | |
| FACSIMILE NUMBER | CODE | | NUMBER | | |
| E-MAIL ADDRESS | | | | | |
| VAT REGISTRATION NUMBER | | | | | |
| SUPPLIER COMPLIANCE STATUS | TAX COMPLIANCE SYSTEM PIN: | | OR | CENTRAL SUPPLIER DATABASE No: | MAAA |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE | TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No | | B-BBEE STATUS LEVEL SWORN AFFIDAVIT | [TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| [A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE] | | | | | |
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED? | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF] | | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW] | |
| QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS | | | | | |
| IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | |
| DOES THE ENTITY HAVE A BRANCH IN THE RSA? | | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | |
| DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? | | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | |

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?

YES NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?

YES NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. company resolution)

.....

DATE:

.....



Application for a Tax Clearance Certificate

Purpose

Select the applicable option Tenders Good standing

If "Good standing", please state the purpose of this application

Two empty text input boxes for stating the purpose of the application.

Particulars of applicant

Name/Legal name (Initials & Surname or registered name) [Grid]

Trading name (if applicable) [Grid]

ID/Passport no [Grid] Company/Close Corp. registered no [Grid]

Income Tax ref no [Grid] PAYE ref no 7 [Grid]

VAT registration no 4 [Grid] SDL ref no L [Grid]

Customs code [Grid] UIF ref no U [Grid]

Telephone no [Grid] Fax no [Grid]

E-mail address [Grid]

Physical address [Grid]

Postal address [Grid]

Particulars of representative (Public Officer/Trustee/Partner)

Surname [Grid]

First names [Grid]

ID/Passport no [Grid] Income Tax ref no [Grid]

Telephone no [Grid] Fax no [Grid]

E-mail address [Grid]

Physical address [Grid]

PRICING SCHEDULE
(Professional Services)

| | |
|---------------------------|----------------------------------|
| NAME OF BIDDER: | BID NO.: MLRF217/26 |
| CLOSING TIME 11:00 | CLOSING DATE: 9 JUNE 2026 |

OFFER TO BE VALID FOR **120 DAYS** FROM THE CLOSING DATE OF BID.

| ITEM NO | DESCRIPTION | BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED) |
|---------|-------------|--|
|---------|-------------|--|

THE APPOINTMENT OF A SERVICE PROVIDER AS AN INDEPENDENT ENVIRONMENTAL CONTROL OFFICER (“ECO”) BY THE MLRF IN COMPLIANCE WITH THE STIPULATIONS IN THE ENVIRONMENTAL AUTHORISATION (“EA”) AND THE ENVIRONMENTAL MANAGEMENT PROGRAMME (“EMPr”) FOR THE SEA-BASED AQUACULTURE DEVELOPMENT ZONE (“ADZ”) LOCATED WITHIN SALDANHA BAY IN THE WESTERN CAPE, FOR A PERIOD OF THIRTY-SIX (36) MONTHS.

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

| 4. PERSON AND POSITION | HOURLY RATE | DAILY RATE |
|------------------------|-------------|------------|
| ..... | R-..... | ..... |
| ..... | R-..... | ..... |
| ..... | R-..... | ..... |
| ..... | R-..... | ..... |
| ..... | R-..... | ..... |

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

| | | |
|-------|---------|------------|
| ..... | R-..... | days |
| ..... | R-..... | days |
| ..... | R-..... | days |
| ..... | R-..... | days |

5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

| DESCRIPTION OF EXPENSE TO BE INCURRED | RATE | QUANTITY | AMOUNT |
|---------------------------------------|-------|----------|--------|
| | | | R..... |
| | | | R..... |
| | | | R..... |
| | | | R..... |

Name of Bidder:

TOTAL: R.....

** "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance contributions and skills development levies.

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

| DESCRIPTION OF EXPENSE TO BE INCURRED | RATE | QUANTITY | AMOUNT |
|---------------------------------------|-------|----------|--------|
| | | | R..... |
| | | | R..... |
| | | | R..... |
| | | | R..... |

TOTAL: R.....

6. Period required for commencement with project after acceptance of bid

7. Estimated man-days for completion of project

8. Are the rates quoted firm for the full period of contract? *YES/NO

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT – THE MARINE LIVING RESOURCE FUND

Contact person: Ms. Ncumisa Matiwane & Ms. Pamela Mtintelwa
Contact Number: 066 471 1471 / 073 164 6415
E-mail: MLRFTENDERS@DFFE.GOV.ZA

(NOTE: Please circle or tick your answer)

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 interest¹ 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 |
|-----------|-----------------|---------------------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

¹ 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.

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 consortium² 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.

² 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.

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

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

1.2 **To be completed by the organ of state**

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) Either the **90/10 or 80/20 preference point system** will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

| | POINTS |
|--|------------|
| PRICE | 80 |
| SPECIFIC GOALS | 20 |
| Total points for Price and SPECIFIC GOALS | 100 |

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

2. DEFINITIONS

- (a) “**tender**” means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) “**price**” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) “**tender for income-generating contracts**” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) “**the Act**” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right) \text{ or } Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

$$Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$$

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
- (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

| The specific goals allocated points in terms of this tender | Number of points allocated (90/10 system) (To be completed by the organ of state) | Number of points allocated (80/20 system) (To be completed by the organ of state) | Number of points claimed (90/10 system) (To be completed by the tenderer) | Number of points claimed (80/20 system) (To be completed by the tenderer) |
|---|---|---|---|---|
| 51% black ownership | N/A | 8 | N/A | |
| 50% women ownership | N/A | 4 | N/A | |
| Youth ownership | N/A | 4 | N/A | |
| Disability | N/A | 4 | N/A | |
| Non-compliant contributor | N/A | 0 | N/A | |
| | | | | |
| | | | | |

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole propriety
- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited
- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I 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 paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering 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) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted 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
 - (e) forward the matter for criminal prosecution, if deemed necessary.

.....

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

- 1. Definitions**
- 2. Application**
- 3. General**
- 4. Standards**
- 5. Use of contract documents and information; inspection**
- 6. Patent rights**
- 7. Performance security**
- 8. Inspections, tests and analysis**
- 9. Packing**
- 10. Delivery and documents**
- 11. Insurance**
- 12. Transportation**
- 13. Incidental services**
- 14. Spare parts**
- 15. Warranty**
- 16. Payment**
- 17. Prices**
- 18. Contract amendments**
- 19. Assignment**
- 20. Subcontracts**
- 21. Delays in the supplier's performance**
- 22. Penalties**
- 23. Termination for default**
- 24. Dumping and countervailing duties**
- 25. Force Majeure**
- 26. Termination for insolvency**
- 27. Settlement of disputes**
- 28. Limitation of liability**
- 29. Governing language**
- 30. Applicable law**
- 31. Notices**
- 32. Taxes and duties**
- 33. National Industrial Participation Programme (NIPP)**
- 34. Prohibition of restrictive practices**

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such

obligations of the supplier covered under the contract.

1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any

person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which

may be due to him

- 25. Force Majeure**
- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.
- 26. Termination for Insolvency**
- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.
- 27. Settlement of Disputes**
- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- (b) the purchaser shall pay the supplier any monies due the supplier.
- 28. Limitation of Liability**
- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34 Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

Ja General Conditions of Contract (revised July 2010)



forestry, fisheries & the environment

Department:
Forestry, Fisheries and the Environment
REPUBLIC OF SOUTH AFRICA

THE MARINE LIVING RESOURCES FUND (MLRF), A SCHEDULE 3A PUBLIC ENTITY ESTABLISHED IN TERMS OF THE PUBLIC FINANCE MANAGEMENT ACT, 1999 (ACT NO 1 of 1999) AND THE DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT (“DFFE”) (IN ITS COMMITMENT TO THE PRINCIPLES ENSHRINED IN THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA, 1996) ADHERES TO THE PROVISIONS OF THE BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT, 2003 (ACT NO. 53 OF 2003) (B-BBEE), THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 5 OF 2000 (“PPPF”) AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022.

TERMS OF REFERENCE

MLRF217/26: TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER AS AN INDEPENDENT ENVIRONMENTAL CONTROL OFFICER (“ECO”) BY THE MLRF IN COMPLIANCE WITH THE STIPULATIONS IN THE ENVIRONMENTAL AUTHORISATION (“EA”) AND THE ENVIRONMENTAL MANAGEMENT PROGRAMME (“EMPr”) FOR THE SEA-BASED AQUACULTURE DEVELOPMENT ZONE (“ADZ”) LOCATED WITHIN SALDANHA BAY IN THE WESTERN CAPE, FOR A PERIOD OF THIRTY-SIX (36) MONTHS.

Contents

| | | |
|-----|---|----|
| 1. | PURPOSE..... | 3 |
| 2. | INTRODUCTION AND BACKGROUND | 3 |
| 3. | VIRTUAL COMPULSORY BRIEFING SESSION..... | 3 |
| 4. | SCOPE AND EXTENT OF WORK | 4 |
| 5. | EXPECTED DELIVERABLES / OUTCOMES (TO BE READ IN CONJUNCTION WITH SECTION 4 ABOVE) | 7 |
| 6. | PERIOD / DURATION OF APPOINTMENT | 8 |
| 7. | COSTING / COMPREHENSIVE BUDGET | 8 |
| 8. | EVALUATION METHOD..... | 9 |
| 8.2 | PHASE 1: PRE-COMPLIANCE OR INITIAL SCREENING | 9 |
| 8.3 | PHASE 2: MANDATORY REQUIREMENTS | 11 |
| 8.4 | PHASE 3: DUE DILIGENCE | 14 |
| 8.5 | PHASE 4: PRICING AND SPECIFIC GOALS..... | 14 |
| 9. | BID SUBMISSION REQUIREMENTS | 15 |
| 10. | SPECIAL CONDITIONS OF CONTRACT..... | 16 |
| 11. | PAYMENT TERMS | 16 |
| 12. | ENQUIRIES | 17 |

1. PURPOSE

- 1.1 The Marine Living Resources Fund (MLRF), as the holder of the Environmental Authorisation (EA) for the Saldanha Bay Aquaculture Development Zone (ADZ) must appoint a suitably qualified and experienced service provider as an independent Environmental Control Officer (ECO) for the sea-based ADZ's construction and operational phases of the development located within Saldanha Bay Municipality in the Western Cape, in compliance with the stipulations outlined in the EA and the Environmental Management Programme (EMPr), for a period of thirty-six (36) months.
- 1.2 To ensure that the mitigation/rehabilitation measures and recommendations referred to in the Saldanha Bay ADZ EA are implemented under the provisions of the ADZ EMPr and that conditions stated therein are fully adhered to.

2. INTRODUCTION AND BACKGROUND

- 2.1. An ADZ is an area that has been earmarked specifically for aquaculture activities with the purpose of encouraging investor and consumer confidence; creating incentives for industry development, to provide marine aquaculture services; manage the risks associated with aquaculture; as well as to provide skills development and employment for coastal communities. The development of ADZs supports the Policy for the Development of a Sustainable Marine Aquaculture sector in South Africa (2007) aimed at creating an enabling environment that will promote growth and sustainability of the marine aquaculture sector in South Africa, as well as to enhance the industry's contribution to economic growth.
- 2.2. Saldanha Bay is the primary area for bivalve production in South Africa, with the majority of oyster and mussel production to date originating from the bay. As a result of improved opportunities for local mussel import substitution, the opening up of export markets for oysters and mussels, and improved access to water and land space through the Oceans Economy Operation Phakisa initiative, there has been a continued interest in expanding and optimally utilizing the bay for further oyster and mussel production, as well as exploring potential for finfish production in the outer more exposed parts of the bay.
- 2.3. To manage the bay holistically and create an enabling environment, the MLRF undertook an Environmental Impact Assessment (EIA) for the establishment of an ADZ in Saldanha Bay in 2016/2017 and the EA (**Annexure A**) was granted on the 8th January 2018. Appeals against the authorisation were lodged to the "then Minister of Environmental Affairs" and the authorisation was upheld as per the appeal decision dated 7th June 2018. There have been subsequent administrative amendments to the EA which can be provided on request (EA:14/12/16/3/3/1/1728, 14/12/16/3/3/1/1728/AM1, 14/12/16/3/3/1/1728/AM2 and 14/12/16/3/3/1/1728/AM3).
- 2.4. One of the key conditions of the EA and EMPr (**available on request**) was the need for the holder of the authorisation to appoint a suitably qualified and experienced independent Environmental Control Officer (ECO) that will have the responsibility to ensure that the mitigation / rehabilitation measures and compliance recommendations are implemented and ensure compliance with the conditions contained in the EMPr.

