

**TRANSNET SOC LTD**[hereinafter referred to as **Transnet**]

[Registration No. 1990/000900/30]

**REQUEST FOR PROPOSAL [RFP]****FOR THE PROVISION OF INTERNAL AUDIT FOR PART 1: ASSURANCE AND RELATED SERVICES AND PART 2: PROACTIVE ASSURANCE ON HIGH-VALUE, HIGH-RISK TENDERS FOR A PERIOD OF FIVE (5) YEARS**

<b>RFP NUMBER</b>	<b>TCC/2022/05/0143/3962/RFP</b>
<b>ISSUE DATE:</b>	<b>28 October 2022</b>
<b>CLOSING DATE:</b>	<b>21 November 2022</b>
<b>CLOSING TIME:</b>	<b>23H00</b>
<b>BID VALIDITY PERIOD:</b>	<b>180 Business Days from Closing Date</b>

**Note to the Bidders:**

**Bidders are required to ensure that electronic bid submissions are done at least a day before the closing date to prevent issues which they may encounter due to their internet speed, bandwidth or the size of the number of uploads they are submitting. Transnet will not be held liable for any challenges experienced by Bidders as a result of the technical challenges. Please do not wait for the last hour to submit. A Bidder can upload 30mb per upload and multiple uploads are permitted.**

**PREFERENTIAL PROCUREMENT PRE-QUALIFICATION CRITERIA - ONLY THE FOLLOWING BIDDERS MAY RESPOND TO THIS RFP:**

- a) **BIDDER OR BIDDERS (AS APPLICABLE) WITH A MINIMUM B-BBEE STATUS LEVEL 1 TO 4.**
- b) **A BIDDERS SUBCONTRACTING A MINIMUM OF 30% OF THE VALUE OF THE CONTRACT TO ONE OR MORE OF THE FOLLOWING DESIGNATED GROUP:**
  - an EME or QSE;
  - an EME or QSE which is at least 51% owned by Black People;
  - an EME or QSE which is at least 51% owned by black people who are youth;
  - an EME or QSE which is at least 51% owned by black people who are women;
  - an EME or QSE which is at least 51% owned by black people with disabilities;
  - an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
  - an EME or QSE which is at least 51% owned by black people who are military veterans; or
  - a cooperative which is at least 51% owned by black people.



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## SECTION 1: SBD1 FORM

## PART A

## INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR THE PROVISION OF INTERNAL AUDIT FOR PART 1: ASSURANCE AND RELATED SERVICES AND PART 2: PROACTIVE ASSURANCE ON HIGH-VALUE, HIGH-RISK TENDERS FOR A PERIOD OF FIVE (5) YEARS</b>							
BID NUMBER:	TCC/2022/05/0143/3962/RFP	ISSUE DATE:	28 October 2022	CLOSING DATE:	21 November 2022	CLOSING TIME:	23h00
DESCRIPTION	<b>RFP FOR THE PROVISION OF INTERNAL AUDIT FOR PART 1: ASSURANCE AND RELATED SERVICES FOR A PERIOD OF FIVE (5) YEARS AND PART 2: PROACTIVE ASSURANCE ON HIGH-VALUE, HIGH-RISK TENDERS FOR A PERIOD OF FIVE (5) YEARS</b>						
<b>BID RESPONSE DOCUMENTS SUBMISSION</b>							
<b>BIDDERS ARE TO UPLOAD THEIR BID RESPONSE PROPOSALS ONTO THE TRANSNET SYSTEM AGAINST EACH TENDER SELECTED</b> (please refer to section 2, paragraph 3 for a detailed process on how to upload submissions): <a href="https://transnettenders.azurewebsites.net">https://transnettenders.azurewebsites.net</a>							
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>				<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>			
CONTACT PERSON	Lerato Ramoyada			CONTACT PERSON	Lerato Ramoyada		
TELEPHONE NUMBER	N/A			TELEPHONE NUMBER	N/A		
FACSIMILE NUMBER	N/A			FACSIMILE NUMBER	N/A		
E-MAIL ADDRESS	Lerato.ramoyada@transnet.net			E-MAIL ADDRESS	Lerato.ramoyada@transnet.net		
<b>SUPPLIER INFORMATION</b>							
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:			<b>OR</b>	CENTRAL SUPPLIER DATABASE	UNIQUE REGISTRATION REFERENCE NUMBER:	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

Respondent's Signature

Date &amp; Company Stamp



<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED FOR PURPOSES OF COMPLIANCE WITH THE B-BBEE ACT]</b>			
<b>1 ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</b>  <input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ENCLOSE PROOF]		<b>2 ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</b>  <input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES, ANSWER QUESTIONNAIRE BELOW]	
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>			
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 ANY SOURCE OF INCOME IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
<b>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 1.3 BELOW.</b>			

**PART B**

**TERMS AND CONDITIONS FOR BIDDING**

<b>1. TAX COMPLIANCE REQUIREMENTS</b>
1.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS. 1.2 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, FOR FOREIGN BIDDERS: WHERE APPLICABLE. 1.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA. 1.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID. 1.5 IN BIDS WHERE UNINCORPORATED CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER. 1.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

**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: \_\_\_\_\_



## SECTION 2: NOTICE TO BIDDERS

### 1 INVITATION TO BID

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

<b>DESCRIPTION</b>	RFP for the provision of internal audit for Part 1: Assurance and related services for a period of five (5) years and Part 2: Proactive Assurance on High-value, High-Risk Tenders for a period of five (5) years.
<b>TENDER ADVERT</b>	All Transnet tenders are advertised on the National Treasury's e-Tender Publication Portal and the Transnet website. Should one of these media (i.e. National Treasury's e-Tender Publication Portal or Transnet website) not be available, bidders are advised to check on the other media for advertised tenders.
<b>RFP DOWNLOADING</b>	<p>This RFP may be downloaded directly from National Treasury's e-Tender Publication Portal at <a href="http://www.etenders.gov.za">www.etenders.gov.za</a> free of charge.</p> <p>To download RFP and Annexures:</p> <ul style="list-style-type: none"> <li>• Click on "Tender Opportunities";</li> <li>• Select "Advertised Tenders";</li> <li>• In the "Department" box, select Transnet SOC Ltd.</li> </ul> <p>Once the tender has been located in the list, click on the "Tender documents" tab and process to download all uploaded documents.</p> <p>The RFP may also be downloaded from the Transnet Portal at <a href="https://transnetetenders.azurewebsites.net">https://transnetetenders.azurewebsites.net</a> (please use <b>Google Chrome</b> to access Transnet link/site) free of charge (<i>refer to section 2, paragraph 3 below for detailed steps</i>)</p>
<b>COMMUNICATION</b>	<p>Any addenda to the RFP or clarifications will be published on the e-tender portal and Transnet website. Bidders are required to check the e-tender portal or Transnet website prior to finalising their bid submissions for any changes or clarifications to the RFP.</p> <p>Transnet will not be held liable if Bidders do not receive the latest information regarding this RFP with the possible consequence of either being disadvantaged or disqualified as a result thereof.</p>
<b>BRIEFING SESSION</b>	<p>Non-compulsory online via MSTEAMS: Bidders are required to confirm their attendance and to send their contact details including email addresses and the number of representatives (where applicable) to the following address: <b><a href="mailto:Lerato.Ramoyada@transnet.net">Lerato.Ramoyada@transnet.net</a></b> This is to ensure that Transnet may make the necessary arrangements and invites for the MSTEAM briefing session. Refer to paragraph 2 for details.</p>
<b>CLOSING DATE</b>	<p><b>23h00,21 November 2022</b> Bidders must ensure that bids are uploaded timeously onto the system. As a general rule, if a bid is late, it will not be accepted for consideration.</p> <p><b><i>Bidders are required to ensure that electronic bid submissions are done at least a day before the closing date to prevent issues which they may encounter due to their internet speed, load shedding, bandwidth or the size of the number of uploads they are submitting. Transnet will not be held liable for any challenges experienced by bidders as a result of the technical challenges. Please do not wait for the last hour to submit. A Bidder can upload 30mb per upload and multiple uploads are permitted.</i></b></p>
<b>VALIDITY PERIOD</b>	<p><b>180 Business Days from Closing Date</b> Bidders are to note that they may be requested to extend the validity period of their bid, at the same terms and conditions, if the internal evaluation</p>



	process has not been finalised within the validity period. However, once the adjudication body has approved the process and award of the business to the successful bidder(s), the validity of the successful bidder(s)' bid will be deemed to remain valid until a final contract has been concluded.
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Any additional information or clarification will be published on the e-Tender portal and Transnet website, if necessary.

## **2 FORMAL BRIEFING**

A Non-Compulsory RFP briefing will be conducted on online via MSTEAMs on the **07 November 2022**, from 11h00 until 13h00. In the event there are a number of questions, that result in the briefing taking longer or for any technical glitches the MSTEAMs may continue for a period longer than indicated.

Bidders to send their email addresses to [Lerato.Ramoyada@transnet.net](mailto:Lerato.Ramoyada@transnet.net), so that they can be sent the MSTEAMs invite/sent the link for this non-compulsory online MSTEAMs briefing session, and to also be sent the briefing presentation. The briefing presentation will also be made available on the National Treasury's e-Tender Publication Portal at [www.etenders.gov.za](http://www.etenders.gov.za), and also on the Transnet e-tender portal.

The briefing session will start punctually and information will not be repeated for the benefit of Bidders arriving late.

2.1 Despite the briefing session being non-compulsory, Transnet nevertheless encourages all Bidders to attend. Transnet will not be held responsible if any Bidder who did not attend the **non-compulsory** session subsequently feels disadvantaged as a result thereof.

## **3 PROPOSAL SUBMISSION**

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

- a) The Transnet e-Tender Submission Portal can be accessed as follows:
- Log on to the Transnet eTenders management platform website/ Portal ([transnetetenders.azurewebsites.net](https://transnetetenders.azurewebsites.net)) Please use **Google Chrome** to access Transnet link/site);
  - Click on "ADVERTISED TENDERS" to view advertised tenders;
  - Click on "SIGN IN/REGISTER – for bidder to register their information (must fill in all mandatory information);
  - Click on "SIGN IN/REGISTER" - to sign in if already registered;
  - Toggle (click to switch) the "Log an Intent" button to submit a bid;
  - Submit bid documents by uploading them into the system against each tender selected.
  - No late submissions will be accepted. The bidder guide can be found on the Transnet Portal [transnetetenders.azurewebsites.net](https://transnetetenders.azurewebsites.net)



#### **4 RFP INSTRUCTIONS**

- 4.1 Please sign documents [sign, stamp and date the bottom of each page] before uploading them on the system. The person or persons signing the submission must be legally authorised by the Bidder to do so.
- 4.2 All returnable documents tabled in the Proposal Form [Section 5] must be returned with proposals.
- 4.3 Unless otherwise expressly stated, all Proposals furnished pursuant to this RFP shall be deemed to be offers. Any exceptions to this statement must be clearly and specifically indicated.
- 4.4 Any additional conditions must be embodied in an accompanying letter. Subject only to clause 15 [Alterations made by the Bidder to Bid Prices] of the General Bid Conditions, paragraph 12 below (Legal Review) and Section 6 of the RFP, alterations, additions or deletions must not be made by the Bidder to the actual RFP documents.

#### **5 JOINT VENTURES OR CONSORTIUMS**

Bidders who would wish to respond to this RFP as a Joint Venture [**JV**] or consortium with B-BBEE entities, must state their intention to do so in their RFP submission. Such Bidders must also submit a signed JV or consortium agreement between the parties clearly stating the percentage [%] split of business and the associated responsibilities of each party. If at the time of the bid submission such a JV or consortium agreement has not been concluded, the partners must submit confirmation in writing of their intention to enter into a JV or consortium agreement should they be awarded business by Transnet through this RFP process. This written confirmation must clearly indicate the percentage [%] split of business and the responsibilities of each party. In such cases, award of business will only take place once a signed copy of a JV or consortium agreement is submitted to Transnet.

Bidders are to note that for the purpose of Evaluation, a JV will be evaluated based on one consolidated B-BBEE score card (a consolidated B-BBEE Status Level verification certificate) as per the B-BBEE Preferential Procurement Regulations, 2017 preference point scoring.

#### **6 PREFERENTIAL PROCUREMENT PREQUALIFICATION CRITERIA**

##### **6.1. Subcontracting**

As prequalification criteria to participate in this RFP, Bidders are required to subcontract a minimum of 30% [Thirty percent] of the value of the contract to one or more of the following designated groups:

- an EME or QSE;
- an EME or QSE which is at least 51% owned by Black People;
- an EME or QSE which is at least 51% owned by black people who are youth;
- an EME or QSE which is at least 51% owned by black people who are women;
- an EME or QSE which is at least 51% owned by black people with disabilities;
- an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
- an EME or QSE which is at least 51% owned by black people who are military veterans; or
- a cooperative which is at least 51% owned by black people.



A bid that fails to meet these pre-qualifying criteria will be regarded as an unacceptable bid. Refer to Section 10 to complete the required Subcontracting Pre-Qualification Criteria Form

#### **6.2. Minimum B-BBEE level**

Transnet has decided to set a minimum B-BBEE threshold for participation in this RFP process. The minimum B-BBEE threshold in this instance is a B-BBEE Level 1 to 4, and Bidders who do not have at least this B-BBEE status or higher will be disqualified.

### **7 COMMUNICATION**

- 7.1 For specific queries relating to this RFP, an RFP Clarification Request Form should be submitted onto the system and to [[Lerato.ramoyada@transnet.net](mailto:Lerato.ramoyada@transnet.net)] before **12h00 pm on 14 November 2022**, substantially in the form set out in Section 8 hereto. In the interest of fairness and transparency, Transnet's response to such a query will be published on the e-tender portal and Transnet website.
- 7.2 After the closing date of the RFP, a Bidder may only communicate with ([Lerato.ramoyada@transnet.net](mailto:Lerato.ramoyada@transnet.net)), on any matter relating to its RFP Proposal.
- 7.3 Bidders are to note that changes to its submission will not be considered after the closing date.
- 7.4 It is prohibited for Bidders to attempt, either directly or indirectly, to canvass any officer or employee of Transnet in respect of this RFP between the closing date and the date of the award of the business.
- 7.5 Bidders found to be in collusion with one another will be automatically disqualified and restricted from doing business with organs of state for a specified period.

### **8 CONFIDENTIALITY**

All information related to this RFP is to be treated with strict confidence. In this regard Bidders are required to certify that they have acquainted themselves with the Non-Disclosure Agreement. All information related to a subsequent contract, both during and after completion thereof, will be treated with strict confidence. Should the need however arise to divulge any information related to this RFP or the subsequent contract, written approval must be obtained from Transnet.

### **9 COMPLIANCE**

The successful Bidder (or Bidders, as applicable) shall be in full and complete compliance with any and all applicable laws and regulations.

### **10 EMPLOYMENT EQUITY ACT**

Bidders must comply with the requirements of the Employment Equity Act 55 of 1998 applicable to it including (but not limited to) Section 53 of the Employment Equity Act.



## **11 DISCLAIMERS**

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

- 11.1 modify the RFP's Services and request Bidders to re-bid on any such changes;
- 11.2 reject any Proposal which does not conform to instructions and specifications which are detailed herein;
- 11.3 disqualify Proposals submitted after the stated submission deadline [closing date];
- 11.4 award a contract in connection with this Proposal at any time after the RFP's closing date;
- 11.5 award a contract for only a portion of the proposed Services which are reflected in the scope of this RFP;
- 11.6 to accept part of a bid rather than the whole bid; and/or award in parts to more than one (1) Bidder;
- 11.7 validate any information submitted by Bidders in response to this bid. This would include, but is not limited to, requesting the Bidders to provide supporting evidence. By submitting a bid, Bidders hereby irrevocably grant the necessary consent to Transnet to do so;
- 11.8 request audited financial statements or other documentation for the purposes of a due diligence exercise;
- 11.9 not accept any changes or purported changes by the Bidder to the bid rates after the closing date and/or after the award of the business, unless the contract specifically provided for it;
- 11.10 to cancel the contract and/request that National Treasury place the Bidder on its Database of Restricted Suppliers for a period not exceeding 10 years, on the basis that a contract was awarded on the strength of incorrect or misleading or fraudulent information furnished by the Bidder or on any other basis recognised in law;
- 11.11 to award the business to the next ranked bidder, provided that he/she is still prepared to provide the required Goods/Services at the quoted price, should the preferred bidder fail to sign or commence with the contract within a reasonable period after being requested to do so. Under such circumstances, the validity of the bids of the next ranked bidder(s) will be deemed to remain valid, irrespective of whether the next ranked bidder(s) were issued with a Letter of Regret. Bidders may therefore be requested to advise whether they would still be prepared to provide the required Services at their quoted price, even after they have been issued with a Letter of Regret.

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

## **12 LEGAL REVIEW**

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



### 13 SECURITY CLEARANCE

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

### 14 NATIONAL TREASURY'S CENTRAL SUPPLIER DATABASE

Bidders are required to self-register on National Treasury's Central Supplier Database (CSD) which has been established to centrally administer supplier information for all organs of state and facilitate the verification of certain key supplier information. Bidders must register on the CSD prior to submitting their bids. Business may not be awarded to a Bidder who has failed to register on the CSD. Only foreign suppliers with no local registered entity need not register on the CSD.

***For this purpose, the attached SBD 1 form must be completed and submitted as a mandatory returnable document by the closing date and time of the bid.***

### 15 TAX AND OTHER COMPLIANCE

Bidders must be compliant when submitting a proposal to Transnet and remain compliant for the entire contract term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962); Value Added Tax Act, 1991 (Act No. 89 of 1991) and Compensation for Occupational Injuries and Diseases Act 130 of 1993 ("COIDA").

It is a condition of this bid that the tax matters of the successful Bidders be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the Bidders tax obligations. The Tax Compliance status requirements are also applicable to foreign Bidders/ individuals who wish to submit bids.

Where Consortia / Joint Ventures / Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database.



**Transnet urges its clients, suppliers and the general public to report any fraud or corruption to TIP-OFFS ANONYMOUS:**



**Ethics Helpdesk** (Pty) LTD.  
Ethics Management Systems™

You can choose to be **Anonymous** or **Non-Anonymous** on **ANY** of the platforms

**PLEASE RETAIN YOUR REFERENCE NUMBER**



**AI Voice Bot "Jack"**

Speak to our AI Voice Chat Bot "JACK", you converse with him like chatting to a human, with the option to record a message and speak to an agent at anytime.



**What's App**

Speak to an Agent via What's App.



**Speak to an Agent**

Speak to an Agent via the platform with no call or data charge



**Telegram**

Speak to an Agent via Telegram



**0800 003 056**



**086 551 4153**



**reportit@ethicshelpdesk.com**



**\*120\*0785980808#**



## SECTION 3: BACKGROUND, OVERVIEW AND SCOPE OF REQUIREMENTS

### 1 BACKGROUND

In terms of Section 76 of the Public Finance Management Act 1 Of 1999 ("PFMA") and Treasury Regulations: Regulation 27 (27.2.2) states: "*All public entities to which these regulations apply must have an internal audit function*". Transnet needs to establish an independent and objective internal audit function.

The Treasury Regulations further stipulate, Regulation 27 (27.2.4) states: "*The internal audit function may, in accordance with preferred tendering procedures, be contracted out to an external institution with specialist audit expertise, provided that the external auditors may not perform the internal audit function*".

Transnet has established an internal audit function and the Transnet Audit Committee has approved a co-sourced internal audit operating model. This operating model envisages a hybrid of internal resourcing augmented by capability and capacity from external professional services firms.

The internal structure to fulfil the approved hybrid strategy model of 60% (internal resources) vs. 40% (external resources).

Transnet Internal Audit (TIA) seeks to appoint a Bidders for Part 1 and a bidder for Part 2 to strategically partner with Transnet to effectively execute on the Internal Audit Strategy and to provide Transnet, with effective and efficient, provision of internal audit for Assurance and related services (Part 1) and Proactive Assurance on High-Value, High-Risk Tenders (Part 2).

### 2 EXECUTIVE OVERVIEW

Whereas Transnet is seeking Bidder(s) to provide solutions for its Internal Audit for Assurance and related services and Proactive Assurance on High-Risk, High-value Audit Tenders nationally, it also seeks to improve its current processes for providing these Services to its end user community throughout its locations.

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

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

- 2.1 Transnet must receive reduced cost of acquisition and improved service benefits resulting from the Bidder's economies of scale and streamlined service processes.
- 2.2 Transnet must achieve appropriate availability that meets user needs while reducing costs for both Transnet and the chosen Bidders.
- 2.3 Transnet must receive proactive improvements from the Bidders with respect to supply/provision of Services and related processes.



- 2.4 Transnet's overall competitive advantage must be strengthened by the chosen Bidder's leading edge technology and service delivery systems.
- 2.5 Transnet end users must be able to rely on the chosen Bidder's personnel for service enquiries, recommendations and substitutions.
- 2.6 Transnet must reduce costs by streamlining its acquisition of Services, including managed service processes on a Group basis.

### **3 SCOPE OF WORK**

In South Africa, Regulation 27.2.6 of the Treasury Regulations states that "Internal audit must be conducted in accordance with the standards set by the Institute of Internal Auditors". This makes compliance with the IIA's and International Professional Practices Framework (IPPF), a legislative requirement for all organisations required to comply with the PFMA and the Treasury Regulations. The mandatory requirements of the IPPF are set out in the following key documents:

- The Mission of Internal Auditing;
- The Core Principles of Internal Auditing;
- The Definition of Internal Auditing;
- The International Standards for the Professional Practice of Internal Auditing; and
- The IIA Code of Ethics.