3. COMPULSORY VIRTUAL BRIEFING SESSION

- 3.1. To ensure that service providers understand what is required from them with regards to this tender, bidders must attend a compulsory virtual Briefing Session. The session will take place as follows:
 - 27 May 2026 at 10:00am

- Platform: MS Teams

The link for the Briefing Session can be requested via email:

| Name | Email address |
|---------------------|--|
| Ms Ncumisa Matiwane | MLRFtenders@dffe.gov.za |
| Ms Pamela Mtintelwa | |

**Bidders should use "MLRF217/26: Briefing Session" as the subject of the email of requesting link for the briefing session.*

4. SCOPE AND EXTENT OF WORK

- 4.1 The appointed service provider, as an independent ECO, will be expected to perform the following duties:
- 4.1.1 Liaise between the MLRF, operator appointed ECO's and Designated Environmental Officers (DEO), relevant authorities, the aquaculture operators and other lead stakeholders on all environmental concerns.
- 4.1.2 Oversee that the environmental monitoring is in accordance with the EA, EMPr and Sampling Plan.
- 4.1.3 A Condition of the EA is the establishment of two (2) management bodies, namely the Aquaculture Development Zone Management Committee (AMC) and the Consultative Forum (CF). The AMC is an intergovernmental forum aimed at overseeing, facilitating, managing, advising and monitoring aquaculture operations in Saldanha Bay ADZ and a CF, a multi-stakeholder forum (public, industry and government) aimed at promoting transparency and formal presentation and acknowledgement of public interest, prior to the commencement of the activity. These committees have already been established but need to be managed by the appointed service provider.
- 4.1.4 The AMC meetings are held on a virtual platform every two months and are held for an approximate maximum duration of five (5) hours per meeting, which equates to six (6) meetings per annum with one being held during each of the following months, January, March, May, July, September and November. The AMC fulfils a coordination and supervising role and oversees compliance with the EMPr throughout all phases of the aquaculture farming in the ADZ.
- 4.1.5 The CF meetings are held every three (3) months alternating between Saldanha Bay and Langebaan at public venues or held at the discretion of the Department as virtual meetings. The CF meetings are held for an approximate duration of five (5) hours per meeting, this equates to four (4) meetings each per annum held during the following months, February, May, August and November, of these four meetings two (2) should be physical meetings held in Saldanha Bay or in Langebaan and the remaining two (2) meetings to be held on virtual platforms. The responsibility of the CF is to consider and comment on the environmental monitoring data, advise on ADZ management and make recommendations to the AMC. The CF will provide feedback to the AMC through the outputs (recommendations and advice) for the AMC's consideration. The ECO is required to perform secretariat duties for both committees as outlined below:
- 4.1.5.1 Perform secretariat duties for the AMC and CF by arranging meetings, printing documents (if a physical meeting is held i.e. progress meeting agendas and minutes), archiving and filing all documents on the Departments Electronic Document Management System (EDMS), reporting back and fulfil the role of rapporteur for both committees.

- 4.1.5.2 Drafting of the Annual AMC Report (no more than 10 pages of which a template is available) which summarises the activities achieved regarding the ADZ over the annual cycle which is submitted to the Competent Authority (DFFE) for their records.
- 4.1.6 Preside as the Chairperson of the CF.
- 4.2 Monitor monthly performance of the contractor / farmers (and sub-contractors) and ensure compliance with the ADZ minimum infrastructure guideline and AMC infrastructure approval, EA, EMPr and the site specific EMPs and associated Method Statements.
- 4.3 Validate the monthly Farm Monitoring Reports (FMRs) submitted by the operators to the ECO through monthly site inspections. Capturing and summarising the Endangered Threatened and Protected (ETP) species data, beach wash up waste data, as well as biofouling data, and the production data submitted by the operators in the FMR template.
- 4.4 Manage all environmental incidents (spills, impacts, legal transgressions, etc.), as well as ensure that corrective and preventive actions are taken in this regard and maintain an incident register which indicate the significance of the incident.
- 4.5 Review and update the ADZ Emergency Response Protocol (ERP) on an annual basis and ensure (as a minimum) that the contact details of all persons and organisations on the contact list are correct. In the event that there is an Emergency which requires monitoring there may be a need for the ECO to make provision for accommodation in Saldanha Bay. Service provider must make provision for three (3) events per year, and these must be added under disbursements. Budget for professional fees, traveling cost should be included, it should be noted that the costs for these site visits will only be claimed if there is an incident within the contract period requiring intervention by ECO as per the definition of an incident contained in Section 30 of National Environmental Management (NEMA) Act, 1998 which defines an "incident" in subsection (1) (a), of NEMA as "an unexpected, sudden and uncontrolled release of a hazardous substance, including from a major emission, fire or explosion, that has caused or may cause significant harm to the environment, human life or property".
- 4.6 Maintain the public comments register in which all complaints/comments are recorded, as well as action/s taken.
- 4.7 Conduct one review and amendment to the Compliance Strategy during the contract period. As well as issue compliance directives to the operators for corrective action/s as required.
- 4.8 Facilitate and coordinate the resolution of conflicts within the scope of the management of the ADZ.
- 4.9 Conduct monthly site inspections of operators located in the ADZ on a rotational basis to ensure compliance with the EA and ADZ EMPr. This would include capturing, validating and analysing the production data submitted by operators monthly recorded in the FMRs into a pre-existing excel spreadsheet to monitor the production thresholds as per the EA. The site inspection schedule should be developed to ensure that all operators are assessed over an annual cycle, this would require travel and accommodation costs to Saldanha Bay for the monthly site visits. The Service provider must make provision for monthly on the water site inspections in Saldanha Bay ADZ, these are often arranged with the operators using either the operator's boat / vessel, or if this is not possible the service provider should include cost for hiring or the use of their own boat for these inspections.
- 4.10 Ensure that monthly ECO inspections and auditing activities consider environmental aspects of the operations relevant to the minimisation of environmental impacts and achievement of environmental goals as stipulated in the EMPr.

- 4.11 Review environmental recommendations contained in the environmental monitoring reports undertaken by suitably qualified specialists and ensure updates to EMPr or Method Statement to address such.
- 4.12 Liaise with the Competent Authority (DFFE) to ensure that all operational monitoring activities provide sufficient, relevant information for the Competent Authority (DFFE) to be assured that aquaculture activities are responsibly managed to minimise impact on the environment. This may require revision of the monthly ECO site inspection template format, however templates can be provided upon request.
- 4.13 ECO to draft monthly ADZ Reports (these include the following: ECO Site Inspection Report, Monthly ECO Compliance Report and the Summary ECO Report). Upon appointment, the ECO will commence with updating of stakeholders register and submit these reports to the AMC and Competent Authority (DFFE) of which a summarised version (Summary ECO report) must be submitted to the Consultative Forum (CF) for their noting.
- 4.14 Advanced booking of Municipal venues for two (2) in person CF meetings to be held in Saldanha Bay or Langebaan per annual cycle. The remaining two CF meetings will be held on virtual platforms albeit with prior consultation with and consent from the MLRF.
- 4.15 Budget should be allocated to attend a maximum of twenty-four (24) additional stakeholder meetings which may be held in Saldanha Bay/ Langebaan or Cape Town during the 36 months contract period or additional work related to the project. These meetings should not be longer than Two (2) hours per meeting. These may include, but are not limited to, ad hoc industry meetings, government meetings, workshops, public meetings, Western Cape Provincial Coastal Committee meetings if so required, compliance related meetings between the Department and industry, etc. This budget should cover the professional fees and traveling costs if required (these can also be held virtually).
- 4.16 In fulfilment of the requirements of Condition 34 of the EA and Appendix 7 of the Environment Impact Assessment (EIA) Regulations 2014, an External Auditor, who is competent in environmental auditing, will have to be contracted via the ECO to undertake an EA and EMPr compliance audit and the appointed ECO must make provision for the services in their project financial proposal. The audit must consider the processes for such auditing as prescribed in Regulation 34 of GN R. 982. Auditing of compliance with EA, EMPr and Closure Plan. The External Auditor, who must be independent of MLRF and the appointed ECO. External audits for the Saldanha bay ADZ are required to be undertaken during the contract appointment period, i.e. the Year 8 (February 2027), Year 9 (February 2028) and Year 10 (February 2029).
- 4.17 Update the ADZ EMPr according to findings of the above-mentioned External Audit Reports, where necessary. The updated EMPr must be submitted to the Competent Authority (DFFE) for approval together with the Audit Report and make provision for amendments as indicated by the Competent Authority (DFFE). Cost for updating the EMPr and undertaking of the Public Participation Process after each audit process should be catered for. Any amendment made to the EMPr must be signed off by a registered Environmental Assessment Practitioner (EAP), i.e. Three (3) EMPr amendments and associated public participation processes should be costed for within the proposed budget but would only be claimed if these are required. The service provider should also communicate all modifications made to the ADZ EMPr to the relevant stakeholders.
- 4.18 An inception meeting shall be held with the MLRF Project Team at the commencement of the project. Thereafter, monthly progress meetings will be convened via virtual platforms. The Service Provider shall be responsible for drafting the inception meeting minutes/report as well as the agenda and minutes for all monthly progress meetings, for approval by the MLRF Project Manager. Meeting recordings shall be made available to the DFFE Project Management Team upon request.

In addition, the Service Provider shall submit monthly progress reports to the MLRF Project Manager, aligned with reporting requirements and agreed timelines.

4.19 The appointed service provider's project team may not change without notification and approval from the MLRF Project Manager, and if changes are unavoidable, the replacement project team member must have equivalent or better experience and qualifications as per the stipulations of these specifications for the ECO or Secretariat with a team member who possesses equivalent or higher qualifications and experience than the team member being replaced. The appointed service provider's project team members must render required services for an unbroken period of the first six (6) months at least, before a replacement team member is enlisted on the project to provide quality control and consistency on the project. A change will only be allowed if it is impossible/impractical (case of death/health/illness/legal reasons) to retain the same ECO team throughout the contract period.

4.20 Facilitation of a hand over meeting and all relevant documents to be catered for in the budget to allow for consistency in the project for the next service provider at the end of the thirty-six (36) month contract period.

4.21 The following templates will be provided by the MLRF thus the service provider cannot charge the MLRF for development of the applicable document but may need to amend the templates to cater for the details of the appointed service provider. The below templates will be provided:

- a. Monthly ECO Compliance Report
- b. Monthly Summary Report
- c. Site Inspection Report
- d. AMC Annual Report

5. MANDATORY DELIVERABLES AND OUTCOMES (TO BE READ IN CONJUNCTION WITH SECTION 4 ABOVE)

- 5.1 Monthly site inspection of operators on a rotational basis and recording of validated production data.
- 5.2 Monthly site inspection reports and site inspection schedule.
- 5.3 Monthly ECO Compliance report for the ADZ.
- 5.4 Summary version of the monthly ECO report.
- 5.5 Maintenance of compliance data base (ongoing).
- 5.6 Maintenance of records on EDMS (online system).
- 5.7 Submission of documents to the Competent Authority (DFFE) on a monthly basis.
- 5.8 Update the monthly documents received register.
- 5.9 Update the monthly communications register.
- 5.10 Update the monthly incident register.
- 5.11 Review and update the ADZ Emergency Response Protocol annually.
- 5.12 Review environmental recommendations contained in environmental monitoring reports when required.
- 5.13 Review and amendment to the Compliance Strategy.
- 5.14 Revise monthly ECO site inspection format when required.
- 5.15 Provide secretariat functions of the AMC and CF.
- 5.16 Reporting back and fulfil role of rapporteur at the AMC and CF meetings.
- 5.17 Chairing the CF meetings.
- 5.18 Logistical arrangements for the AMC and CF meetings.
- 5.19 Draft Annual AMC report.
- 5.20 Appointment of the External Auditor (professional fees of the external audit should be covered by the bidder) and submission of Audit Report to the Competent Authority (DFFE).

- 5.21 Updating of the EMPr if required, submitting the application and conducting the public participation process as per the legal requirements.
- 5.22 Active participation at 24 additional stakeholder meetings/ additional work in Saldanha Bay/ Langebaan when required.
- 5.23 Active participation at inception meeting, bi-monthly (every two months) progress meetings and project closure meeting with the MLRF Project Manager.
- 5.24 Compile and ensure safe storage of all monthly progress reports and meeting minutes.
- 5.25 Capture and summarise the ETP and waste, including the biofouling data and the production data from the FMRs.
- 5.26 Facilitation of hand over meeting and documentation to the next appointed service provider at completion of the contract.

6. PERIOD / DURATION OF APPOINTMENT

- 6.1 The contract with the appointed Service Provider will run for a period of thirty-six (36) months and will commence as agreed in the Memorandum of Agreement (MOA) signed between the MLRF and the Service Provider.