The Institute of Internal Auditors' Practice Advisories, Practice Guides, Position Papers, King IV and other leading governance pronouncements will also require adherence to, as applicable to guide operations.

#### **3.1 SPECIFIC SERVICES REQUIREMENTS**

The Bidder will be required to provide TIA with the provision of capacity and capability to fulfil the mandate of Internal Audit as per the Audit Committee approved Internal Audit Charter. The types of services to be provided can be broadly categorised as internal audit for Assurance and related services (Part 1) and Proactive assurance on High-Value, High-Risk Tenders (Part 2).

The Bidder/s will be required to extensively support TIA in the discharge of its responsibilities (as envisaged in the TIA Charter).

**Bidders may respond and submit bid proposals to requirements for both Part 1 and Part 2 or only respond and submit bid proposals for either Part 1 or Part 2. The Part 1 and Part 2 requirements are independent of each other and will be evaluated and awarded separately.**

#### **3.2 TRANSNET INTERNAL AUDIT KEY ASSURANCE FOCUS AREAS (PART 1)**

- The IIA Standard 2010 recommends that the Chief Audit Executive (CAE) establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organisation's goals. Transnet Internal Audit Key Assurance Focus Areas aligns to the key business processes that are also subject to



- the most significant risks facing the organisation, as well internal and external opportunities, as well as challenges in the respective operating environments.
- Outlined below are some of the key focus areas, however this should not be read as comprehensive and reflective of the full complexity of the organisation and the associated assurance requirements.

### 3.2.1 **Integrated Operational Reviews**

The organization has deployed a value chain-centric segment strategy to focus delivery of freight logistic solutions for customers. The segment strategies articulate Transnet's strategic positioning, tactical response, and partnership strategies for each of the key commodity supply chains that the Company supports, including containers, automotive, fuel, coal, iron ore and others.

The key objective of the new approach is to ensure greater competitiveness for key industry supply chains and to support the growth of Transnet's key market segments. The various Operating Divisions work in an integrated manner to drive efficiencies within Corridors as a means of improving customer experience whilst lowering the cost of doing business.

The Corridors are organized along the mainline rail network infrastructure and operates rail services over major rail corridors to transport commodities for export, regional and domestic markets. The Corridor Model aims to respond to the rapidly changing business, market and policy environments, and to drive improved business performance and competitiveness.

The new Corridor Model is primarily designed to improve decision-making, responsiveness to customer needs and integrated problem solving; whilst enhancing operations interfaces between rail and ports, drive supply chain efficiencies and unlock capacity for growth of volumes on rail. Internal audits require specific competencies and insights from leading practice and/or international benchmarks in freight logistics, rail manufacturing, engineering, and the ports environment to contribute to optimum efficient operational processes.

### 3.2.2 **Asset Management Reviews**

A robust and effective asset maintenance regime is critical to improve and sustain the availability and reliability of all infrastructure and assets, through the implementation of cost-effective maintenance and asset management strategies, as well as identifying and mitigating the underlying root causes of incidents that result in equipment downtime and disruptions to operations.

Asset maintenance audits are critical to confirm that scheduled asset maintenance activities are adequately planned, executed and any deviations are timely identified and corrected in order to increase availability and reliability of assets to support the operations; assessing whether there is adherence to controls to ensure compliance to the required asset maintenance quality standards to limit the frequency of breakdowns and rework (i.e., maintenance) costs; and ensure that critical asset breakdowns (unplanned maintenance) are timely identified and appropriately reported and



ensure these are prioritised for maintenance in order to limit the downtime of assets and any further delays in operations. It is important for internal audit to have access to specific engineering specialists and skills that would drive such audits as and when required.

### 3.2.3 **Capital programme and project reviews**

Effective Capital Portfolio Management is vital as it supports the organisation's strategic goals and its investment decisions. Having appropriate governance, oversight and controls in place is critical at Portfolio, Programme, and Project level. This is even more important today, given the prevailing external risks and uncertainty, scarcity of resources which requires organisations to critically reassess the viability and affordability to initiate new capital programmes and projects and including the completion of existing projects.

The execution of major capital projects presents enormous challenges and global research indicates that a less than 50% of capital programmes and projects are not being delivered within cost, scope and budget. TIA is required to provide assurance and provide objective feedback on whether approved projects will be delivered on time, scope and budget, but also that the overall capital portfolio is appropriately balanced and prioritised, to support the organisation's strategic objectives.

Assurance services should comprise an end-to-end methodology and proactive project assurance that will help management address risks at every milestone of the project lifecycle, namely asset creation, conceptualisation, pre-feasibility, feasibility, project execution to operational readiness, post implementation and asset hand over, considering the project's objectives, significant risks, regulatory requirements, amongst other factors.

### 3.2.4 **Supply Chain Management (SCM)**

As an SOE, Transnet is also mandated to use public procurement as a lever for socio-economic transformation. To drive a balance between socio-economic mandate and leveraging SCM to gain competitive advantage, the organisation requires an expanded supply chain risk management framework, better alignment to strategic planning and its sustainability mandate including compliance to key legislation aimed at making the process more transparent and fairer.

An experienced and innovative internal audit function should partner with business to provide a holistic approach that is practical and cognisant of the current risk profile of the organisation and national and global environment at large. Value management in the context of internal audit is about auditing to the needs of the business to support the achievement of organization's strategic goals rather than performing a lot of traditional audits

Thus, the Transnet Internal Audit (TIA) function is looking for partners (or partner) to provide **more efficient** assurance, better advice on processes and controls, and in addition, introduce intelligent systems, tools and methodologies that provide greater anticipation of risks to proactively assure, provide deeper insights into strategic business issues and risks and solution with the business. Required Assurance Capabilities in the following areas:



- Integrated Supply chain management assurance;
- SCM process Optimisation;
- Emergency spend review; and
- Enterprise supplier Development.

### 3.2.5 **Information Communication and Technology (ICT)**

TIA strives to become a trusted assurance partner with business by ensuring that it delivers on time, accurate, relevant, impactful, and concise assurance services and results. Transnet's complex integrated and vast ICT infrastructure, by design is exposed to network incidents and cyber-attacks, which then warrants robust and pro-active assurance to support business. The complex IT landscape requires an assurance function that is adequately equipped with automated streamlined audit processes, adaptable and scalable solutions to enable impactful assurance service delivery. TIA aims to achieve this through innovating and transforming its audit process life cycle. Assurance Capabilities are required as follows:

- **Cyber Security Assurance:**
  - Continuous Cyber Security reviews supported by relevant digital tools that allow for dashboard concise reporting. Expertise in auditing IT systems from a security perspective, including data security, network security, access management etc.
- **Application Controls Review:**
  - In-depth understanding of controls that pertain to the scope of individual processes or application systems in use (including but not limited to SAP ERP etc.)
- **Robotics Process Automation:**
  - Subject-matter expertise of upcoming developments and latest technology with respect to automation and digitalization.
- **Programme Risk Assurance:**
  - Reviews with technical expertise of the technology being implemented through projects.
- **Data Analytics, Continuous Auditing & Control Monitoring:**
  - Intelligent Data Analytics supported by relevant tools and expertise that can support all audit streams.
- **IT General Controls ("ITGC"):**
  - ITGCs driven through best practice frameworks and knowledgeable resources on IIA standards and other related best practice baselines.



### 3.2.6 **Internal Financial Controls (IFC)**

Internal Financial Controls (IFC) Quarterly reviews of the adequacy and effectiveness of key financial processes including key financial reporting controls identified in financial systems and processes (Key financial processes include, but not limited to: Fixed Assets, Inventory, Order to Cash, Procure to Pay, Tax and Treasury).

IFC reviews are performed to assist the Audit Committee express a view on the effectiveness of the design and implementation of IFC, and on the nature, extent of any significant weaknesses in the design, implementation or execution of IFCs that resulted in material financial loss, fraud, corruption or error.

This is done to satisfy the King Code on Corporate Governance (King IV). Auditing of the IFCs requires resources to possess expertise on internal financial controls, not limited to financial reporting controls, knowledge of and experience of auditing or working with different types of taxes and treasury operations (which include front, middle and back-office operations of the treasury function).

### 3.2.7 **Audit of Performance Information design and effectiveness**

Audit of Performance Information (AOPI) reviews are aimed at ensuring that reported performance against predetermined Shareholder Compact targets is useful, reliable and complies with regulatory quarterly reporting requirements.

The reviews also provide assurance to the Board on whether implementation of the Shareholder's Compact and Corporate Plan is on track. The quarterly performance reports, report on the overall progress made on the implementation of the Shareholder's Compact and Corporate plan to the Department of Public Enterprises (DPE).

The quarterly reports are utilised by investors and related stakeholders to monitor Transnet's performance against its plans and to identify early signs of possible risks that could prevent the organisation from achieving its objectives.

TIA requires capability and competencies to provide assurance on the accurate and reliable reporting of Performance Information to Transnet's key stakeholders.

### 3.2.8 **PFMA Compliance Reviews**

Transnet as a State-Owned Company (SOC) is obligated to comply with the Public Finance Management Act (PFMA) and its related regulations, frameworks, and instruction notes from the National Treasury.

Sections 51 and 55 of the PFMA impose certain obligations on Transnet relating amongst others to the prevention, identification and reporting of fruitless and wasteful expenditure; irregular expenditure; expenditure that does not comply with operational policies; losses through criminal conduct and the collection of all revenue.



PFMA promotes the objective of good financial management in order to maximise service delivery through the effective and efficient use of resources. To this effect Transnet commits to maintain systems and mechanisms to:

- Comply with all the PFMA and regulations and National Treasury Instructions;
- Practice Notes, Regulations and Guidelines applicable to Transnet;
- Comply with all the reporting requirements conveyed to Transnet through the PFMA and Treasury Regulations;
- Take effective and appropriate steps to safeguard all Transnet assets;
- Maintain an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive, and cost-effective;
- Prevent irregular expenditure, fruitless and wasteful expenditure, losses resulting from criminal conduct, and expenditure not complying with the operational policies of Transnet; and
- In addition to the above PFMA compliance has become a significant area of focus for Transnet because of its impact on Audit opinion. Internal Audit requires competencies that have prior experience and vast knowledge on conducting audits to provide assurance on PFMA compliance.

### 3.2.9 **Property Management Reviews**

Property Management spans from property ownership, commercialisation of the property portfolio, including disposal and effective facilities maintenance management which have a direct impact on financial sustainability. Effective property management can be leveraged to contribute to the operational excellence and improve business performance of the Group.

TIA requires internal auditors who have technical expertise in areas such corporate finance, valuations, real-estate tax, forensics and service charge accounting and property management including deep industry knowledge in real-estate to conduct assurance and advisory engagements within the property value chain.

### 3.2.10 **Enterprise Risk Management reviews**

Enterprise Risk Management (ERM) is the integrated management of all the risks an organization faces, which inherently requires alignment of risk management with corporate governance and strategy and other role players within the combined assurance program.

The organisation has implemented an enterprise risk management framework that is benchmarked to leading standards and practices and that is aligned to the purpose, mission, and strategy of the organisation. At the same time, the organisation is undergoing a journey of maturing its second line of assurance to embed an effective combined assurance program.



Every key business decision is a risk-based decision and should consider regulatory and contractual obligations, operating models and plans, resource capabilities, business processes and controls, combined assurance outcomes, amongst others.

TIA requires competencies and skills that should deliver annual ERM reviews as required by the IIA standards and also offer technical support to embed the combined assurance initiatives group wide.

### 3.2.11 **Other Assurance reviews**

Regular reviews of the adequacy and effectiveness of all other key business controls as and when required, including but not limited to Performance Audits, or Safety audits, or Audits to ensure that Transnet complies with Operating Licence conditions.

## 3.3 **HIGH-VALUE, HIGH RISK TENDERS (PART 2)**

The Proactive assurance on High-Value, High-Risk tenders is a series of assurance checks during the execution of procurement events to ensure compliance to the organisation's procurement manual including applicable legislation. Recently, an emerging risk and challenge has emanated from the multiple changes in legislative requirements, regulations, including the new exemptions that could increase compliance and audit risk.

To facilitate impactful proactive assurance on High-value, High-Risk (HVHR) tenders, the reviews should focus on compliance to key legislative requirements and advisory support to management to ensure that compliance requirements are embedded within the end-to-end procurement process that is being transitioned from a highly manual to an automated process.

The Bidder will be required to provide suitable subject matter experts with good understanding of public procurement related legislation, and relevant skills including but not limited to supply chain management required for HVHR proactive assurance.

The five (5) main stages or gateways of procurement for which the Bidder is expected to provide proactive internal audit for HVHR are as follows:

- a) Demand Gateway;
- b) Acquisition Gateway;
- c) Evaluations Gateway;
- d) Negotiations Gateway; and
- e) Contract Award Gateway.

The mandatory requirement will be for the Bidder to ensure that resources performing real-time assurance deliver the following outcomes for each procurement gateway:

- a) Ensure compliance with Transnet's procurement process and legislative requirements and enable the business through an efficient tender management process;



- b) Report on significant observations before the close out of each gateway; and
- c) Prepare, present and close out on a report at the end of each procurement stage/gateway.

### **3.4 PROJECT SPECIFIC REQUIREMENTS FOR PART 1 AND PART 2**

- 3.4.1 Manage the entire audit process (including engagement planning, execution, reporting and monitoring) to complete the reviews and ensure quality and timeliness of all deliverables in line with the defined Service Level Agreement (SLA) measures.
- 3.4.2 Provide suitable subject matter experts as required per the approved audit plans and TIA requirements.
- 3.4.3 Provide suitably trained internal audit staff with skills including but not limited to commercial, ICT and supply chain management as and when required.
- 3.4.4 Deploying leading edge, fit for purpose tools and technologies to enable cost-effective insightful advisory and assurance services.
- 3.4.5 Detailed knowledge of TeamMate audit software as an audit working paper, reporting and follow up audit tool, administration of the internal audit function, time and expense and billing processes.
- 3.4.6 Successful bidder(s) shall be responsible for all its costs related to TeamMate, including but not limited to software licences, implementation, support and training.

### **3.5 ADDITIONAL REQUIREMENTS FOR PART 1 AND PART 2**

- 3.5.1 Support the TIA strategic intent of evolving to a next generation digitally enabled and transformed internal audit function, including best use of data analytics and continuous audits.
- 3.5.2 Execute against the internal audit plan, which will deliver scoping documents and audit reports (amongst others).
- 3.5.3 Issue periodic reports to TIA in support of reporting to the Audit Committee and Management summarizing results of audit activities and progress made in implementing the approved internal audit plans.
- 3.5.4 Performance of follow up reviews on audit issues resolved by management to ensure continuous improvement of the control environment.
- 3.5.5 Provide a list of significant measurement goals and metrics and report periodically on their performance against these goals and metrics to the Chief Audit Executive.
- 3.5.6 Provide an annual written assessment regarding the effectiveness of Transnet's Control Environment Assessment including governance, system of internal controls and risk management to the Board.
- 3.5.7 Provide an annual written internal financial control assessment to the governance committees, including Audit Committee/Board.



- 3.5.8 Provide an annual confirmation that the Bidder and its core team conform to the code of ethics consistent to that of the Institute of Internal Auditors, IPPF and the principles of King IV.
- 3.5.9 Report fraud incidents identified during internal audit execution and refer them to the forensic department for further investigation.
- 3.5.10 Keep TIA informed of emerging issues and successful practices in internal auditing.
- 3.5.11 Deploy a wide and growing toolkit of audit methodologies, approaches, and tools.
- 3.5.12 Co-ordinate, including developing templates, training, reconciling assurance activities and report on the Combined Assurance activities.
- 3.5.13 Execute audits within the audit management software tool (TeamMate).
- 3.5.14 Technical support in alignment to Internal Auditing Standards and frameworks.
- 3.5.15 Account and Project Management Office support.
- 3.5.16 Internal audit plan and three-year rolling plan development support and tracking.
- 3.5.17 Reporting to Transnet Governance Committees and Forums.
- 3.5.18 Support TIA's strategy and plan to ensure reliance of Internal audit results by Transnet's External auditors.

### **3.6 BIDDERS ANNEXURES FOR TECHNICAL REQUIREMENTS FOR PART 1 AND PART 2**

Bidders are required to submit the following in accordance with the selected part:

Part 1: assurance and related services Annexure A Technical Questionnaire, Annexure A1, A2 and A3 with supporting documents

Part 2: High-value, High-Risk tender Annexure B Technical Questionnaire, Annexure B1, B2 and B3 with supporting documents.

Bidders who are responding to both Part 1 and 2, must submit Annexures A, Annexure A1, A2 and A3; and Annexure B, Annexure B1, B2 and B3, with supporting documents.

### **3.7 INDICATIVE HOURS FOR PART 1 AND PART 2**

Bidders will be required to render the services within the hours provided in the table below over a five (5) contract period. The number of hours will be reduced on a yearly basis as Transnet builds internal capacity and insource some of the services inhouse in accordance with TIA strategy. The annual hours provided below are indicative and subject to change:



Table: Estimated hours for the provision of Part 1

CATEGORY OF SERVICE	01 April 2023 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2025 to 31 March 2026	01 April 2026 to 31 March 2027	01 April 2027 to 31 March 2028	ESTIMATED TOTAL FOR FIVE YEARS
	Indicative Hours					Indicative hours
Assurance and related services	107,200	78,390	65,124	53,727	53,727	358,168

Table: Estimated hours for the provision of Part 2

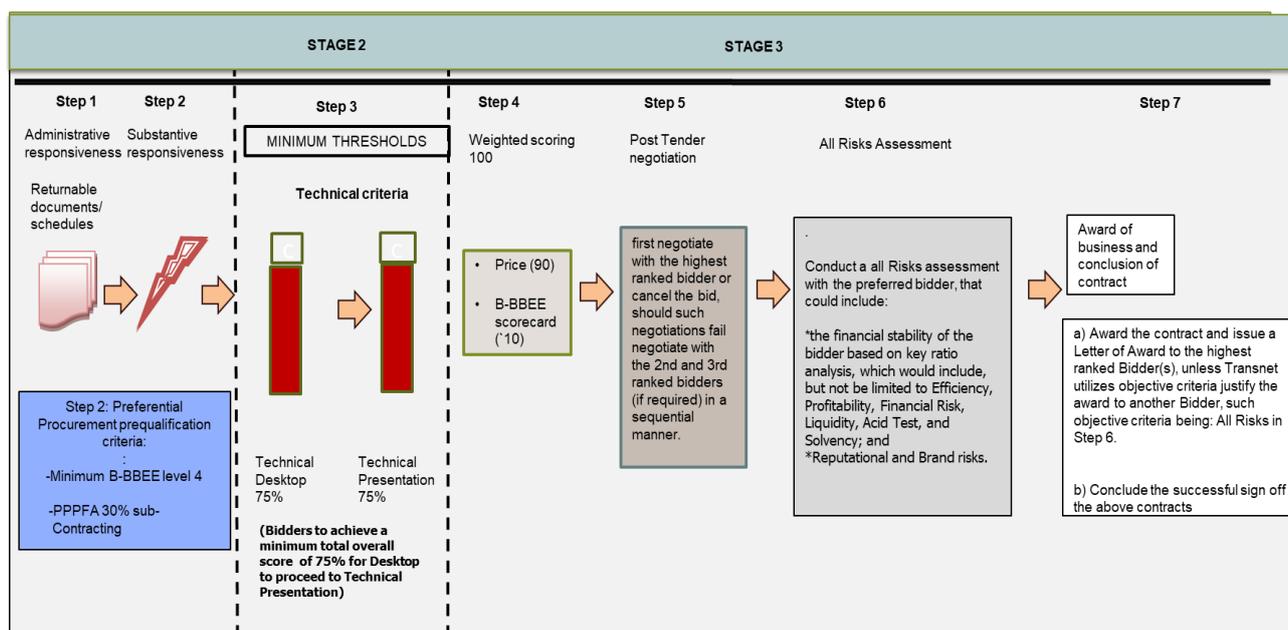
CATEGORY OF SERVICE	01 April 2023 to 31 March 2024	01 April 2024 to 31 March 2025	01 April 2025 to 31 March 2026	01 April 2026 to 31 March 2027	01 April 2027 to 31 March 2028	ESTIMATE D TOTAL FOR FIVE YEARS
	Indicative hours					Indicative hours
Proactive assurance on HVHR tenders	22,000	16,088	13,365	11,026	11,026	73,505

3.8 GENERAL BIDDER OBLIGATIONS

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

4 EVALUATION METHODOLOGY FOR PART 1 AND PART 2

Transnet will utilise the following methodology and criteria in selecting a preferred Bidder:





NB: Evaluation of the various stages will normally take place in a sequential manner. However, in order to expedite the process, Transnet reserves the right to conduct the different steps of the evaluation process in parallel. In such instances

the evaluation of Bidders at any given stage must not be interpreted to mean that Bidders have necessarily passed any previous stage(s).