7. COSTING / COMPREHENSIVE BUDGET

- 7.1 A comprehensive costing must be provided in a separate envelope inclusive of all disbursement costs and related expenditures inclusive of Value Added Tax (VAT). Refer to the additional pricing schedule (**Annexure B**) for further details and SBD 3.3 to be completed. The SP must quote for all activities, and these should be quoted in South African currency.
- 7.2 The MLRF shall not pay for any unproductive or duplicated time spent by the SP on any assignment because of staff changes, outsourcing or re-drafting of reports due to errors, corrections or incorrect/incomplete findings.
- 7.3 The MLRF reserves the right to negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including prices without offering the same opportunity to any other bidder(s) who have not been awarded the status of the preferred bidder(s).
- 7.4 In the event that a project requires travel to another province or office of the MLRF outside of Cape Town, reasonable travel expenses may be claimed by the Service Provider as follows:
 - a) Accommodation is limited to a maximum of a three-star rated establishment, including meals and up to two (2) soft drinks per person per meal. Accommodation rates are limited to a maximum of R1 530.00 (one thousand five hundred and thirty rands) per night (rates may be revised as guided by the National Treasury), including meals and soft -drinks as per the proposed cost-containment measures instituted by the National Treasury at any given point in time;
 - b) Car hire limited to a Type B vehicle category, except where the use of an off-road vehicle, with higher ground clearance is required in terms of a project;
 - c) Air flights are limited to economy class only;
 - d) Travel estimates must be included in the internal project engagement plan submitted to the Director: Internal Project; and

- e) Claims for travel expenses will be reimbursed at cost only, and any travel expenses in terms of this clause must be supported by proof of expenditure and claims for mileage should be in line with the department rates and Travel Policy which includes VAT.
- 7.5 Hourly rates for all team members should comply with the latest hourly consultants' fees determined by the Department of Public Service and Administration (DPSA) and advertised in DPSA's website. Visit https://www.dpsa.gov.za/policy-updates/nlrm/consultants_hourly_fee_rates/ for the latest available rates.
- 7.6 The MLRF is against the frequent changing of ECO and thus service provider is required to adequately and reasonable compensate the ECO/team a salary in line with the hourly rates circular from DPSA.
- 7.7 Prices should be quoted as per **Annexure B**. Price will be adjudicated on the total only.

8. EVALUATION METHOD

8.1 The evaluation for this bid will be carried out in four (4) phases:

- Phase 1: Pre-compliance or Initial screening
- Phase 2: Mandatory Requirement
- Phase 3: Due Diligence
- Phase 4: Price and Specific goals.

8.2 PHASE 1: PRE-COMPLIANCE OR INITIAL SCREENING

8.2.1 During this phase, bid documents will be reviewed to determine compliance with Supply Chain Management Standard Bidding Documents and any other required returnable tax matters and whether the Central Data Base (CSD) report has been submitted with the bid documents at the closing date and time of the bid. Bids which do not satisfy the compliance criteria will not be evaluated further.

8.2.2 The bid proposal will be screened for compliance with administrative requirements as indicated below:

| Item No. | Administrative Requirements | Checklist |
|----------|--|--|
| 1 | Master Bid Document | Provided and bound |
| 2 | USB | Same as master document |
| 3 | SCM - SBD 1 - Invitation to Bid | Completed and signed |
| 4 | SCM - SBD 2 - Tax Compliant and CSD registration | Attach CSD registration number/proof of registration and//SARS Tax PIN |
| 5 | SCM - SBD 3.3 – Pricing Schedule | Completed and signed |
| 6 | SCM – NEW SBD 4 – Bidders disclosure | Completed and signed |

| Item No. | Administrative Requirements | Checklist |
|----------|--|--|
| 7 | SCM - SBD 6.1 - Preference Points Claim Form in terms of the Preferential Procurement Regulations 2022 | Completed and signed. |
| 8 | B-BBEE | Valid B-BBEE Status Level Verification Certificate issued by SANAS, or Accredited Verification Agency, or B-BBEE Certificate issued by CIPC, or a Sworn Affidavit commissioned by the Commissioner of Oaths together with their bids |
| 9 | Disability confirmation (if applicable) | Submit a Medical Health Practitioner's Certificate confirming the disability |
| 10 | In case of bids where Consortia / Joint Ventures, Consortia agreement signed by both parties must be submitted with bid proposal | Consortia /JV agreement completed and signed, if applicable |
| 11 | Letter of Authority to sign documents on behalf of the company | Completed and signed |

***NO** – MLRF reserves the right to send a request for information (RFI) to the service provider in the event of non-submission or unclear or incomplete document and request response to within seven (7) days after the date of sending the RFI. If the documents are not submitted or completed in full after the seven (7) days period, the MLRF will reject proposals and these will not be further evaluated for Phase 2.

****NO** – MLRF reserves the right to send a request for information (RFI) to the service provider in the event of non-submission or unclear or incomplete document and request response to within seven (7) days after the date of sending the RFI. If the document is not submitted or completed in full after the seven (7) days period, the MLRF will not allocate preference points to the bidder.

8.3 PHASE 2: MANDATORY REQUIREMENTS

- 8.3.1 It is recommended that the bidder completes the following table by answering YES OR NO and attaching proof.
- 8.3.2 Only bidders who achieve a “Yes” and attach required proof for all mandatory requirements may proceed for evaluation to Phase 3.

| Mandatory Requirements: | Requirement | Check/ Compliance | Comply: Yes or No |
|-------------------------|---|---|----------------------|
| | <p>1. The ECO/s must be registered with a relevant professional body in the field of natural sciences (i.e. EAPASA or SACNASP) that promotes competency, independence and ethics</p> <p>NB where more than one ECO will be involved, the Bidder must specify who the lead ECO will be.</p> <p>2. The ECO and the Secretariat (natural person) has experience in conducting at least two (2) marine environmental management projects of a multi stakeholder nature as a project manager/natural marine scientist.</p> <p>CV template attached in Annexure C to be used. (two CVs to be completed)</p> | <p>Provide a certified copy of valid and active registration with the professional body.</p> <p><i>Where the certificate had recently expired (within the last 12 months from the bid closing date) or expires on/before the closing date of the bid, then a proof of renewal application/payment need to be attached.</i></p> <p>A comprehensive CV of ECO (natural person) and the Secretariat with clear contactable references. CV must</p> <ul style="list-style-type: none"> - outline the duties performed as an ECO and/or Secretariat - include start and end date (mm/yyyy) for each job experience. - experience in conducting at least two (2) | |

| | | | |
|--|--|--|--|
| | | <p>marine environmental management projects of a multi stakeholder nature as a project manager/natural marine scientist</p> <p>Include references contact details (email address/ cell phone numbers/landline numbers)</p> | |
| | <p>3. The Bidder has experience in conducting ECO services for at least two marine environmental projects.</p> | <p>Bidder is required to attach two (2) Reference letters for the marine ECO projects successfully completed from their clients.</p> <p>The reference letters must include the following:</p> <ul style="list-style-type: none"> • Letter heard, • Project name • Start and end date of the project (e.g. mm/yyyy) • Full names of the representative • Signature and • Contact details (email address, cell phone numbers/landline numbers). <p><i>Note that project purchase orders or letters</i></p> | |

| | | | |
|----|---|---|--|
| | | <i>of appointment will not be accepted as reference letters.</i> | |
| 4. | ECO has at least a BSc (Hons)/relevant NQF 8 in natural sciences. | Certified copy of BSc (Hons)/relevant NQF 8 in natural sciences. | |
| | <p>Provide a detailed project plan/proposal for the project.</p> <p>The project plan/proposal must show understanding of work that need to be done. Service provider to present details on their understanding of what needs to be done, elaborate on all the expected deliverables as listed in clause 5 above and how these will be achieved over the 36 months period.</p> | <p>Project Plan must include the below:</p> <ul style="list-style-type: none"> • Timeframes • Milestones (Gantt chart). * Gantt Chart (for the 36 months) must include timeframes for all deliverables • Team compositions (the team must include the ECO and a Secretariat) • Understanding of how the scope of work will be implemented. • Addresses ALL expected deliverables in clause 5 that have timeframes and realistic milestones and address <u>ALL</u> the scope activities in clause 4. <p><i>*the project plan must include table of content and must be detailed for the MLRF to understand how the project will be implemented and achieved.</i></p> | |

8.4 PHASE 3: DUE DILIGENCE

- 8.4.1 The Department shall have the right to perform due-diligence exercise during the evaluation process of this bid and to reject proposals that do not comply with the requirements.
- 8.4.2 Only bid proposals that meet Phase one (1) and Phase two (2) will be considered for evaluation for due diligence (Phase 3).
- 8.4.3 The MLRF will perform due diligence on:
 - 8.4.3.1 Mandatory requirements in 8.3.2.
 - 8.4.3.2 Premises of the bidder.
- 8.4.4 Live demonstrations and/or site inspections will be performed to confirm the ability of the bidder to execute the project and the availability of sufficient personnel, working equipment, and other resources to deliver the required services.
- 8.4.5 The MLRF will communicate the dates to the bidder/s beforehand.
- 8.4.6 Provide the representative with access to the offices of the bidder where the services will be offered.
- 8.4.7 Provide the MLRF with the documents that will be required to support management responses on the due diligence questionnaire form. The MLRF will indicate the required documents beforehand.
- 8.4.8 To have the personnel who will be responsible for the demonstrations that will be required to be available.
- 8.4.9 To have any other information or staff required for MLRF to successfully perform the due diligence.
- 8.4.10 To provide the MLRF before the date of the due diligence with the contact details of two people that will be contacted on the day of the due diligence.
- 8.4.11 To reserve two (2) parking bays for the representative of the MLRF.
- 8.4.12 Bidder/s who do not demonstrate the ability to deliver the required services and the availability of resources will NOT be evaluated further.

8.5 PHASE 4: PRICING AND SPECIFIC GOALS

- 8.5.1 Only bid proposals that meet the requirements of Phase one (1), Phase two (2) and Phase three (3) may be evaluated on price and specific goals (Phase 4).
- 8.5.2 An evaluation of Price and Specific Goals Preference points on the suppliers that have successfully qualified to this stage of evaluation.
- 8.5.3 Calculation of points for price - The Preferential Procurement Policy Framework Act (PPPFA) prescribes that the lowest acceptable bid will score 80 points (for tenders under R50m) or 90 points (for tenders above R50m) for price. Suppliers that quoted higher prices will score lower points for price on a pro-rata basis.
- 8.5.4 The 80/20 as an appropriate preference point system will be used in the evaluation and adjudication of this quote. However, it must be extended that the lowest acceptable quote will be used to determine the applicable preference point system as per regulation (Section 3(2)(b) of the Preferential Procurement Regulations (PPR) 2022, which states: "If it is unclear which preference point system will be applicable, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable proposal will be used to determine the applicable preference point system". Therefore, either 80 or 90 points, depending on the rand value of the proposal, will be awarded to the supplier who offers the lowest price, and proportionately fewer points are awarded to those with higher prices. Either 20 or 10 points are then available as preference points for Specific Goals, as applicable. The contract will be awarded to the Bidder that scores the highest total number of adjudication points per category.

Calculation of points for Specific Goals

- 8.5.5 Points will be awarded to a Bidder for specific goals in accordance with the table below:

| | | |
|-----------|---------------------------|------------------------------|
| A. | PRICE | 80 |
| B. | Specific Goal | Number of points (20) |
| | 51% black ownership | 8 |
| | 50% women ownership | 4 |
| | Youth ownership | 4 |
| | Disability | 4 |
| | Non-compliant contributor | 0 |

*The definitions of the above specific goals are as per the PPR policy of the MLRF.

- 8.5.6 The SCM unit of the MLRF will allocate preferential points (Specific Goals) to each company for its contribution towards empowerment of the black designated groups as prescribed in the Preferential Procurement Regulations of 2022, women, people with disabilities, youth as well as local economic development.
- 8.5.7 A Bidder will not be disqualified from the quotation process if the Bidder does not submit supporting documents substantiating the specific goals preference points claimed or is a non-compliant contributor. Such suppliers will score 0 for Specific Goals.
- 8.5.8 Bidders will be subject to SCM conditions of the Department – MLRF and the Preferential Procurement Regulations, 2022 issued in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000) (PPPFA).
- 8.5.9 The PPPFA prescribes that the lowest acceptable bid will score 80 or 90 points for price (as explained above, depending on whether the bid prices are more or less than R50million). Suppliers that quoted higher prices will score lower points for price on a pro-rata basis.
- 8.5.10 The contract will be awarded to the Bidder scoring the highest points subject to section 2(1) (f) of the PPPFA, 2000.

9. BID SUBMISSION REQUIREMENTS

- 9.1 **All completed documentation must be returned to the Marine Living Resources Fund (MLRF), the entity of the Department of Forestry, Fisheries and the Environment (DFFE) before 11:00 on the 09 June 2026. The location of the drop off is: Tender Box, Ground Floor, Foretrust Building, 2 Martin Hammerschlag Way, Cape Town, 8000.**
- 9.2 Bidders should ensure that the following submission requirements, which will be needed for evaluation purposes, are included in their bid proposal as outlined below.
- 9.3 The SP must draft a table of content which will indicate where each document is located in the proposal.
- 9.4 The proposal shall consist of two parts, namely the technical bid and the pricing bid (master and copies). Add documents that are required to be submitted with the bids. These documents include those included in Phase one (1) and Phase two (2) of the evaluation criteria. Completed table of mandatory requirements, as set out in the table in paragraph 8.3.2 of this document, together with all necessary supporting documents and required documentary proof.
- 9.5 Standard bidding documents (SBD1, 2, 3.3, 4, and 6.1) completed and signed. A valid copy of the Tax Clearance Certificate/ Tax Compliance Status Pin issued by SARS to the supplier/copy of Central Supplier Database (CSD)/ MA supplier Number must be submitted together with the bid.