#### 4.1 STEP ONE: Test for Administrative Responsiveness

The test for administrative responsiveness will include the following:

Administrative responsiveness check	RFP Reference
<ul style="list-style-type: none"> <li>Whether the Bid has been lodged on time</li> </ul>	<i>Section 1 paragraph 3</i>
<ul style="list-style-type: none"> <li>Whether all Returnable Documents and/or schedules [where applicable] were completed and returned by the closing date and time</li> </ul>	<i>Section 5</i>
<ul style="list-style-type: none"> <li>Verify the validity of all returnable documents</li> </ul>	<i>Section 5</i>
<ul style="list-style-type: none"> <li>Verify if the Bid document has been duly signed by the authorised Bidder</li> </ul>	<i>All sections</i>

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

#### 4.2 STEP TWO: Test for Substantive Responsiveness to RFP

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

Check for substantive responsiveness	Yes/No
<ul style="list-style-type: none"> <li>Check whether <b>Annexure C for Part 1 and/or Part 2</b>: Pricing was fully completed as per requirement and can be used for Step 4. <i>If bidding for Part 1 and Part 2, Bidder must complete both Part 1 and Part 2</i></li> </ul>	
<ul style="list-style-type: none"> <li>Validate whether any set prequalification criteria for preferential procurement have been met: <ul style="list-style-type: none"> <li>Check whether Bidder has submitted a valid minimum B-BBEE Level 4 accreditation</li> </ul> </li> </ul>	
<ul style="list-style-type: none"> <li>Validate whether any set prequalification criteria for preferential procurement have been met: <ul style="list-style-type: none"> <li>Check whether Bidder subcontracted 30% of contract spend to designated groups as per Section 2, paragraph 6</li> </ul> </li> </ul>	

***The test for substantive responsiveness [Step Two] must be passed for a Bidder's proposal to progress to Step Three for further evaluation***



**4.3 STEP THREE: Minimum Threshold 75% points for Technical Criteria for Part 1 (Assurance and related services) Phase 1 (Desktop) - test for the Technical threshold will include evaluation of the following key areas:**

<b>Desktop Technical Criteria</b>	<b>Weighting %</b>	<b>Scoring Guide</b>	<b>Scoring Method</b>	<b>Scoring Points</b>	<b>RFP Reference</b>
Sub- Category 1- Expertise and Capacity of the Audit Team; retention of staff and access to best practice	40%	Refer to Annexure A	Refer to Annexure A	40	Refer to Annexure A
Sub-Category 2 - Customer References	10%	Refer to Annexure A	Refer to Annexure A	10	Refer to Annexure A
Sub- Category 3 - Risk management	10%	Refer to Annexure A	Refer to Annexure A	10	Refer to Annexure A
Sub- Category 4 - Audit methodologies and quality assurance, including approach to working with joint internal audit firms and collaborating with Transnet External Audit	40%	Refer to Annexure A	Refer to Annexure A	40	Refer to Annexure A
<b>Total Weighting:</b>	<b>100%</b>				
<b>Minimum qualifying score required:</b>	<b>75%</b>				

Bidder to provide the necessary supporting documents required in Annexure A, for Transnet to score the bidder per category.

For part 1 (phase 1) - Only Bidders who achieved the minimum of 75% qualifying score required on Technical Desktop will be able to proceed to phase 2 - Technical Presentation for further evaluation.

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



**4.4 STEP THREE - Phase 2 (Technical Presentation) - test for the Technical threshold will include evaluation of the following key areas for Part 1 (Assurance and related services)**

<b>Desktop Technical Criteria</b>	<b>Weighting %</b>	<b>Scoring Guide/Method</b>	<b>Scoring Points</b>	<b>RFP Reference</b>
Bidder to demonstrate how the Bidder make full use of Teammate and/or equivalent auditing tool.	10%	Refer to Annexure A	10	Refer to Annexure A
Bidder to demonstrate how the Bidder will ensure their staff will be trained on the use of Teammate auditing tool.	5%	Refer to Annexure A	5	Refer to Annexure A
Bidder to present understanding of the Internal Audit Industry and Regulatory Universe applicable to Transnet, when presenting the scope of work.	20%	Refer to Annexure A	20	Refer to Annexure A
Bidder to demonstrate comprehensive understanding of its audit methodology that is aligned to the IIA standards and testing strategy, including how the Bidder adopts quality assurance improvement programme as per the International Standards for the Professional Practice of Internal Auditing (ISPPA), and how this will be applied to the Transnet audit	25%	Refer to Annexure A	25	Refer to Annexure A
Presentation of live demonstration of Internal Audit Processes and Operational Systems, digital tools such as Robotic Process Automations, reporting dashboards, data analytic, (including full use of applicable auditing tool and techniques)	25%	Refer to Annexure A	25	Refer to Annexure A
Bidder to present applicable Strategy for Continuous Improvement and Value adding initiatives to reduce Transnet audit costs. Bidders to present applicable strategy for Continuous Improvement and Value adding initiatives to mitigate Transnet Regulatory and Compliance Risk, amongst others	15%	Refer to Annexure A	15	Refer to Annexure A
<b>Total Weighting:</b>	<b>100%</b>			
<b>Minimum qualifying score required:</b>	<b>75%</b>			

Bidder does not need to provide any documents for Step 3: Phase 2: Technical presentation, when they submit this RFP by the closing date. Transnet will advise the Bidder if they proceeded to Step 3- Phase 2: Technical presentation and will give the Bidder sufficient notice for the presentation. Transnet will visit the Bidders premises for the Technical Presentation Phase 2.

Bidder to ensure that they have access to stable internet connectivity to access the system and demonstrate the required criteria.

For part 1 (phase 2) - Only Bidders who achieved the minimum of 75% qualifying score required on Technical Presentation will be able to proceed for further evaluation.

Bidders who have responded to both Part 1 and Part 2 will only present once and be scored the same for both Part 1 and Part 2 since the criteria for Presentation has been standardised.

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



#### 4.5 STEP THREE: Minimum Threshold of 75% points for Technical Criteria for Part 2 (Proactive Assurance on HVHR tenders)

Phase 1 (Desktop) - test for the Technical threshold will include evaluation of the following key areas:

Desktop Technical Criteria	Weighting %	Scoring Guide	Scoring Method	Scoring Points	RFP Reference
Sub- Category 1- Expertise and Capacity of the Audit Team; retention of staff and access to best practice	45%	Refer to Annexure B	Refer to Annexure B	45	Refer to Annexure B
Sub-Category 2 - Customer References	10%	Refer to Annexure B	Refer to Annexure B	10	Refer to Annexure B
Sub- Category 3 - Risk management	10%	Refer to Annexure B	Refer to Annexure B	10	Refer to Annexure B
Sub- Category 4 - Audit methodologies and quality assurance, including approach to working with joint internal audit firms and collaborating with Transnet External Audit	35%	Refer to Annexure B	Refer to Annexure B	35	Refer to Annexure B
<b>Total Weighting:</b>	<b>100%</b>				
<b>Minimum qualifying score required:</b>	<b>75%</b>				

Bidder to provide the necessary supporting documents required in Annexure B, for Transnet to score the bidder per category.

For part 2 (phase 1) - Only Bidders who achieved the minimum of 75% qualifying score required on Technical Desktop will be able to proceed to phase 2 - Technical Presentation for further evaluation.

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



**4.6 STEP THREE - Phase 2 (Technical Presentation) - test for the Technical threshold will include evaluation of the following key areas for Part 2:**

Desktop Technical Criteria	Weighting %	Scoring Guide/Method	Scoring Points	RFP Reference
Bidder to demonstrate how the Bidder make full use of Teammate and/or equivalent auditing tool.	10%	Refer to Annexure B	10	Refer to Annexure B
Bidder to demonstrate how the Bidder will ensure their staff will be trained on the use of Teammate auditing tool.	5%	Refer to Annexure B	5	Refer to Annexure B
Bidder to present understanding of the Internal Audit Industry and Regulatory Universe applicable to Transnet, when presenting the scope of work.	20%	Refer to Annexure B	20	Refer to Annexure B
Bidder to demonstrate comprehensive understanding of its audit methodology and testing strategy, including how the Bidder adopts quality assurance improvement programmed as per the International Standards for the Professional Practice of Internal Auditing (ISPPIA), and how this will be applied to the Transnet audit	25%	Refer to Annexure B	25	Refer to Annexure B
Presentation of live demonstration of Internal Audit Processes and Operational Systems, digital tools such as Robotic Process Automations, reporting dashboards, data analytic, (including full use of applicable auditing tool and techniques)	25%	Refer to Annexure B	25	Refer to Annexure B
Bidder to present applicable Strategy for Continuous Improvement and Value adding initiatives to reduce Transnet audit costs. Bidders to present applicable strategy for Continuous Improvement and Value adding initiatives to mitigate Transnet Regulatory and Compliance Risk, amongst others	15%	Refer to Annexure B	15	Refer to Annexure B
<b>Total Weighting:</b>	<b>100%</b>			
<b>Minimum qualifying score required:</b>	<b>75%</b>			

Bidder does not need to provide any documents for Step 3: Phase 2: Technical presentation, when they submit this RFP by the closing date. Transnet will advise the Bidder if they proceeded to Step 3- Phase 2: Technical presentation and will give the Bidder sufficient notice for the presentation. Transnet will visit the Bidders premises for the Technical Presentation Phase 2.

Bidder to ensure that they have access to stable internet connectivity to access the system and demonstrate the required criteria's.

For part 2 (phase 2) - Only Bidders who achieved the minimum of 75% qualifying score required on Technical Presentation will be able to proceed for further evaluation.

Bidders who have responded to both Part 1 and Part 2 will only present once and be scored the same for both Part 1 and 2 since the criteria for Presentation has been standardised.

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

***The minimum threshold for technical/functionality [Step Three] must be met or exceeded for a Bidder's Proposal to progress to Step Four for final evaluation***



#### 4.7 STEP FOUR: Evaluation and Final Weighted Scoring

a) Price and TCO Criteria [Weighted score 90 points]:

Bidders will be required to submit Annexure C for Part 1 and/or Part 2 for pricing, all dependent for which Part they are bidding for. This is a mandatory returnable document for the Bidder's if they are bidding for that part or for both parts. Hence failure to submit the relevant pricing Annexure for whichever part they are bidding, by the closing date and time of the bid, will result in their disqualification.

<b>Evaluation Criteria</b>	<b>RFP Reference</b>
<ul style="list-style-type: none"> <li>Commercial offer</li> </ul>	<b>Section 4 and Annexure C for Part 1 and/or Part 2</b>

Please tick the following accordingly to make a selection:

	Bidding for Part 1 – Assurance services and related services	Bidding for Part 2: Proactive Assurance on High-value, High-Risk tenders	*Bidding for Both Part 1 and Part 2
(√)			

**Please select the relevant Part (s) that your firm wishes to tender for and submit pricing.**

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

$$PS = 90 \left( 1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where:

- $Ps$  = Score for the Bid under consideration  
 $Pt$  = Price of Bid under consideration  
 $Pmin$  = Price of lowest acceptable Bid



#### 4.9 SUMMARY: Applicable Thresholds and Final Evaluated Weightings for Part 1

Thresholds	Minimum Threshold
Technical Desktop	75%
Technical Presentation	75%

Evaluation Criteria	Final Weighted Scores
Price	90
B-BBEE - Scorecard	10
<b>TOTAL SCORE:</b>	<b>100</b>

#### 4.10 SUMMARY: Applicable Thresholds and Final Evaluated Weightings for Part 2

Thresholds	Minimum Threshold
Technical Desktop	75%
Technical Presentation	75%

Evaluation Criteria	Final Weighted Scores
Price	90
B-BBEE - Scorecard	10
<b>TOTAL SCORE:</b>	<b>100</b>

#### 4.11 STEP FIVE: Post Tender Negotiations (if applicable)

- Bidders are to note that Transnet may not award a contract if the price offered is not market-related. In this regard, Transnet reserves the right to engage in PTN with the view to achieving a market-related price or to cancel the tender. Negotiations will be done in a sequential manner i.e.:
  - first negotiate with the highest ranked bidder, should such negotiations fail,
  - negotiate with the 2nd and 3rd ranked Bidders (if required) in a sequential manner.
- In the event of any Bidder being notified of such short-listed/preferred bidder status, his/her bid, as well as any subsequent negotiated best and final offers (BAFO), will automatically be deemed to remain valid during the negotiation period and until the ultimate award of business.
- Should Transnet conduct post tender negotiations, Bidders will be requested to provide their best and final offers to Transnet based on such negotiations. Where a market related price has been achieved through negotiation, the contract will be awarded to the successful Bidder(s).



#### 4.12 **STEP SIX: Objective Criteria (if applicable)**

Transnet reserves the right to award the business to the highest scoring bidder/s unless objective criteria justify the award to another bidder and additionally will also inform the criteria for deciding whether to split the award or appoint a single bidder for Part 1. The objective criteria Transnet may apply in this bid process include:

- All risks identified during a risk assessment exercise/probity check (which may be conducted by an authorised third party) that would be done to assess all risks, including but not limited to:
  - the financial stability of the bidder based on key ratio analysis, which would include, but not be limited to Efficiency, Profitability, Financial Risk, Liquidity, Acid Test, and Solvency;
    - Reputational risk assessment.
    - Company Details;
    - Political Exposed Persons (PEP);
    - Other Business Interests;
    - Criminal Checks on directors allocated Transnet account;
    - Bribery & Corruption Risk Assessment; and
    - High-risk Network Association, including but not limited to Gupta or scopa linked checks.
  - A commercial relationship with a Domestic Prominent Influential Person (DPIP) or Foreign Prominent Public Official (FPPO) or an entity of which such person or official is the beneficial owner;
  - A due Diligence to assess support functions, systems and infrastructure to support the Services team. This could also include a site visit.

#### 4.13 **STEP SEVEN: Award of business and conclusion of contract**

- Immediately after approval to award the contract has been received, the successful bidder(s) will be informed of the acceptance of his/their Bid by way of a Letter of Award. Thereafter the final contract will be concluded with the successful Bidder(s).
- A final contract will be concluded and entered into with the successful Bidder at the acceptance of a letter of award by the Bidder.
- Transnet requirements for the appointment of two (2) Bidders for the provision of internal audit for Part 1: Assurance and related services for a period of five (5) years. The work allocation will be awarded on an equitable split where possible.
- Transnet reserves the right to split the award between the two (2) Bidders in any combinations that will amongst other reasons, best support the TIA strategy, Bidders capacity constraints and value for money. Transnet also reserves the right to appoint one (1) Bidder for Part 1.



## SECTION 4: PRICING AND DELIVERY SCHEDULE

Bidders are required to refer to the Scope of Services in Annexure C of this RFP, and Bidders can tender for either Part 1 or Part 2, or for both. Separate responses are required for each Parts that the Bidder wishes to be considered for. One or two of the following, as selected by the Bidder, will require separate responses:

- Part 1 - Internal Assurance and related services
- Part 2 – Proactive Assurance on High-value, High Risk tenders

Please tick the following accordingly to make selection:

	Bidding for Part 1 – Assurance services and related services	Bidding for Part 2: Proactive Assurance on High-value, High Risk tenders	*Bidding for Both Part 1 and Part 2
(√)			

**Please select the relevant Part (s) that your firm wishes to tender for and submit pricing.**

Bidders are required to complete Annexure C in detail in order to have a “like for like” comparison with all Bidders. Failure to fully complete Annexure C in detail, as indicated, may result in disqualification.

Notes to Pricing:

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

If a market-related price is not agreed with the Bidder scoring the third highest points, Transnet must cancel the RFP.
- b) Prices must be quoted in South African Rand inclusive of VAT.
- c) To facilitate like-for-like comparison Bidders must submit pricing strictly in accordance with this pricing schedule and not utilise a different format. Deviation from this pricing schedule may result in a bid being declared non-responsive.
- d) Transnet will use the “ Guide on Hourly Fee Rates for Consultants” by AGSA to benchmark the bidder’s proposed rates and blended rates in their pricing schedule and for future price escalations. A blended rate per hour means an all-inclusive weighted hourly rate charged by a bidder for more key resource(s) engaged to provide service(s) throughout the term of the Agreement and any extensions.



- e) Bidders must note that the price evaluation including the proposed blended rates for Part 1 and/or Part 2 are independent of each other. These will be scored, evaluated, and awarded separately.
- f) If awarded the contract, Bidders are required to indicate that their prices quoted would be kept firm and fixed for a period of 12 months from the date of award. Bidders will be evaluated on a proposed total cost over five (5) year period in accordance with the pricing schedule.
- g) A year-on-year projected price escalation of 6% has been applied in the pricing schedule for the purposes of comparative analysis and indication of total cost of ownership for the provision of the services over a five (5) year period. Transnet will further engage and negotiate with the successful bidders annually to firm up the price escalations for Year 2 to Year 5.
- h) Evaluation will be conducted on 90/10 preference point system, in which 90 points will be allocated to Price, and 10 points to B-BBEE scorecard.

YES	
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## 1. DISCLOSURE OF CONTRACT INFORMATION

### PRICES TENDERED

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

### JOHANNESBURG STOCK EXCHANGE DEBT LISTING REQUIREMENTS

Transnet may also be required to disclose information relating to the subsequent contract i.e. the name of the company, goods/services provided by the company, the value and duration of the contract, etc. in compliance with the Johannesburg Stock Exchange (JSE) Debt Listing Requirements.

### DOMESTIC PROMINENT INFLUENTIAL PERSONS (DPIP) OR FOREIGN PROMINENT PUBLIC OFFICIALS (FPPO)

Transnet is free to procure the services of any person within or outside the Republic of South Africa in accordance with applicable legislation. Transnet shall not conduct or conclude business transactions, with any Bidders without having:

- Considered relevant governance protocols;
- Determined the DPIP or FPPO status of that counterparty; and
- Conducted a risk assessment and due diligence to assess the potential risks that may be posed by the business relationship.



As per the Transnet Domestic Prominent Influential Persons (DPIP) and Foreign Prominent Public Officials (FPPO) and Related Individuals Policy available on Transnet website <https://www.transnet.net/search/pages/results.aspx?k=FPIDP#k=DPIP>, Bidders are required to disclose any commercial relationship with a DPIP or FPPO (as defined in the Policy) by completing the following section:

The below form contains personal information as defined in the Protection of Personal Information Act, 2013 (the "Act"). By completing the form, the signatory consents to the processing of her/his personal information in accordance with the requirements of the Act. Consent cannot unreasonably be withheld.						
<b>Is the Bidder</b> <i>(Complete with a "Yes" or "No")</i>						
<b>A DPIP/FPPO</b>		<b>Closely Related to a DPIP/FPPO</b>		<b>Closely Associated to a DPIP/FPPO</b>		
<b>List all known business interests, in which a DPIP/FPPO may have a direct/indirect interest or significant participation or involvement.</b>						
No	Name of Entity / Business	Role in the Entity / Business (Nature of interest/ Participation)	Shareholding %	Registration Number	Status (Mark the applicable option with an X)	
					Active	Non-Active
1						
2						
3						

Bidders declaring a commercial relationship with a DPIP or FPPO are to note that Transnet is required to annually publish on its website a list of all business contracts entered into with DPIP or FPPO. This list will include successful Bidders, if applicable.

**2. "AS AND WHEN REQUIRED" CONTRACTS**

- 2.1 Purchase orders will be placed on the Bidder(s) from time to time as and when Services are required.
- 2.2 Transnet reserves the right to place purchase orders until the last day of the contract for deliveries to be affected, within the delivery period / lead time specified, beyond the expiry date of the contract under the same terms and conditions as agreed upon.
- 2.3 The Bidder must state hereunder its annual holiday closedown period [if applicable] and whether this period has been included in the delivery lead time offered:
- 2.4 Bidders are required to indicate below the action that the Bidder proposes to take to ensure continuity of service during non-working days or holidays.

**3. SERVICE LEVELS**

- 3.1 An experienced national account representative(s) is required to work with Transnet's procurement department. [No sales representatives are needed for individual department or locations]. Additionally, there shall be a minimal number of people, fully informed and accountable for this agreement.
- 3.2 Transnet will have quarterly reviews with the Bidder's account representative on an on-going basis.



3.3 Transnet reserves the right to request that any member of the Bidder’s team involved on the Transnet account be replaced if deemed not to be adding value for Transnet.

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

- a) quality
- b) On-time delivery
- c) Service/Relationship
- d) Value

The SLA gets negotiated and revised regularly, at least once a year.

If the Bidder does not achieve this level as an average over each quarter, Transnet will receive a 1.5% [one and a half per cent] rebate on quarterly invoices amount payable in the next quarter

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

**Acceptance of Service Levels:**

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

4.1 Bidders shall indicate whether they would be committed, for the duration of any contract which may be awarded through this RFP process, to participate with Transnet in its continuous improvement initiatives to reduce the total cost of ownership [TCO], which will reduce the overall cost for the provision of internal audit for assurance and related services and/or high-value high-risk audit services.

**Accepted:**

<b>YES</b>	
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<b>NO</b>	
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If “yes”, please specify details in paragraph 6.2 below.

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

SIGNATURE OF WITNESSES

ADDRESS OF WITNESSES

1 \_\_\_\_\_

\_\_\_\_\_

Name \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_



Name \_\_\_\_\_

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

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

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

EMAIL ADDRESS: \_\_\_\_\_

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

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



**SECTION 5: PROPOSAL FORM AND LIST OF RETURNABLE DOCUMENTS**

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

\_\_\_\_\_ carrying on business trading/operating as

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

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

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

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

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

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

- (i) Master Agreement (which may be subject to amendment at Transnet's discretion if applicable);
- (ii) General Bid Conditions; and
- (iii) any other standard or special conditions mentioned and/or embodied in this Request for Proposal.