- 9.6 In case of bids where Consortia / Joint Ventures / Sub-contractors are involved; such must be clearly indicated, and each party must submit a separate copy of a valid Tax Clearance Certificate or copy of Tax Compliance Status Pin or CSD/ MAAA supplier Number together with the bid.
- 9.7 Certified copies of identity documents of directors and shareholders of the company.
- 9.8 Entity registration Certificate (e.g. CK1).
- 9.9 Letter of Authority to sign documents on behalf of the company.
- 9.10 B-BBEE Certificates or Sworn Affidavits.

10. SPECIAL CONDITIONS OF CONTRACT

- 10.1 On appointment, the performance measures for the delivery of the agreed services will be closely monitored by MLRF.
- 10.2 The MLRF will not be held responsible for any costs incurred by the SPs during the preparation, presentation, and submission of the proposal.
- 10.3 The Project Manager will be responsible for the management of the Memorandum of Agreement (MOA).
- 10.4 All the conditions specified in the General Conditions of Contract (GCC) will apply and where the conditions in the special conditions of contract contradict the conditions in the general conditions of contract, the special conditions of contract will prevail.
- 10.5 The bid proposals should be submitted with all required information containing technical information.
- 10.6 Travelling costs and time spent or incurred between home and office of the Service Provider and the MLRF office will not be for the account of MLRF.
- 10.7 Poor or non-performance by the Service Provider will result in cancellation of the order and the MOA.
- 10.8 Should the Service Provider fail to perform, the MLRF reserves the right to cancel the appointment of such Service Provider immediately and without any notice.
- 10.9 If the Service Provider is using industry boat, the MLRF should not be invoiced for a boat that is not hired.

11. PAYMENT TERMS

- 11.1 The MLRF undertakes to pay out in full or as per deliverables within 30 (thirty) days all valid claims for work done to its satisfaction upon presentation of a substantiated claim and the required reports stipulated in the payment schedule which is part of the MOA. No payment will be made if and when there is unsatisfactory work and or outstanding information or work not submitted by the Service Provider/s until there is satisfactory improvement and or that outstanding information or work is submitted.
- 11.2 Payment by the MLRF shall be made by means of an electronic transfer into the Service Provider's bank account.
- 11.3 Payment requirements:
 - The successful Service Provider shall render services to the MLRF in accordance with the Project Plan and Project Scope.
 - The amounts are inclusive of VAT, and all disbursements shall be paid in South African Rands.
 - The MLRF reserves the right to, after consultation with the successful Service Provider, increase, reduce or cancel the budget.
 - Disbursements of project funding will be agreed on for each project and disbursements will be made on agreed and verified deliverables and indicators (targets) that are included in the Project Plan.
 - The successful Service Provider shall provide MLRF with an original tax invoice for the services rendered. Once the MLRF has approved such an invoice and is satisfied with the services rendered as outlined in the Project Plan, it will make payment to the successful Service Provider within 30 days of approval of such a request.

- The successful Service Provider is required to submit the following documents with each invoice:
 - Acting letter of the Manager of Service Provider (if applicable)
 - Monthly/Period Project Progress Report
- ALL INVOICES MUST ADDRESSED TO THE MLRF.
- The Service Provider will be required to submit statement of account on a monthly basis.

12. ENQUIRIES

12.1. Should you require any further information in this regard, please do not hesitate to email:

| Name | Email address |
|---------------------|--|
| Ms Ncumisa Matiwane | MLRFtenders@dffe.gov.za |
| Ms Pamela Mtintelwa | |

**Bidders should use "MLRF:217/26 Enquiries" as the subject of the email for all enquiries.*

ANNEXURE A



environmental affairs

Department:
Environmental Affairs
REPUBLIC OF SOUTH AFRICA

Private Bag X 447· PRETORIA · 0001· Environment House · 473 Steve Biko, Arcadia· PRETORIA
Tel (+ 27 12) 399 9372

DEA Reference: 14/12/16/3/3/1/1728

Enquiries: Nyiko Nkosi

Telephone: 012-399-9392 E-mail: nnkosi@environment.gov.za

Ms Asanda Njobeni
Department of Agriculture, Forestry and Fisheries
Aquaculture and Economic Development
Private Bag X2
ROGGEBAAI
8012

Tel No: 021-402-3116
E-mail: AsandaN@daff.gov.za

PER MAIL / E-MAIL

Dear Ms Njobeni

APPLICATION FOR ENVIRONMENTAL AUTHORISATION IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998: GN R. 982/983: SEA BASED AQUACULTURE DEVELOPMENT ZONE (ADZ) IN SALDANHA BAY WITHIN SALDANHA BAY LOCAL MUNICIPALITY IN THE WESTERN CAPE PROVINCE

With reference to the above application, please be advised that the Department has decided to grant authorisation. The Environmental Authorisation (EA) and reasons for the decision are attached herewith.

Note that the following areas which formed part of this application are not authorised as part of this decision and the reason for not authorising them is because this Department has issued separate EAs to other applicants:

1. Southern Cross Salmon Farming (Pty) Ltd application located within a recommended ADZ area within Outer Bay South area (10 ha) and Outer Bay North area (20 ha) with the following coordinates and DEA Reference number 14/12/16/3/3/1/1728/1:

| Point- Outer Bay South (10 ha) | Latitude | Longitude |
|---------------------------------------|-----------------|------------------|
| SC-E | 33° 4'34.80"S | 17°57'45.70"E |
| SC-F' | 33° 4'34.83"S | 17°57'51.66"E |
| SC-G' | 33° 4'42.36"S | 17°57'51.66"E |
| SC-H' | 33° 4'41.46"S | 17°57'45.63"E |

| Point- Outer Bay North (20ha) | Latitude | Longitude |
|--------------------------------------|-----------------|------------------|
| SC-A | 33° 1'55.80"S | 17°56'50.80"E |
| SC-B | 33° 1'55.90"S | 17°57'13.13"E |
| SC-C | 33° 2'8.20"S | 17°57'12.90"E |
| SC-D | 33° 2'8.00"S | 17°56'50.70"E |

2. Molapong Aquaculture (Pty) Ltd application located within a recommended ADZ area within Big Bay North area (approximately 40ha) and a site near Jutten Island (to be expanded from 1 ha to 15ha) with following the coordinates and DEA reference number 14/12/16/3/3/1/1728/2:

3.

| Sea area 1- Big Bay (40 ha) | | |
|---|----------------|---------------|
| Point- | Latitude | Longitude |
| J | 33° 02' 17.2"S | 18°00' 04.3"E |
| K | 33° 02' 13.0"S | 18°00' 24.7"E |
| L | 33° 02' 35.3"S | 18°00' 33.6"E |
| M | 33° 02' 39.7"S | 18°00' 13.0"E |
| Sea Area 3- Near Jutten Island (to be expanded from 1 ha to 15ha) | | |
| Point- | Latitude | Longitude |
| N | 33° 04' 23.9"S | 17°57' 24.5"E |
| G | 33° 04' 40.0"S | 17°57' 36.1"E |
| P | 33° 04' 23.9"S | 17°57' 36.1"E |
| Q | 33° 04' 40.1"S | 17°57' 24.5"E |

In terms of Regulation 4(2) of the Environmental Impact Assessment Regulations, 2014, as amended (the Regulations), you are instructed to notify all registered interested and affected parties, in writing and within 14 (fourteen) days of the date of the EA, of the Department's decision in respect of your application as well as the fact that an appeal may be lodged against the decision in terms of the National Appeals Regulations, and the provisions regarding the submission of appeals as contained in the Regulations.

Should any person wish to lodge an appeal against this decision, he/she must submit the appeal to the appeal administrator, and a copy of the appeal to the applicant, any registered interested and affected party, and any organ of state with interest in the matter within 20 days from the date that the notification of the decision was sent to the registered interested and affected parties by the applicant; or the date that the notification of the decision was sent to the applicant by the Department, whichever is applicable.

Appeals must be submitted in writing in the prescribed form to:

Mr Z Hassam, Director: Appeals and Legal Review of this Department at the below mentioned addresses.

By email: appealsdirector@environment.gov.za;

By hand: Environment House
473 Steve Biko,
Arcadia,
Pretoria,
0083; or

By post: Private Bag X447,
Pretoria,
0001

Please note that in terms of Section 43(7) of the National Environmental Management Act, 1998, the lodging of an appeal will suspend the environmental authorisation or any provision or condition attached thereto. In the instance where an appeal is lodged, you may not commence with the activity until such time that the appeal is finalised.

To obtain the prescribed appeal form and for guidance on the submission of appeals, please visit the Department's website at https://www.environment.gov.za/documents/forms#legal_authorisations or request a copy of the documents at appealsdirector@environment.gov.za.

Yours faithfully



Mr Sabelo Malaza
Chief Director: Integrated Environmental Authorisations
Department of Environmental Affairs

Date: 02/01/2018

| | | | |
|-----|------------------|----------------|---|
| CC: | Ms Sue Reuther | SRK Consulting | Email: sreuther@srk.co.za |
| | Mr Adri La Meyer | DEA&DP | Email: adri.lameyer@westerncape.gov.za |



environmental affairs

Department:
Environmental Affairs
REPUBLIC OF SOUTH AFRICA

Environmental Authorisation

In terms of regulation 25 of the Environmental Impact Assessment Regulations, 2014

Sea Based Aquaculture Development Zone (ADZ) in Saldanha Bay within Saldanha Bay Local Municipality in the Western Cape Province

West Coast District Municipality

| | |
|---------------------------------------|--|
| Authorisation register number: | 14/12/16/3/3/1/1728 |
| Last amended: | <i>First issue</i> |
| Holder of authorisation: | DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES: AQUACULTURE AND ECONOMIC DEVELOPMENT |
| Location of activity: | WESTERN CAPE PROVINCE: <i>Within Saldanha Bay</i> |

This environmental authorisation does not negate the holder of the authorisation's responsibility to comply with any other statutory requirements that may be applicable to the undertaking of the activity.

Decision

The Department is satisfied, on the basis of information available to it and subject to compliance with the conditions of this environmental authorisation, that the applicant should be authorised to undertake the activities specified below.

Non-compliance with a condition of this environmental authorisation may result in criminal prosecution or other actions provided for in the National Environmental Management Act, 1998 (NEMA) and the Environmental Impact Assessment (EIA) regulations.

Details regarding the basis on which the Department reached this decision are set out in Annexure 1.

Activities authorised

By virtue of the powers conferred on it by the National Environmental Management Act, 1998 (Act No.107 of 1998) and the Environmental Impact Assessment Regulations, 2014 the Department hereby authorises –

DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES: AQUACULTURE AND ECONOMIC DEVELOPMENT

(hereafter referred to as the **holder of the authorisation**)

with the following contact details –

Ms Asanda Njobeni

Department of Agriculture, Forestry and Fisheries: Aquaculture and Economic Development

Private Bag X2

ROGGEBAAI

8012Tel: 021 402 3116

E-mail: AsandaN@daff.gov.za

to undertake the following activities (hereafter referred to as "the activity") indicated in Listing Notice 1 (GN R. 983):

| Listed activities | Activity/Project description |
|--|---|
| <p><u>GN R. 983 Item 7:</u></p> <p><i>The development and related operation of facilities, infrastructure or structures for aquaculture of sea-based cage culture of finfish, crustaceans, reptiles, amphibians, molluscs, echinoderms and aquatic plants where the facility, infrastructure or structures will have a production output exceeding 50 000 kg per annum (wet weight).</i></p> | <p>The ADZ aims to establish new facilities, infrastructure or structures in Saldanha Bay for sea-based cultivation, primarily of molluscs (e.g. mussels, oysters), seaweeds and finfish.</p> <p>The ADZ area is projected to potentially produce up to:</p> <ul style="list-style-type: none"> - 27 597 ungraded / 15 203 graded tpa of bivalves; and - 5 000 tpa of finfish. <p>Anticipated production will thus exceed the threshold of 50 tpa at full operation of the ADZ.</p> <p>Anticipated ADZ facilities, infrastructure or structures include:</p> <ul style="list-style-type: none"> • Structures such as mussel rafts, longlines, fish cages and barrels, moored to the sea bed and held afloat by buoys, in four designated ADZ precincts within Saldanha Bay; and • Navigational buoys and lights to demarcate the position of aquaculture areas / infrastructure. <p>It is expected that operators will initially make use of existing land-based facilities and vessel (off-) loading and mooring structures.</p> |
| <p><u>GN R. 983 Item 17:</u></p> <p><i>Development</i></p> <p><i>(i) in the sea;</i></p> <p><i>in respect of</i></p> | <p>The aquaculture structures (such as mussel rafts, longlines, fish cages and barrels) will be moored to the sea bed. The combined footprint of moorings for each</p> |

| Listed activities | Activity/Project description |
|---|---|
| <p><i>(f) infrastructure or structures with a development footprint of 50 square metres or more.</i></p> | <p>structure is well below 50 m². The combined footprint of all moorings for all structures within the ADZ may however exceed 50 m².</p> |
| <p><u>GN R. 983 Item 19A:</u> <i>The infilling or depositing of any material of more than 5 cubic metres into, or the dredging, excavation, removal or moving of soil, sand, shells, shell grit, pebbles or rock of more than 5 cubic metres from:</i> <i>(iii) the sea.</i></p> | <p>The development may result in the moving of more than 5m³ of sand, shells or rock in the sea and depositing of material of more than 5 m³ (e.g. anchor blocks and/or mussel shells) into the sea.</p> |
| <p><u>GN R.983 Item 42:</u> <i>The expansion and related operation of facilities, infrastructure or structures for aquaculture of sea-based cage culture of finfish, crustaceans, reptiles, amphibians, molluscs, echinoderms and aquatic plants where the annual production output of such facility, infrastructure or structures will be increased by 50 000 kg (wet weight) or more.</i></p> | <p>A total of 464 ha are currently allocated for aquaculture in Saldanha Bay; of these 151 ha are operational. Existing operators also manage a number of on-shore processing facilities. The existing aquaculture areas will be located in and incorporated into the future ADZ areas.</p> <p>The ADZ will increase the total allocated aquaculture area by 420 ha to 884 ha in future. Annual production is expected to increase by more than 50 000 kg (wet weight) per annum at full operation of the ADZ.</p> <p>Spatially, the ADZ may thus be considered an expansion of existing aquaculture facilities, infrastructure or structures. However, the new farms in the ADZ may also be considered new (though similar) structures, which may be operated by a range of (existing and/or new) operators, in which case GN R. 983 Activity 7 applies.</p> |
| <p><u>GN R.983 Activity 54:</u> <i>Expansion of facilities (i) in the sea in respect of (f) infrastructure or structures where the development footprint is expanded by 50 square metres or more.</i></p> | <p>The aquaculture structures (such as rafts, longlines and fish cages) will be moored to the sea bed. The combined footprint of moorings for each structure is well below 50</p> |

| Listed activities | Activity/Project description |
|-------------------|--|
| | <p>m². The combined footprint of all moorings for all structures within the ADZ may, however, exceed 50 m².</p> <p>As aquaculture structures are already moored in Saldanha Bay, the ADZ may thus spatially be considered an expansion of existing infrastructure in the sea by more than 50 m².</p> <p>However, the new farms in the ADZ may also be considered new (though similar) structures, which may be operated by a range of (existing and/or new) operators, in which case GN R. 983 Activity 42 applies.</p> |

as described in the Basic Assessment Report (BAR) dated August 2017 at:

| | Point | Latitude (S) | | | Longitude (E) | | |
|-----------------|-------|----------------|-----|-------|-----------------|-----|-------|
| | | DEG | MIN | SEC | DEG | MIN | SEC |
| Outer Bay North | A | 33 | 2 | 32.1 | 17 | 55 | 51.3 |
| Outer Bay North | B | 33 | 1 | 56.04 | 17 | 57 | 26.52 |
| Outer Bay North | C | 33 | 2 | 48.06 | 17 | 56 | 30.24 |
| Outer Bay North | D | 33 | 2 | 39.18 | 17 | 56 | 7.56 |
| Small Bay South | E | 33 | 1 | 39.9 | 17 | 57 | 52.2 |
| Small Bay South | F | 33 | 1 | 32.22 | 17 | 58 | 7.62 |
| Small Bay South | G | 33 | 2 | 9.18 | 17 | 58 | 32.22 |
| Small Bay South | H | 33 | 2 | 21.9 | 17 | 58 | 25.92 |
| Small Bay North | I | 33 | 0 | 12.6 | 17 | 57 | 42.6 |
| Small Bay North | J | 33 | 0 | 12.78 | 17 | 58 | 1.8 |
| Small Bay North | K | 33 | 0 | 22.5 | 17 | 58 | 1.68 |
| Small Bay North | L | 33 | 0 | 22.8 | 17 | 58 | 34.5 |
| Small Bay North | M | 33 | 0 | 30.9 | 17 | 58 | 34.38 |
| Small Bay North | N | 33 | 0 | 31.02 | 17 | 58 | 42.12 |
| Small Bay North | O | 33 | 0 | 39.12 | 17 | 58 | 42 |
| Small Bay North | P | 33 | 0 | 38.88 | 17 | 58 | 22.74 |
| Small Bay North | Q | 33 | 0 | 46.98 | 17 | 58 | 22.62 |
| Small Bay North | R | 33 | 0 | 46.92 | 17 | 58 | 13.02 |
| Small Bay North | S | 33 | 0 | 53.4 | 17 | 58 | 12.9 |
| Small Bay North | T | 33 | 0 | 53.34 | 17 | 57 | 37.32 |
| Small Bay North | U | 33 | 0 | 40.2 | 17 | 57 | 37.38 |
| Small Bay North | V | 33 | 0 | 40.26 | 17 | 57 | 42.24 |
| Big Bay North | W | 33 | 1 | 2.7 | 18 | 1 | 9.36 |
| Big Bay North | X | 33 | 1 | 53.52 | 18 | 1 | 49.32 |
| Big Bay North | Y | 33 | 2 | 51.06 | 18 | 1 | 34.5 |

| | | | | | | | |
|-----------------|----|----|---|-------|----|----|-------|
| Big Bay North | Z | 33 | 3 | 1.86 | 18 | 0 | 22.26 |
| Big Bay North | AA | 33 | 1 | 56.88 | 18 | 0 | 53.4 |
| Big Bay North | AB | 33 | 1 | 54.6 | 18 | 0 | 46.2 |
| Outer Bay South | AC | 33 | 4 | 23.58 | 17 | 56 | 57.66 |
| Outer Bay South | AD | 33 | 4 | 8.64 | 17 | 57 | 51.66 |
| Outer Bay South | AE | 33 | 4 | 42.36 | 17 | 57 | 51.66 |
| Outer Bay South | AF | 33 | 4 | 34.26 | 17 | 56 | 57.66 |

the location indicated in the locality plan, attached as Annexure 2 of this authorisation.

- for the establishment of a Sea-Based Aquaculture Development Zone (ADZ) in Saldanha Bay in the Western Cape Province, hereafter referred to as "the property".

The recommended post-mitigation scenario for the project will include the following:

(a) ADZ Areas

The recommended post-mitigation ADZ area comprises four precincts in Saldanha Bay, adding 420ha of new aquaculture areas in Saldanha Bay for a total ADZ comprising 884ha:

- Small Bay: no additional aquaculture areas;
- Big Bay North: north of Mykonos entrance channel;
- Outer Bay North: north of Port entrance channel, near Maigas Island; and
- Outer Bay South: south of Port entrance channel, near Jutten Island.

Currently farmed areas will be incorporated into the ADZ:

| Area | Currently allocated | Currently farmed | New areas | Total future |
|-----------------|---------------------|------------------|------------|--------------|
| Small Bay | 163 | 125 | - | 163 |
| Big Bay North | 254 | 25 | 155 | 409 |
| Outer Bay North | 37 | 1 | 179 | 216 |
| Outer Bay South | 10 | - | 86 | 96 |
| Total | 464 | 151 | 420 | 884 |

(b) Species and methods for aquaculture production

The following species are considered for farming in the ADZ:

- Currently cultivated bivalve species:
 - Pacific oyster (*Crassostrea gigas*)
 - Mediterranean mussel (*Mytilus galloprovincialis*)
 - Black mussel (*Choromytilus meridionalis*)
 - New indigenous shellfish species:
 - Abalone (*Haliotis midae*)
 - South African scallop (*Pecten sulcicostatus*)
- New indigenous finfish species:
 - White Stumpnose (*Rhabdosargus globiceps*)
 - Kabeljou (*Argyrosomus inodorus*)
 - Yellowtail (*Seriola lalandi*)
- Alien finfish species:
 - Atlantic salmon (*Salmo salar*)
 - Coho salmon (*Oncorhynchus kisutch*)
 - King/Chinook salmon (*Oncorhynchus tshawytscha*)
 - Rainbow trout (*Oncorhynchus mykiss*)
 - Brown trout (*Salmo trutta*)
- Seaweed:
 - *Gracilaria gracilis*

Viable production methods for farming in the ADZ:

- Longlines for bivalve culture, comprising a surface rope with floats and moored at each end to fix the line in position. The production ropes for mussels or oyster racks are then suspended from the surface rope;
- Rafts for bivalve culture, comprising of a floating top structure moored to the seabed from which mussel ropes are suspended;
- Cages for finfish production, constructed of circular flexible high density polyethylene with multi-mooring systems; and
- Barrel culture for abalone, which can be deployed from rafts and longlines.

Table below shows summarises the Saldanha Bay ADZ areas, species and methods:

| ADZ Precinct | Recommended species (*individual species as per list provided above) | Recommended Production Method |
|---------------------|--|---|
| Small Bay | Currently cultivated bivalve species* Indigenous shellfish species not currently cultivated* Seaweed* | Rafts/longlines |
| Big bay-North | Currently cultivated bivalve species* Indigenous shellfish species not currently cultivated* Seaweed* | Rafts/longlines |
| | Indigenous finfish species* Alien finfish* | Floating cages (depths of more than 13m) |
| Outer Bay - North | Mediterranean mussel (<i>Mytilus galloprovincialis</i>) Black mussel (<i>Choromytilus meridionalis</i>) | Sub-surface longlines |
| | Indigenous finfish species* Alien finfish species* | Floating cages |
| Outer Bay - South | Mediterranean mussel (<i>Mytilus galloprovincialis</i>) Black mussel (<i>Choromytilus meridionalis</i>) | Sub-surface longlines |
| | Indigenous finfish species* Alien finfish species* | Floating cages |

(c) Extent of identified post-mitigation ADZ areas for bivalves and fish (ha)

| Area | Total ADZ Area | Bivalves | Fish |
|-----------------|-----------------------|-----------------|-------------|
| Small Bay | 163 | 163 | - |
| Big Bay North | 409 | 367 | 42 |
| Outer Bay North | 216 | 76 | 140 |
| Outer Bay South | 96 | - | 96 |
| Total | 884 | 606 | 278 |

(d) Production Volumes

- **Bivalve Production**

Based on calculations of the ecological carrying capacity of Saldanha Bay; the ADZ could support total aquaculture bivalve production of up to 27 597 tpa ungraded / 15 203 tpa graded production.

- **Finfish Production**

Based on estimated production of nutrients from fish farming, finfish production should be limited to 5 000 tpa. Assuming an average fish farming density of 40 t/ha, the recommended ADZ area could accommodate up to 10 000 tpa finfish production. However, 5 000 tpa will only be exceeded if deemed acceptable based on stringent environmental monitoring.

(e) Sea-based Aquaculture Activities

Sea-based activities associated with aquaculture in the ADZ include:

- Servicing and maintenance of aquaculture structures (such as rafts, lines, cages);
- Harvesting of cultivated species;
- Initial processing of bivalves, including de-clumping and grading, typically on the raft or support vessel; and
- Vessel trips between the shore and aquaculture areas, e.g. to service structures or harvest species.

(f) Associated Sea-based Infrastructure

Besides the rafts, lines, cages and barrels (including moorings and flotation devices) required for aquaculture, the following associated sea-based infrastructure is required:

- Navigational lights demarcating aquaculture areas; and
- Mooring facilities for boats.

Note that this environmental authorisation does not include:

- 1) authorisation of the land based facilities, since the detailed information for land based facilities will depend on the specific cultivated species and production methods chosen by the individual operators within the ADZ. Should the land based activities of the individual operators leasing areas within the ADZ trigger any listed activities in terms of the NEMA EIA Regulations, authorisation for those land based activities will need to be obtained from the Competent Authority prior to commencement of the activity by the individual operators;

- 2) authorisation of currently allocated and farmed areas within the ADZ, since these areas are already existing; and
- 3) authorisation of the following areas, which formed part of the application for environmental authorisation. The reason for not authorising them is because separate environmental authorisations have been issued to other aquaculture operators for the same areas:
- a) Southern Cross Salmon Farming (Pty) Ltd application located within a recommended ADZ area within Outer Bay South area (10 ha) and Outer Bay North area (20 ha) with the following coordinates and DEA Reference number 14/12/16/3/3/1/1728/1:

| Point- Outer Bay South (10 ha) | Latitude | Longitude |
|--------------------------------|---------------|---------------|
| SC-E | 33° 4'34.80"S | 17°57'45.70"E |
| SC-F' | 33° 4'34.83"S | 17°57'51.66"E |
| SC-G' | 33° 4'42.36"S | 17°57'51.66"E |
| SC-H' | 33° 4'41.46"S | 17°57'45.63"E |

| Point- Outer Bay North (20ha) | Latitude | Longitude |
|-------------------------------|---------------|---------------|
| SC-A | 33° 1'55.80"S | 17°56'50.80"E |
| SC-B | 33° 1'55.90"S | 17°57'13.13"E |
| SC-C | 33° 2'8.20"S | 17°57'12.90"E |
| SC-D | 33° 2'8.00"S | 17°56'50.70"E |