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

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



I/We further agree that if, after I/we have been notified of the acceptance of my/our Proposal, I/we fail to enter into a formal contract if called upon to do so, or fail to commence the supply/provision of Services within 2 [two] weeks thereafter, Transnet may, without prejudice to any other legal remedy which it may have, recover from me/us any expense to which it may have been put in calling for Proposals afresh and/or having to accept any less favourable Proposal.

Furthermore, I/we agree to a penalty clause/s which will allow Transnet to invoke a penalty against us for non-compliance with material terms of this RFP including the delayed delivery of the Services due to non-performance by ourselves, , etc.

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

**ADDRESS FOR NOTICES**

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

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

Name \_\_\_\_\_ of \_\_\_\_\_ Entity:

Facsimile: \_\_\_\_\_

Address: \_\_\_\_\_

**NOTIFICATION OF AWARD OF RFP**

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

**VALIDITY PERIOD**

Transnet requires a validity period of 180 Business Days [from closing date] against this RFP, excluding the first day and including the last day.



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

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

(i) Registration number of company / C.C. \_\_\_\_\_

(ii) Registered name of company / C.C. \_\_\_\_\_

(iii) Full name(s) of director/member(s)                      Address/Addresses                      ID Number(s)

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### RETURNABLE DOCUMENTS

Returnable Documents means all the documents, Sections and Annexures, as listed in the tables below. There are three types of returnable documents as indicated below and Bidders are urged to ensure that these documents are returned with their bids based on the consequences of non-submission as indicated below:

Mandatory Documents	Returnable	<b><i>Failure to provide all these Mandatory Returnable Documents at the Closing Date and time of this RFP <u>will</u> result in a Bidder's disqualification.</i></b>
Returnable Documents Used for Scoring		<b><i>Failure to provide all Returnable Documents used for purposes of scoring a bid, by the closing date and time of this bid will not result in a Bidder's disqualification. However, Bidders will receive an automatic score of zero for the applicable evaluation criterion.</i></b>
Essential Returnable Documents		<b><i>Failure to provide essential Returnable Documents <u>will</u> result in Transnet affording Bidders a further opportunity to submit by a set deadline. Should a Bidder thereafter fail to submit the requested documents, this may result in a Bidder's disqualification.</i></b>

**All Returnable Sections, as indicated in the header and footer of the relevant pages, must be signed, stamped and dated by the Bidder.**

#### a) Mandatory Returnable Documents

Bidders are required to submit with their bid submissions the following **Mandatory Returnable Documents**, and also to confirm submission of these documents by so indicating [Yes or No] in the tables below:

MANDATORY RETURNABLE DOCUMENTS	SUBMITTED [Yes/No]
SECTION 1: SBD1 Form	
SECTION 4: Pricing and Delivery Schedule	
Annexure C: Pricing Schedule for Part 1 and/or Part 2	
Valid proof of Bidder's compliance to B-BBEE requirements stipulated in Section 9 of this RFP	



MANDATORY RETURNABLE DOCUMENTS	SUBMITTED [Yes/No]
SECTION 10: Subcontracting Prequalification Criteria Form	
Valid B-BBEE certificate(s) or Sworn Affidavit(s) for proposed subcontractor(s)	

**b) Returnable Documents Used for Scoring**

In addition to the requirements of section (a) above, Bidders are further required to submit with their Proposals the following **Returnable Documents Used for Scoring** and also to confirm submission of these documents by so indicating [Yes or No] in the table below:

RETURNABLE DOCUMENTS USED FOR SCORING	SUBMITTED [Yes or No]
Completed Annexure A: Technical Questionnaire for Technical Desktop Evaluation (including supporting documents)	
Completed Annexure A1 and CVs	
Completed Annexure A2	
Completed Annexure A3	
Completed Annexure B: Technical Questionnaire for Technical Desktop Evaluation (including supporting documents)	
Completed Annexure B1 and CVs	
Completed Annexure B2	
Completed Annexure B3	

**c) Essential Returnable Documents:**

Over and the above the requirements of section (a) and (b) mentioned above, Bidders are further required to submit with their Proposals the following Essential Returnable Documents and also to confirm submission of these documents by so indicating [Yes or No] in the table below:



ESSENTIAL RETURNABLE DOCUMENTS & SCHEDULES	SUBMITTED [Yes or No]
In the case of Joint Ventures, a copy of the Joint Venture Agreement or written confirmation of the intention to enter into a Joint Venture Agreement	
Audited Financial Statements: <ul style="list-style-type: none"> <li>a) Submitted Entity’s last two (2) years audited financial statements for entities in business more than five (5) years; or</li> <li>b) Submitted Entity’s last audited financial statements for entities in business for less than five (5) years; or</li> <li>c) Latest Financial Statements signed by your Accounting Officer</li> <li>d) In the case of an unincorporated Joint Venture, all entities in the JV must each submit their audited financial statements based on either a); b) or c) depending on which one is applicable</li> </ul>	
SECTION 2: Letter of good standing - Compensation for Occupational Injuries and Diseases Act 130 of 1993 (“COIDA”).	
SECTION 5: Proposal Form and List of Returnable documents	
SECTION 6: Certificate of Acquaintance with RFP, Terms & Conditions & Applicable Documents	
SECTION 7: RFP Declaration and Breach of Law Form	
SECTION 9: B-BBEE Preference Claim Form	
Proof of subcontracting arrangement	
SECTION 11: Job-Creation Schedule	
SECTION 12: Protection of Personal Information	

**CONTINUED VALIDITY OF RETURNABLE DOCUMENTS**

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

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

SIGNATURE OF WITNESSES

ADDRESS OF WITNESSES

1 \_\_\_\_\_

\_\_\_\_\_



Name \_\_\_\_\_

2 \_\_\_\_\_

Name \_\_\_\_\_

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

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

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

EMAIL ADDRESS: \_\_\_\_\_

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

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



## SECTION 6: CERTIFICATE OF ACQUAINTANCE WITH RFP, MASTER AGREEMENT & APPLICABLE DOCUMENTS

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

1	Master Agreement	Refer to Annexure D
2	Service Level Agreement	Refer to Annexure E
3	Transnet's General Bid Conditions	Refer to Annexure F
4	Transnet's Supplier Integrity Pact	Refer to Annexure G
5	Non-disclosure Agreement	Refer to Annexure H

**Note:** Should a Bidder be successful and awarded the bid, they will be required to complete a Supplier Declaration Form for registration as a vendor onto the Transnet vendor master database.

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

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

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



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

SIGNATURE OF WITNESSES

ADDRESS OF WITNESSES

1 \_\_\_\_\_

\_\_\_\_\_

Name \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

Name \_\_\_\_\_

\_\_\_\_\_

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

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

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

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

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



## SECTION 7: RFP DECLARATION AND BREACH OF LAW FORM

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

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

1. Transnet has supplied and we have received appropriate responses to any/all questions [as applicable] which were submitted by ourselves for RFP Clarification purposes;
2. We have received all information we deemed necessary for the completion of this Request for Proposal [RFP];
3. We have been provided with sufficient access to the existing Transnet facilities/sites and any and all relevant information relevant to the Goods/Services as well as Transnet information and Employees and have had sufficient time in which to conduct and perform a thorough due diligence of Transnet's operations and business requirements and assets used by Transnet. Transnet will therefore not consider or permit any pre- or post-contract verification or any related adjustment to pricing, service levels or any other provisions/conditions based on any incorrect assumptions made by the Bidder in arriving at his Bid Price.
4. At no stage have we received additional information relating to the subject matter of this RFP from Transnet sources, other than information formally received from the designated Transnet contact(s) as nominated in the RFP documents;
5. We are satisfied, insofar as our entity is concerned, that the processes and procedures adopted by Transnet in issuing this RFP and the requirements requested from Bidders in responding to this RFP have been conducted in a fair and transparent manner;
6. We have complied with all obligations of the Bidder/Supplier as indicated in the Transnet Supplier Integrity which includes but are not limited to ensuring that we take all measures necessary to prevent corrupt practices, unfairness, and illegal activities in order to secure or in furtherance to secure a contract with Transnet;
7. We declare that a family, business and/or social relationship **exists / does not exist** [delete as applicable] between an owner / member / director / partner / shareholder of our entity and an employee or board member of the Transnet Group including any person who may be involved in the evaluation and/or adjudication of this Bid;
8. We declare that an owner / member / director / partner / shareholder of our entity **is / is not** [delete as applicable] an employee or board member of Transnet;
9. In addition, we declare that an owner / member / director / partner / shareholder/employee of our entity **has / has not been** [delete as applicable] a former employee or board member of Transnet in the past 10 years. I further declare that if they were a former employee or board member of Transnet in the past 10 years that they **were/were not** involved in the bid preparation or had access to the information related to this RFP; and



10. If such a relationship as indicated in paragraph 7, 8 and/or 9 exists, the Bidder is to complete the following section:

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

ADDRESS:

---

Indicate nature of relationship with Transnet:

---

[Failure to furnish complete and accurate information in this regard will lead to the disqualification of a response and may preclude a Bidder from doing future business with Transnet. Information provided in the declarations may be used by Transnet and/or its affiliates to verify the correctness of the information provided]

11. We declare, to the extent that we are aware or become aware of any relationship between ourselves and Transnet [other than any existing and appropriate business relationship with Transnet] which could unfairly advantage our entity in the forthcoming adjudication process, we shall notify Transnet immediately in writing of such circumstances.

#### **BIDDER'S DISCLOSURE (SBD4)**

#### **12 PURPOSE OF THE FORM**

12.1 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.

12.2 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.

#### **13 Bidder's declaration**

13.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state?

**YES/NO**

<sup>1</sup> 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.



13.1.1. 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

13.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution?

**YES/NO**

13.2.1. If so, furnish particulars:

.....  
 .....

13.3 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**

13.3.1. If so, furnish particulars:

.....  
 .....

**14 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:

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

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



- 14.3 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 consortium<sup>2</sup> will not be construed as collusive bidding.
- 14.4 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.
- 14.5 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.
- 14.6 There have been no consultations, communications, agreements, or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 14.7 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 12, 13 and 14 ABOVE IS CORRECT.

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

#### **BREACH OF LAW**

We further hereby certify that *I/we* (the bidding entity and/or any of its directors, members, or partners) **have/have not been** [delete as applicable] found guilty during the preceding 5 [five] years of a serious breach of law, including but not limited to a breach of the Competition Act, 89 of 1998, by a court of law, tribunal, or other administrative body.

---

<sup>2</sup> 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.



The type of breach that the Bidder is required to disclose excludes relatively minor offences or misdemeanours, e.g. traffic offences. This includes the imposition of an administrative fine or penalty.