- b) Molapong Aquaculture (Pty) Ltd application located within a recommended ADZ area within Big Bay North area (approximately 40ha) and a site near Jutten Island (to be expanded from 1 ha to 15ha) with following the coordinates and DEA reference number 14/12/16/3/3/1/1728/2:

| Sea area 1- Big Bay (40 ha) | | |
|---|----------------|---------------|
| Point- | Latitude | Longitude |
| J | 33° 02' 17.2"S | 18°00' 04.3"E |
| K | 33° 02' 13.0"S | 18°00' 24.7"E |
| L | 33° 02' 35.3"S | 18°00' 33.6"E |
| M | 33° 02' 39.7"S | 18°00' 13.0"E |
| Sea Area 3- Near Jutten Island (to be expanded from 1 ha to 15ha) | | |
| Point- | Latitude | Longitude |
| N | 33° 04' 23.9"S | 17°57' 24.5"E |
| G | 33° 04' 40.0"S | 17°57' 36.1"E |
| P | 33° 04' 23.9"S | 17°57' 36.1"E |
| Q | 33° 04' 40.1"S | 17°57' 24.5"E |

Conditions of this Environmental Authorisation

Scope of authorisation

1. The post-mitigation scenario for the construction of the Sea-Based Aquaculture Development Zone in Saldanha Bay within West Coast District Municipality in the Western Cape Province is approved as per the geographic coordinates cited above (excluding currently allocated and farmed areas, and areas where authorisations have been issued to other aquaculture operators for the same areas, as per the above).
2. Authorisation of the activity is subject to the conditions contained in this environmental authorisation, which form part of the environmental authorisation and are binding on the holder of the authorisation.
3. The holder of the authorisation is responsible for ensuring compliance with the conditions contained in this environmental authorisation. This includes any person acting on the holder's behalf, including but not limited to, an agent, servant, contractor, sub-contractor, employee, consultant or person rendering a service to the holder of the authorisation.
4. The activities authorised may only be carried out at the property as described above.
5. Any changes to, or deviations from, the project description set out in this environmental authorisation must be approved, in writing, by the Department before such changes or deviations may be effected. In assessing whether to grant such approval or not, the Department may request such information as it deems necessary to evaluate the significance and impacts of such changes or deviations and it may be necessary for the holder of the authorisation to apply for further environmental authorisation in terms of the regulations.
6. The holder of an environmental authorisation must apply for an amendment of the environmental authorisation with the competent authority for any alienation, transfer or change of ownership rights on the property on which the activity is to take place.
7. This activity must commence within a period of five (05) years from the date of issue of this environmental authorisation. If commencement of the activity does not occur within that period, the authorisation lapses and a new application for environmental authorisation must be made in order for the activity to be undertaken.
8. Commencement with one activity listed in terms of this environmental authorisation constitutes commencement of all authorised activities.

Notification of authorisation and right to appeal

9. The holder of the authorisation must notify every registered interested and affected party, in writing and within 14 (fourteen) calendar days of the date of this environmental authorisation, of the decision to authorise the activity.
10. The notification referred to must –
 - 10.1. specify the date on which the authorisation was issued;
 - 10.2. inform the interested and affected party of the appeal procedure provided for in the National Appeal Regulations, 2014;
 - 10.3. advise the interested and affected party that a copy of the authorisation will be furnished on request; and
 - 10.4. give the reasons of the competent authority for the decision.

Commencement of the activity

11. The authorised activity shall not commence until the period for the submission of appeals has lapsed as per the National Appeal Regulations, 2014 and no appeal has been lodged against the decision. In terms of section 43(7), an appeal under section 43 of the National Environmental Management Act, 1998 will suspend the environmental authorisation or any provision or condition attached thereto. In the instance where an appeal is lodged you may not commence with the activity until such time that the appeal has been finalised.

Management of the activity

12. The Environmental Management Programme (EMPr) submitted as part of the Application for EA is hereby approved. This EMPr must be implemented and strictly adhered to. Individual operators must compile individual site specific EMPrs for the individual farms that are to be leased in the ADZ. The individual EMPrs must be in line with the recommendations of this overarching approved EMPr and the conditions of this EA. The individual EMPrs must be submitted to the ADZ Monitoring Committee (AMC) (see Condition 12 below) for endorsement and to the Department for record keeping purposes, before commencement of operations by the individual operator.

ADZ Management

13. To ensure appropriate ADZ management, two management bodies must be established by the holder of the authorisation prior to commencement of the activity.
 - 13.1. An ADZ Management Committee (AMC), comprising of, but not limited to, the Department of Agriculture, Forestry and Fisheries (DAFF), the Department of Environmental Affairs (DEA) (*Oceans and Coasts / Biodiversity Branches*), DEA (Integrated Environmental Authorisations), DEA Compliance and Monitoring, the Western Cape Department of Environmental Affairs and Development Planning (DEA&DP) and the Transnet National Ports Authority (TNPA), to fulfil a coordinating and supervising role and ensure compliance with the EMPr throughout all phases of aquaculture farming in the ADZ ; and
 - 13.2. A Consultative Forum that includes other relevant government departments, authorities and relevant local / public interest organisations, to review environmental monitoring data, advise on ADZ management and make recommendations to the AMC. The Consultative Forum will therefore feed into the AMC through the outputs (recommendations and advice) that it provides to the AMC for consideration.
14. Upon establishment of the Consultative Forum, a notice must be published in a local newspaper announcing the inception of the Consultative Forum, providing contact details for the Consultative Forum Secretariat and inviting interested stakeholders to register on a stakeholder database to receive relevant notifications about the ADZ.

ADZ Management Committee

15. The function of the AMC is to oversee, facilitate, manage and monitor aquaculture operations in the ADZ. DAFF, as the applicant, is primarily responsible for day-to-day management of the ADZ and ensuring the implementation of and adherence to the overarching approved EMPr, with appropriate support and guidance provided by the other AMC members:
 16. *The AMC must be consulted before the appointment of the project ECO, to ensure that they are suitably qualified and have the relevant expertise to monitor and ensure compliance with the conditions of the EA and EMPr.*
 17. The AMC must meet before the commencement of construction activities to appoint a Chairperson and to discuss the Terms of Reference (the member constitution, purpose, outcomes, roles and
-

functions of the AMC, including but not limited those specified in this authorisation). From then on, the AMC must sit once every two months and special meetings can be convened on special or emergency situations.

18. The Chairperson must be an independent person, with experience in the environmental management and marine aquaculture field and/ or industry.
19. Key functions of the AMC are to:
 - 19.1. Monitor aquaculture operators' compliance with the EMPr and ADZ EA conditions;
 - 19.2. Oversee environmental monitoring related to ADZ aquaculture activities in Saldanha Bay;
 - 19.3. Monitor production volumes in the ADZ;
 - 19.4. Make decisions based on the outcomes of environmental monitoring, which could lead to the amendment of operations within the authorised ADZ;
 - 19.5. Make recommendations for improvements and amendments to the DAFFs overarching approved EMPr when required;
 - 19.6. Settle disputes regarding the interpretation of requirements in the EMPr and EA;
 - 19.7. Consider the advice, recommendations and inputs of the Consultative Forum with regards to environmental monitoring within Saldanha Bay and the management of the ADZ.
 - 19.8. Receive and manage stakeholder comments;
 - 19.9. Record and, if necessary, coordinate a response to environmental incidents related to aquaculture operations;
 - 19.10. Review and comment on new / expanded aquaculture farm proposals within the approved ADZ; and
 - 19.11. Provide updated information to the Consultative Forum for distribution to the public (e.g. farm coordinates, water quality information, and notification of new aquaculture operations).
20. The AMC organisational structure must make provision for various functions, including:
 - 20.1. Chairperson: Calls and chairs meetings of the AMC;
 - 20.2. Secretariat: Fulfils secretariat functions, including:
 - 20.2.1. Maintenance of member details and arrangement of meetings;
 - 20.2.2. Compiling and distribution of meeting notes;
 - 20.2.3. Distribution of communication to AMC members, Consultative Forum and aquaculture farmers in the ADZ;
 - 20.2.4. Maintenance of a database of registered (public) stakeholders;
 - 20.2.5. Drafting and distribution of regular (at least quarterly) AMZ Reports to all Consultative Forum members and registered stakeholders on activities in the ADZ;

- 20.2.6. Administration of and responding to stakeholder comments on aquaculture activities in the ADZ; and
- 20.2.7. Reporting on stakeholder aspects at AMC meetings
- 20.3. Environmental Representative: Fulfills environmental control functions, including:
 - 20.3.1. Liaising with the suitably qualified service provider(s) appointed to attend to environmental sampling, monitoring and auditing aspects in the ADZ to ensure that monitoring is implemented as per the requirements;
 - 20.3.2. Receiving and reviewing monthly Farm Monitoring Reports;
 - 20.3.3. Receiving and reviewing environmental sampling, monitoring and audit results;
 - 20.3.4. Notifying the Chairperson in the event any aspects require immediate attention of the AMC;
 - 20.3.5. Notifying the Secretariat in the event any aspects require immediate attention of other aquaculture farmers in the ADZ; and
 - 20.3.6. Reporting on environmental aspects at AMC meetings.

Consultative Forum

- 21. The holder of the authorisation must invite representatives of other relevant government departments, authorities, relevant local / public interest organisations and ADZ operators to become members of the Consultative Forum, including the following institutions / organisations:
 - 21.1. Government and authorities: South African National Parks (SANParks); Western Cape Department of Agriculture (DoA); CapeNature; and Saldanha Bay Municipality;
 - 21.2. Aquaculture industry:
 - 21.3. Local industry association representing operators in the ADZ;
 - 21.4. Farmers operating in the ADZ;
 - 21.5. Other organisations: South African National Defence Force (SANDF) / South African Navy (SAN); Saldanha Bay Water Quality Forum Trust (SBWQFT); and Representatives of the local fishing industry.
- 22. Forum members will join on a voluntary basis and at no costs to DAFF.
- 23. Key functions of the Consultative Forum are to:
 - 23.1. Review environmental monitoring data related to aquaculture in Saldanha Bay;
 - 23.2. Make recommendations to the AMC based on the outcomes of environmental monitoring; and
 - 23.3. Provide a platform for discussion of environmental management in the ADZ and advise the AMC on ADZ Management.

Frequency and process of updating the EMPr

24. The EMPr must be updated where the findings of the environmental audit reports, contemplated in Condition 29 below, indicate insufficient mitigation of environmental impacts associated with the undertaking of the activity, or insufficient levels of compliance with the environmental authorisation or EMPr.
25. The updated EMPr must contain recommendations to rectify the shortcomings identified in the environmental audit report.
26. The updated EMPr must be submitted to the Department for approval together with the environmental audit report, as per Regulation 34 of GN R. 982. The updated EMPr must have been subjected to a public participation process, which process has been agreed to by the Department, prior to submission of the updated EMPr to the Department for approval.
27. In assessing whether to grant approval of an EMPr which has been updated as a result of an audit, the Department will consider the processes prescribed in Regulation 35 of GN R.982. Prior to approving an amended EMPr, the Department may request such amendments to the EMPr as it deems appropriate to ensure that the EMPr sufficiently provides for avoidance, management and mitigation of environmental impacts associated with the undertaking of the activity.
28. The holder of the authorisation may apply for an amendment of an EMPr, if such amendment is required before an audit is required. In assessing whether to grant such approval or not, the Department will consider the processes and requirements prescribed in Regulation 37 of GN R. 982.

Monitoring

29. The holder of the authorisation must appoint a suitably qualified and experienced independent Environmental Control Officer (ECO) for the construction phase of the development that will have the responsibility to ensure that the mitigation/rehabilitation measures and recommendations referred to in this authorisation are implemented and to ensure compliance with the provisions of the EMPr.
 - 29.1. The ECO must be appointed before commencement of any authorised activities.
 - 29.2. Once appointed, the name and contact details of the ECO must be submitted to the *Director: Compliance Monitoring* of the Department.
 - 29.3. The ECO must keep record of all activities on site, problems identified, transgressions noted and a schedule of tasks undertaken by the ECO.

- 29.4. All monitoring studies conducted/commissioned by the Department of Agriculture, Forestry and Fisheries within Saldanha Bay must be reviewed by an independent specialist to verify findings before the report is submitted to the AMC.
- 29.5. Findings of the daily monitoring by the ECO must be summarised into a monthly report which must be presented by the ECO to the AMC at the bi-monthly meetings.
- 29.6. The ECO must also submit a detailed monitoring report to the Directorate: Compliance Monitoring on a monthly basis. A summarised version of this report must also be made available to all AMC members on a monthly basis.

Recording and reporting to the Department

30. All documentation e.g. audit/monitoring/compliance reports and notifications, required to be submitted to the Department in terms of this environmental authorisation, must be submitted to the *Director: Compliance Monitoring* of the Department at Directorcompliance@environment.gov.za.
31. The holder of the environmental authorisation must, for the period during which the environmental authorisation and EMPr remain valid, ensure that project compliance with the conditions of the environmental authorisation and the EMPr are audited, and that the audit reports are submitted to the *Director: Compliance Monitoring* of the Department at Directorcompliance@environment.gov.za.
32. The frequency of auditing and of submission of the environmental audit reports must be as per the frequency indicated in the EMPr, taking into account the processes for such auditing as prescribed in Regulation 34 of GN R. 982.
33. The holder of the authorisation must, in addition, submit an environmental audit report to the Department within 30 days of completion of the construction phase (i.e. within 30 days of site handover) and a final environmental audit report within 30 days of completion of rehabilitation activities.
34. The environmental audit reports must be compiled in accordance with Appendix 7 of the EIA Regulations, 2014 and must indicate the date of the audit, the name of the auditor and the outcome of the audit in terms of compliance with the environmental authorisation conditions as well as the requirements of the approved EMPr.
35. Records relating to monitoring and auditing must be kept on site and made available for inspection to any relevant and competent authority in respect of this development.

Notification to authorities

36. A written notification of commencement must be given to the Department no later than fourteen (14) days prior to the commencement of the activity. Commencement for the purposes of this condition includes site preparation. The notice must include a date on which it is anticipated that the activity will commence, as well as a reference number.

Operation of the activity

37. A written notification of operation must be given to the Department no later than fourteen (14) days prior to the commencement of the activity operational phase.

Site closure and decommissioning

38. Should the activity ever cease or become redundant, the holder of the authorisation must undertake the required actions as prescribed by legislation at the time and comply with all relevant legal requirements administered by any relevant and competent authority at that time.

Specific conditions

39. An integrated waste management approach must be implemented that is based on waste minimisation and must incorporate reduction, recycling, re-use and disposal where appropriate. Any solid waste must be disposed of at a landfill licensed in terms of section 20 (b) of the National Environment Management Waste Act, 2008 (Act No.59 of 2008).
40. No new mooring blocks must be placed within a 200m of the Merestein site (33.087355°S, 17.955044°E – WGS84, Decimal Degrees)
41. A detailed anchor distribution plan must be provided to the Maritime and Underwater Cultural Heritage Unit at SAHRA once this has been finalised. This plan can be used to reassess potential shipwreck impacts to assist developers in determining whether to amend placement plans to avoid incurring further heritage intervention costs.
42. Diver surveys must be completed during the activities required for setting anchor arrays. Commercial divers working on the project must be provided with brief orientation training. If wreck material is identified, archaeologists must be contracted to make an assessment.

43. The location and nature of any identified maritime and underwater cultural heritage resource must be provided to a maritime archaeologist and to the South African Heritage Resources Agency for inclusion on their Shipwreck Database.
44. Should evidence of archaeological material be identified, the Maritime and Underwater Cultural Heritage Unit at SAHRA must be notified and an archaeologist must assess the findings
45. Should any wreck site, or part thereof, or object or artefacts from a wreck site be disturbed during operations, a permit from SAHRA must be acquired prior to continuing with activities.
46. Benthic Mapping / survey of the area under individual farms must be undertaken by prospective operators before the commencement of the operational phase in order to establish baseline conditions for monitoring purposes.
47. Monitoring points must be established before the commencement of farming activities on each site in order to measure pre-farming baseline conditions with observed conditions during the operational phase. The number and placement of these monitoring points, and the parameters measured, must be appropriate to the mariculture activity type (and its by-products) at that site, the benthic habitat at that site, as well as the prevailing environmental conditions (such as the dominant current directions). The information gathered from monitoring points must be used to guide the phased development of each site.
48. Predictive dispersion models must be developed within 2 years of new aquaculture activities commencing and these must be used together with monitoring and other information to inform the continuous management of the Saldanha Aquaculture Development Zone.

ADZ phasing-in of aquaculture expansion

49. The holder of the authorisation must limit annual ungraded **shellfish** production to 10 000 tpa for the first two years, increasing thereafter annually by up to 5 000 tpa, only if monitoring results indicate that environment health has been maintained and impacts remain manageable, to a maximum of 27 600 tpa ungraded production.
 50. The holder of the authorisation must implement a **phased** approach for the development of **finfish** cage culture in the ADZ by:
 - 50.1. Limiting annual increases in finfish production to no more than 1 000 tpa to a maximum of 5 000 tpa achieved over a 5 year period, only if monitoring results indicate that environment health has been maintained and impacts remain manageable.
 - 50.2. Splitting the recommended annual increase in production between Big Bay and Outer Bay.
-

51. Finfish production beyond 5 000 tpa, to a maximum of 10 000 tpa, must only be pursued if:
 - 51.1. Ecological monitoring indicates that production of 5 000 tpa has no adverse ecological effects, and there is adequate information to permit further expansion in fish production;
 - 51.2. Intensified monitoring is applied (a detailed monitoring plan to be implemented) and that expanded production can only occur by following a more precautionary ramp up approach (where the expanded production is phased in over at least a five-year period, provided ongoing monitoring has indicated that resource quality objectives are maintained); and
 - 51.3. In the ramp up period, and for any production beyond five years, a further period of strict monitoring and environmental quality standards is introduced. Should standards or precautionary limits be approached or exceeded, sampling and monitoring plans must include a response procedure that leads to appropriate downward adjustments of fish production.
52. "These detailed monitoring plans, for intensified monitoring in the expanded finfish production scenario (i.e. finfish production beyond 5 000 tpa, to a maximum of 10 000 tpa), must be submitted to the Department for approval, prior to this expansion in finfish production commencing".
53. The holder of the authorisation must ensure that the findings of the dispersion modelling inform the site specific EMPs (to be compiled individual operators), Sampling Plan, ADZ layout and expansion.
54. Environmental monitoring must be implemented to inform management and expansion of operations as part of the phased approach

General

55. A copy of this environmental authorisation, the audit and compliance monitoring reports, and the approved EMP, must be made available for inspection and copying-
 - 55.1. at the site of the authorised activity;
 - 55.2. to anyone on request; and
 - 55.3. where the holder of the environmental authorisation has a website, on such publicly accessible website.
56. National government, provincial government, local authorities or committees appointed in terms of the conditions of this authorisation or any other public authority shall not be held responsible for any damages or losses suffered by the holder of the authorisation or his/her successor in title in any instance where construction or operation subsequent to construction be temporarily or permanently stopped for reasons of non-compliance by the holder of the authorisation with the conditions of authorisation as set out in this document or any other subsequent document emanating from these conditions of authorisation.

Date of environmental authorisation: 08/01/2018



Mr Sabelo Malaza

Chief Director, Integrated Environmental Authorisations

Department of Environmental Affairs

Annexure 1: Reasons for Decision

1. Information considered in making the decision

In reaching its decision, the Department took, *inter alia*, the following into consideration -

- a) The information contained in the BAR dated August 2017;
- b) The comments received from DEA Ocean and Coast, SANParks, West Coast District Municipality, Department of Environmental Affairs and Development Planning, Saldanha Bay Local Municipality, Cape Nature and Interested and Affected Parties as included in the BAR dated August 2017;
- c) Mitigation measures as proposed in the BAR dated August 2017 and the EMPr;
- d) The information contained in the specialist studies contained on the BAR; and
- e) The objectives and requirements of relevant legislation, policies and guidelines, including section 2 of the National Environmental Management Act, 1998 (Act No.107 of 1998).

2. Key factors considered in making the decision

All information presented to the Department was taken into account in the Department's consideration of the application. A summary of the issues which, in the Department's view, were of the most significance is set out below.

- a) The existing areas are not authorised as part of this environmental authorisation, however the approved ADZ EMPr must inform and be used to manage any future expansion of allocated existing areas.
- b) The findings of all the specialist studies conducted and their recommended mitigation measures.
- c) The need for the project stems from the requirement to develop and facilitate aquaculture (the sea-based or land-based rearing of aquatic animals or the cultivation of aquatic plants for food) in South Africa to supply food, create jobs in marginalised coastal communities and contribute to the national income.
- d) The project forms part of a presidential initiative to unlock the potential of the oceans to create employment and income in coastal communities, and specifically aims to create incentives for development of the aquaculture industry in Saldanha Bay, which has historically already provided skills development and employment in the area. As such, the project forms part of a government

initiative and aims to further the objectives of the National Development Plan in terms of economic development.

- e) The need and motivation for an ADZ approach was satisfactorily addressed:
- i. Key challenges identified in realising the full potential of aquaculture in Saldanha Bay are the lack of an enabling regulatory environment, short duration of leases and relatively high start-up costs for operators, including the need to conduct EIAs. The Operation Phakisa Aquaculture Lab has prioritised this matter in order to attract investment into aquaculture in Saldanha Bay;
 - ii. Existing projects are not able to expand and new projects are not able to produce more than 50 tons per annum without Environmental Authorisation. The undertaking of a bay-wide EIA for aquaculture in Saldanha Bay is considered critical to create an enabling environment for aquaculture in Saldanha Bay and to address cumulative impacts of aquaculture on the bay. It also reduces the risk and cost for individual operators and contributes to the provision of long-term leases in the bay;
 - iii. An ADZ approach is further considered critical to achieve an integrated, holistic and sustainable management of aquaculture in Saldanha Bay. Sustainable aquaculture is achieved when the environmental, social and economic aspects of a project are adequately addressed and integrated;
 - iv. Aquaculture requires good water quality and any negative impacts on the environment of Saldanha Bay will directly affect the growth of produce and underlying viability of the operations. Water quality therefore needs to be carefully monitored and managed. In Saldanha Bay, DAFF is conducting ongoing environmental monitoring to assess the impact of the mussel and oyster rafts on the seabed and the food safety of the mussels and oysters. Mussels are extensively used as biological indicators of pollution, as they accumulate contaminants in their tissue;
 - v. Shellfish and seaweed culture do not require the addition of feed for production, but can lead to depletion of natural nutrients and primary production. Finfish culture requires the use of feed which, if managed incorrectly, can cause eutrophication of a water body and algal blooms, with associated negative impacts on the cage culture of finfish. This can be mitigated by selecting sites with appropriate flushing and depth and applying the principle of Integrated Multi-Trophic Aquaculture (IMTA), which aims to recapture portions of nutrient waste lost from fish species as nutritional inputs for shellfish or seaweed culture. The simultaneous culture of various species in the bay, specifically finfish, shellfish and seaweed, can thus positively impact one another and reduce environmental impacts. The DAFF therefore supports the use of multiple species in Saldanha Bay, which can be more effectively achieved and managed in an ADZ.

- The DAFF also has a vested interest in ensuring that adequate monitoring is implemented on a continuous basis to ensure that:
- (aa) External pollution does not negatively impact the aquaculture within the bay;
 - (bb) The carrying capacity of the bay as a whole is not exceeded and that different species cultures do not negatively impact each other;
 - (cc) The community in the area receives the maximum socio-economic benefit of the development; and
 - (dd) The regulatory environment creates an enabling environment for current and new investment into aquaculture in the bay.
- f) The post-mitigation scenario eliminated a number of areas which were initially identified for inclusion in the ADZ. These areas have been avoided in the mitigation of marine ecology, socio-economic, visual, tourism and heritage impacts. These areas included the following:
- vi. Big Bay North: 100 m wide buffer around reefs and blinders and 1 km buffer from residents along the eastern shoreline (to mitigate marine ecology and visual impacts). This reduced the precinct by 43%;
 - vii. Big Bay South: entire precinct (to mitigate marine ecology and socio-economic impacts). This reduced the precinct by 100% (i.e. it will not be developed for aquaculture);
 - viii. Outer Bay North: 1 000 m buffer for finfish and 500 m buffer for shellfish around the Malgas Island Marine Protected Area (MPA) and 100 m wide buffer around reefs and blinders (to mitigate marine ecology impacts). This reduced the precinct by 40%; and
 - ix. Outer Bay South: 250 m wide buffer around Jutten Island MPA (aligned with the island) and the entire channel between Jutten Island and Donkergat Peninsula (to mitigate marine ecology, socio-economic and heritage impacts). This reduced the precinct by 73%.
- g) The post-mitigation scenario has thus been reduced by 70% from 1 404 ha in the pre-mitigation scenario to 420 ha in the approved post mitigation scenario. The total ADZ, including areas for which leases are currently held (not all of which are farmed) would be 884 ha in the post-mitigation scenario. This equates to approximately 10% of Saldanha Bay (Small, Big and Outer Bay).
- h) The authorisation provides for a precautionary approach to fish farming in Saldanha Bay through the implementation of a phased approach for expansion of aquaculture in the ADZ (as indicated the conditions above). Development of the ADZ will be undertaken in a phased approach, so that cumulative impacts can be detected as they arise, and adaptive management implemented concurrently. Only once environmental monitoring has revealed acceptable impacts as defined by the environmental quality objectives, indicators and performance measures, will further expansion in terms of fish production quantities be considered.

- i) The establishment of an ADZ Management Committee (AMC) and Consultative Forum will also help to ensure compliance with the approved EMPr and appropriate ADZ management.
- j) The BAR dated August 2017 identified all relevant environmental legislation and guidelines that have been considered in the preparation of the BAR dated August 2017.
- k) The methodology used in assessing the potential impacts identified in the BAR dated August 2017 and the specialist studies has been adequately indicated.
- l) A sufficient public participation process was undertaken and the applicant has satisfied the minimum requirements as prescribed in the EIA Regulations, 2014 for public involvement.

3. Findings

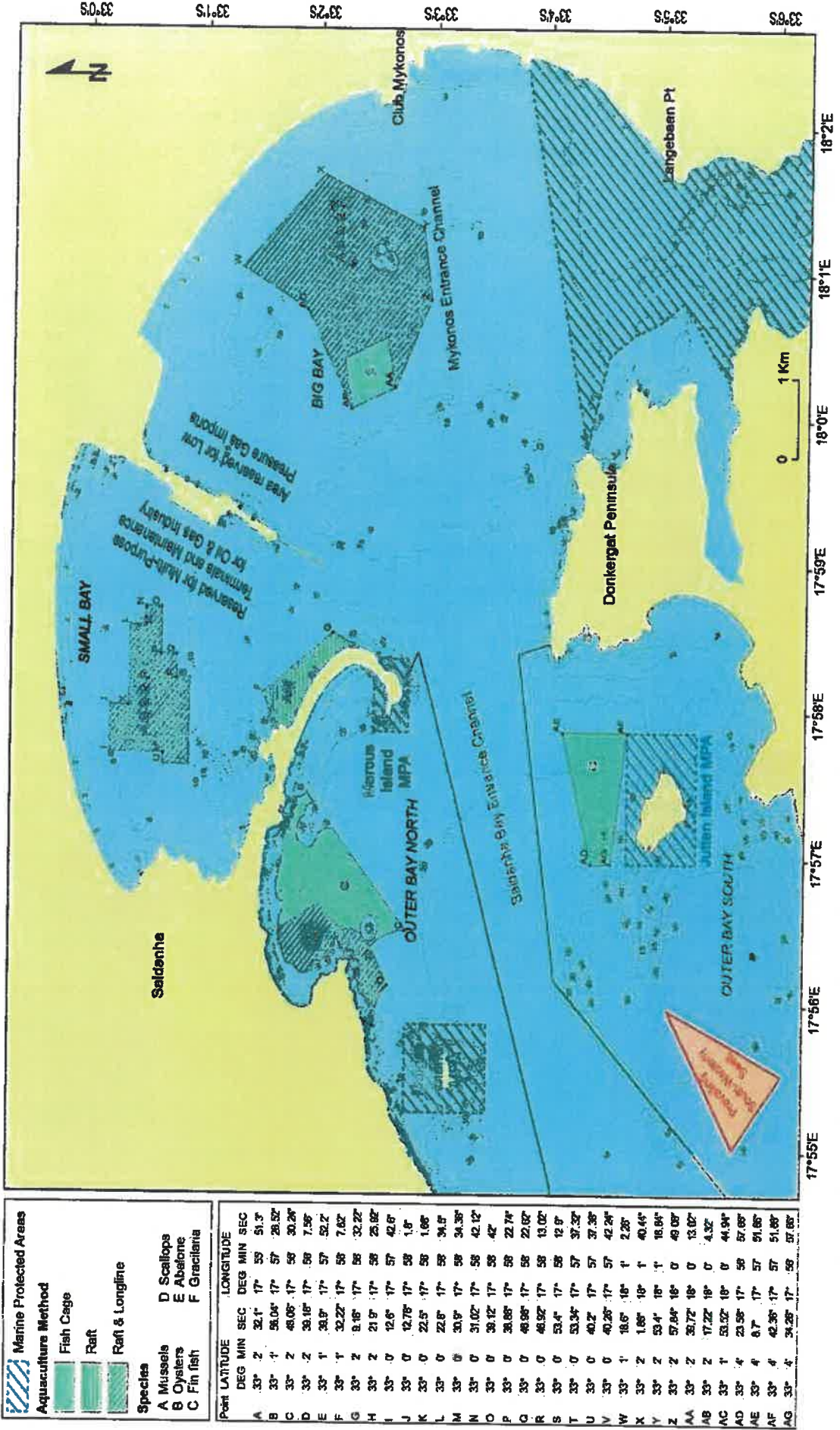
After consideration of the information and factors listed above, the Department made the following findings -

- a) The identification and assessment of impacts are detailed in the BAR dated August 2017 and sufficient assessment of the key identified issues and impacts have been completed.
- b) The procedure followed for impact assessment is adequate for the decision-making process.
- c) The proposed mitigation of impacts identified and assessed adequately curtails the identified impacts.
- d) According to the independent Environmental Assessment Practitioner, the information contained in the BAR dated August 2017 is accurate and credible.
- e) EMPr measures for the pre-construction, construction and rehabilitation phases of the development were proposed and included in the BAR and will be implemented to manage the identified environmental impacts during the construction phase.

In view of the above, the Department is satisfied that, subject to compliance with the conditions contained in the environmental authorisation, the authorised activities will not conflict with the general objectives of integrated environmental management laid down in Chapter 5 of the National Environmental Management Act, 1998 and that any potentially detrimental environmental impacts resulting from the authorised activities can be mitigated to acceptable levels. The environmental authorisation is accordingly granted.

Annexure 2: Locality Plan

S



| Marine Protected Areas | |
|------------------------|------------------------|
| | Marine Protected Areas |
| Aquaculture Method | |
| | Fish Cage |
| | Raft |
| | Raft & Longline |
| Species | |
| A | Mussels |
| B | Oysters |
| C | Fin fish |
| D | Scallops |
| E | Abalone |
| F | Gracilania |

| Point | LATITUDE | | LONGITUDE | |
|-------|----------|---------|-----------|----------------|
| | DEG | MIN SEC | DEG | MIN SEC |
| A | 33° | 2' | 32.1' | 17° 59' 51.3" |
| B | 33° | 4' | 58.04' | 17° 57' 28.92" |
| C | 33° | 2' | 48.08' | 17° 58' 30.28" |
| D | 33° | 2' | 38.18' | 17° 58' 7.98" |
| E | 33° | 1' | 39.9' | 17° 57' 52.7" |
| F | 33° | 1' | 32.22' | 17° 58' 7.82" |
| G | 33° | 2' | 8.18' | 17° 58' 32.22" |
| H | 33° | 2' | 21.9' | 17° 58' 28.92" |
| I | 33° | 0' | 12.6' | 17° 57' 42.6" |
| J | 33° | 0' | 12.78' | 17° 58' 1.8" |
| K | 33° | 0' | 22.5' | 17° 58' 1.66" |
| L | 33° | 0' | 22.8' | 17° 58' 34.8" |
| M | 33° | 0' | 30.9' | 17° 58' 34.38" |
| N | 33° | 0' | 31.02' | 17° 58' 42.12" |
| O | 33° | 0' | 38.12' | 17° 58' 42" |
| P | 33° | 0' | 38.88' | 17° 58' 22.74" |
| Q | 33° | 0' | 48.98' | 17° 58' 22.62" |
| R | 33° | 0' | 48.92' | 17° 58' 13.02" |
| S | 33° | 0' | 53.4' | 17° 58' 12.9" |
| T | 33° | 0' | 53.34' | 17° 57' 37.32" |
| U | 33° | 0' | 40.2' | 17° 57' 37.38" |
| V | 33° | 1' | 18.6' | 18° 1' 2.28" |
| X | 33° | 2' | 1.88' | 18° 1' 40.46" |
| Y | 33° | 2' | 59.4' | 18° 1' 49.04" |
| Z | 33° | 2' | 57.84' | 18° 1' 49.04" |
| AA | 33° | 2' | 58.72' | 18° 1' 13.02" |
| AB | 33° | 2' | 17.22' | 18° 0' 4.32" |
| AC | 33° | 1' | 58.52' | 18° 0' 44.94" |
| AD | 33° | 4' | 23.58' | 17° 58' 57.66" |
| AE | 33° | 4' | 8.7' | 17° 57' 51.66" |
| AF | 33° | 4' | 42.36' | 17° 57' 51.66" |
| AG | 33° | 4' | 34.28' | 17° 58' 57.66" |

ANNEXURE B

Annexure B-Detailed Deliverables and Costing

| Costing Activity | Unit of measure | Duration (Day/Months) | Total Costs |
|---|---|-----------------------|-------------|
| Project management and administration | | | |
| 1. Project inception | | | |
| Project inception report and meeting (agenda and minutes) | 1 | | |
| Subtotal | | | |
| 2. Monthly reports and online database maintenance | | | |
| Monthly site inspection reports and site inspection schedule. | 36 | | |
| Monthly ECO reports for the ADZ. | 36 | | |
| Summary version of the monthly ECO reports. | 36 | | |
| Maintenance of compliance data base (ongoing). | 36 | | |
| Maintenance of records on EDMS (online system). | 36 | | |
| Submission of documents to the Competent Authority (DFFE) on a monthly basis. | 36 | | |
| Subtotal | | | |
| 3. Review and update reports | | | |
| Update the monthly documents received register. | 36 | | |
| Update the monthly communications register. | 36 | | |
| Update the monthly incident register. | 36 | | |
| Review and update the ADZ Emergency Response Protocol annually. | 3 | | |
| Review and amendment to the Compliance Strategy | 1 | | |
| Subtotal | | | |
| 4. CF and AMC duties | | | |
| Provide secretariat functions of the AMC and CF | 18 AMC & 12 CF | | |
| Report back and fulfil role of rapporteur at the AMC and CF meetings. | 18 AMC & 12 CF | | |
| Chairing the CF meetings | 12 | | |
| Make logistical arrangements for the AMC and CF meetings. | 18 virtual AMC meetings, 6 CF in person meetings and 6 virtual meetings | | |

| | | | |
|--|--|--|--|
| Draft Annual AMC report. | 3 | | |
| Subtotal | | | |
| 5. External appointments | | | |
| Ensure the Appointment of the external auditor (should include professional fees) and submission of audit report to the Competent Authority (DFFE). | 3 | | |
| Subtotal | | | |
| 6. Progress meeting with MLRF | | | |
| Attendance at bi-monthly progress and project closure meetings with the MLRF Project Manager (draft agenda and minutes). | 18 | | |
| Subtotal | | | |
| 7. Record keeping | | | |
| Compile and ensure safe storage of all monthly progress reports and bi-monthly progress meeting agenda and meeting minutes. | 36 monthly reports, 18 agendas and 18 minutes | | |
| Subtotal | | | |
| 8. Data management | | | |
| Capture and summarise the ETP data and beach wash up waste data, including the biofouling data and production data from the FMRS that have been received | 36 data capturing spreadsheets reporting a summary of the data captured | | |
| Subtotal | | | |
| 9. Hand over | | | |
| Facilitate the handover of documentation to the next appointed service provider | 1 | | |
| Subtotal | | | |
| Grand total | | | |

Disbursements

| Item # | Unit Rate | Quantity | Cost Estimated |
|---|-----------|--------------------------|----------------|
| 1. Respond to emergency in the ADZ | | | |
| 2. Boat hire or use of own boat/vessel | | | |
| 3. Hiring of the CF meeting venue and consultative forum meeting held physically in Saldanha Bay | | | |
| 4. Review environmental recommendations contained in environmental monitoring reports when required. | | | |
| 5. Revise monthly ECO site inspection format when required. | | | |
| 6. Update the EMPr if required, submitting the application and conducting the public participation process as per the legal requirements. | | | |
| 7. Attendance at 24 additional stakeholder meetings/ additional services in Saldanha Bay/ Langebaan when required. | | | |
| Sub-Total | | | R |
| Cost of Deliverables + Cost of Disbursements | | | |
| R | R | (VAT inclusive) R | |

ANNEXURE C

C. EDUCATIONS

| YEAR (DD/MM/YYYY) | INSTITUTION | QUALIFICATION |
|----------------------|-------------|---------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

D. PREVIOUS WORK EXPERIENCE (From inception to date)

| START DATE (DD/MM/YYYY) | END DATE (DD/MM/YYYY) | COMPANY (INSTITUTION) | DUTIES |
|----------------------------|--------------------------|-----------------------|--------|
| | | | |
| | | | |

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

| | | | |
|--|--|--|--|
| | | | |
| | | | |
| | | | |

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

E. PARTICULARS OF WORK REFERENCES LISTED IN SECTION D

| | | | | | | | | | | | | | | | | | | | | | |
|---------------------|--|--|--|--|--|--|--|--|--|--------|-------------|--|--|--|--|--|--|--|--|--|--|
| NAME: | | | | | | | | | | NAME: | | | | | | | | | | | |
| ADDRESS OF COMPANY: | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | |
| POSTAL CODE | | | | | | | | | | | POSTAL CODE | | | | | | | | | | |
| E-MAIL | | | | | | | | | | E-MAIL | | | | | | | | | | | |
| Tel. WORK | | | | | | | | | | | Tel. WORK | | | | | | | | | | |
| FAX | | | | | | | | | | | FAX | | | | | | | | | | |
| CELLPHONE | | | | | | | | | | | CELLPHONE | | | | | | | | | | |

| | | | | | | | | | | | | | | | | | | | | | |
|---------------------|--|--|--|--|--|--|--|--|--|--------|-------------|--|--|--|--|--|--|--|--|--|--|
| NAME: | | | | | | | | | | NAME: | | | | | | | | | | | |
| ADDRESS OF COMPANY: | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | |
| POSTAL CODE | | | | | | | | | | | POSTAL CODE | | | | | | | | | | |
| E-MAIL | | | | | | | | | | E-MAIL | | | | | | | | | | | |
| Tel. WORK | | | | | | | | | | | Tel. WORK | | | | | | | | | | |
| FAX | | | | | | | | | | | FAX | | | | | | | | | | |
| CELLPHONE | | | | | | | | | | | CELLPHONE | | | | | | | | | | |