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

NATURE OF BREACH:

---



---

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

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

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

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





## SECTION 9: B-BBEE PREFERENCE POINTS CLAIM FORM

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

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

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

### 1. GENERAL CONDITIONS

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

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

1.2 The value of this bid is estimated to exceed R50 000 000 (all applicable taxes included) and therefore the 90/10 preference point system shall be applicable. Despite the stipulated preference point system, Transnet shall use the lowest acceptable bid to determine the applicable preference point system in a situation where all received acceptable bids are received outside the stated preference point system.

1.3 Preference points for this bid shall be awarded for:

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

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

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

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

### 2. DEFINITIONS

- (a) "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- (b) "B-BBEE" means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;



- (c) **"B-BBEE status level of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (d) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the supply/provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- (e) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (f) **"EME"** means an Exempted Micro Enterprise as defines by Codes of Good Practice under section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (g) **"functionality"** means the ability of a bidder to provide goods or services in accordance with specification as set out in the bid documents
- (h) **"Price"** includes all applicable taxes less all unconditional discounts.
- (i) **"Proof of B-BBEE Status Level of Contributor"**
- i) the B-BBEE status level certificate issued by an authorised body or person;
  - ii) a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or
  - iii) any other requirement prescribed in terms of the B-BBEE Act.
- (j) **"QSE"** means a Qualifying Small Enterprise as defines by Codes of Good Practice under section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (k) **"rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties.

### **3. POINTS AWARDED FOR PRICE**

#### **3.1 THE 90/10 PREFERENCE POINT SYSTEMS**

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

90/10

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

Where

- $P_s$  = Points scored for comparative price of bid under consideration
- $P_t$  = Comparative price of bid under consideration
- $P_{\min}$  = Comparative price of lowest acceptable bid



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

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

B-BBEE Status Level of Contributor	Number of points (90/10 system)
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

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

Enterprise	B-BBEE Certificate & Sworn Affidavit
<b>Large</b>	Certificate issued by SANAS accredited verification agency
<b>QSE</b>	Certificate issued by SANAS accredited verification agency Sworn Affidavit signed by the authorised QSE representative and attested by a Commissioner of Oaths confirming annual turnover and black ownership (only black-owned QSEs - 51% to 100% Black owned) [Sworn affidavits must substantially comply with the format that can be obtained on the DTI's website at <a href="http://www.dti.gov.za/economic_empowerment/bee_codes.jsp">www.dti.gov.za/economic_empowerment/bee_codes.jsp</a> .]
<b>EME<sup>3</sup></b>	Sworn Affidavit signed by the authorised EME representative and attested by a Commissioner of Oaths confirming annual turnover and black ownership Certificate issued by CIPC (formerly CIPRO) confirming annual turnover and black ownership Certificate issued by SANAS accredited verification agency only if the EME is being measured on the QSE scorecard

- 4.3 A trust, consortium, or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level verification certificate for every separate bid.
- 4.4 Tertiary Institutions and Public Entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

<sup>3</sup> In terms of the Implementation Guide: Preferential Procurement Regulations, 2017, Version 2, paragraph 11.11 provides that in the Transport Sector, EMEs can provide a letter from accounting officer or get verified and be issued with a B-BBEE certificate by SANAS accredited professional or agency as the Transport Sector Code has not been aligned to the generic Codes. EMEs in the Transport Sector are not allowed to provide a sworn affidavit as the generic codes are not applicable to them.



- 4.5 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 4.6 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.
- 4.7 Bidders are to note that the rules pertaining to B-BBEE verification and other B-BBEE requirements may be changed from time to time by regulatory bodies such as National Treasury or the DTI. It is the Bidder's responsibility to ensure that his/her bid complies fully with all B-BBEE requirements at the time of the submission of the bid.

**5. BID DECLARATION**

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

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

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

(Points claimed in respect of paragraph 6.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

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

7.1 Name of company/firm:.....

7.2 VAT registration number:.....

7.3 Company registration number:.....

**7.4 TYPE OF COMPANY/ FIRM**

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

[TICK APPLICABLE BOX]

**7.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

.....  
 .....

**7.6 COMPANY CLASSIFICATION**

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

[TICK APPLICABLE BOX]

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

7.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraphs 1.4 and 6.1 of



the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If a bidder submitted false information regarding its B-BBEE status level of contributor, local production and content, or any other matter required in terms of the Preferential Procurement Regulations, 2017 which will affect or has affected the evaluation of a bid, or where a bidder has failed to declare any subcontracting arrangements or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person’s conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) if the successful bidder subcontracted a portion of the bid to another person without disclosing it, Transnet reserves the right to penalise the bidder up to 10 percent of the value of the contract;
  - (e) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
  - (f) forward the matter for criminal prosecution.

WITNESSES

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....

.....

.....



## **SECTION 10: SUBCONTRACTING PREQUALIFICATION CRITERIA FORM**

a) As a prequalification criterion to participate in this RFP, Bidders are required to subcontract a minimum of 30% [thirty percent] of the value of the contract to one or more of the following designated groups:

- an EME or QSE;
- an EME or QSE which is at least 51% owned by Black People;
- an EME or QSE which is at least 51% owned by black people who are youth;
- an EME or QSE which is at least 51% owned by black people who are women;
- an EME or QSE which is at least 51% owned by black people with disabilities;
- an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
- an EME or QSE which is at least 51% owned by black people who are military veterans; or
- a cooperative which is at least 51% owned by black people.

**Bidders are to note that Transnet will not round off subcontracting percentage for the purposes of determining whether the subcontracting condition has been met.**

- 1 A bid that fails to meet this pre-qualifying criterion will be regarded as an unacceptable bid.
- 2 For a list of potential subcontractors, Bidders may refer to the National Treasury Central Database website and conduct a subcontractor search using the procurement reference number: **TCC/2022/05/0143/3962/RFP**. The list must be accessed as follows:
  - Log on to the CSD website (<https://secure.csd.gov.za/>);
  - Click on Search and select Subcontractor Search;
  - Enter the Procurement reference number **TCC/2022/05/0143/3962/RFP** and
  - Click on "Run Search".
- 3 Bidders have the discretion of identifying and selecting suppliers, who are registered on the National Treasury supplier database (CSD) but do not appear on the list provided by Transnet, for purposes of subcontracting.
- 4 **Bidders are required to submit proof of the subcontracting arrangement between themselves and the subcontractor(s). Proof of the subcontracting arrangement may include a subcontracting agreement.**
- 5 Bidders are to note that it is their responsibility to select competent subcontractors that meet all requirements of the bid so that their bid is not jeopardised by the subcontractor when evaluated.
- 6 Bidders are responsible for all due diligence on their subcontractors.
- 7 Bidder(s) are not allowed from subcontracting with their subsidiary companies as this may be interpreted as subcontracting with themselves and / or using their subsidiaries for fronting. Where a Bidder intends to subcontract with their subsidiary this must be declared in their bid response.
- 8 The successful Bidder awarded the contract may only enter into a subcontracting arrangement with Transnet's prior approval.
- 9 The contract will be concluded between the successful Bidder and Transnet, therefore, the successful Bidder and not the sub-contractor will be held liable for performance in terms of its contractual obligations.



**Attachments to this form**

**The Bidder is to ensure that the following is completed and attached to this form:**

a) Subcontractor's valid proof of B-BBEE status

b) **Name of subcontractor/s and Company Registration number:**

	Subcontractor Name	Legal	Company Registration Number	EME/QSE	B-BBEE Level	CSD Number
1						
2						
3						
4						
5						

c) **Work to be subcontracted:**

Subcontractor	Work to be performed by subcontractor (Please specify)	Percentage of contract that will be subcontracted	Firm Experience (No. of Years)
1			
2			
3			
4			
5			

**Note:**

For the purpose of determining that the pre-qualification criteria has been complied with, Bidders must cumulatively meet the minimum 30% pre-qualification requirement and provide a valid B-BBEE certificate(s) or Sworn Affidavit(s) for the proposed subcontractor(s) listed above. ***Failure to provide a valid B-BBEE certificate(s) or Sworn Affidavit(s) for proposed subcontractor(s) which makes up the minimum 30% pre-qualification requirement at the Closing Date and time of this RFP will result in a Bidder's disqualification.***



## SECTION 11: JOB-CREATION SCHEDULE

**(Please ensure that you return this schedule with your bid submission)**

The Government has identified State Owned Enterprises sourcing activities as a key enabler to achieve the National Development Plan (NDP) objective of reducing unemployment from the current baseline of 28% to 6%. In order to give effect to these job creation objectives, Bidders are required to provide the following undertaking of new jobs that will be created (either by them or by their subcontractors) should they be awarded this bid.

- (a) Please indicate total number of new jobs that will be created over the term of the contract:

Total number and value of new jobs created	Total number of new jobs	Total rand value of new jobs created

- (b) Of the total number of new jobs created, please indicate the number and value of new jobs to be created for the following designated groups:

	Total number of new jobs	Total rand value of new jobs
Black men		
Black women		
Black Youth		
Black people living in rural or underdeveloped areas or townships		
Black People with Disabilities		

- (c) Of the total number of new jobs created, please indicate the number of skilled, semi-skilled and unskilled new jobs that will be created over the term of the contract:

	Total number of Skilled jobs	Total number of Semi-skilled jobs	Total number of Unskilled jobs
Black men			
Black women			
Black Youth			
Black people living in rural or underdeveloped areas or townships			
Black People with Disabilities			
Other			

- (d) Please indicate the number of new jobs to be created, broken down per quarter over the term of the contract.

**Insert additional tables for each year of the contract period:**

Year 1	Q1	Q2	Q3	Q4
Total number of new jobs				
Number of new jobs for Black men				
Number of new jobs for black women				
Number of new jobs for black youth				
Number of new jobs for black people living in rural or underdeveloped areas or townships				
Number of new jobs for black People with Disabilities				



Number of new jobs for other categories				
Number of new skilled jobs				
Number of new semi-skilled jobs				
Number of new unskilled jobs				

<b>Year 2</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
Total number of new jobs				
Number of new jobs for Black men				
Number of new jobs for black women				
Number of new jobs for black youth				
Number of new jobs for black people living in rural or underdeveloped areas or townships				
Number of new jobs for black People with Disabilities				
Number of new jobs for other categories				
Number of new skilled jobs				
Number of new semi-skilled jobs				
Number of new unskilled jobs				

<b>Year 3</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
Total number of new jobs				
Number of new jobs for Black men				
Number of new jobs for black women				
Number of new jobs for black youth				
Number of new jobs for black people living in rural or underdeveloped areas or townships				
Number of new jobs for black People with Disabilities				
Number of new jobs for other categories				
Number of new skilled jobs				
Number of new semi-skilled jobs				
Number of new unskilled jobs				



<b>Year 4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
Total number of new jobs				
Number of new jobs for Black men				
Number of new jobs for black women				
Number of new jobs for black youth				
Number of new jobs for black people living in rural or underdeveloped areas or townships				
Number of new jobs for black People with Disabilities				
Number of new jobs for other categories				
Number of new skilled jobs				
Number of new semi-skilled jobs				
Number of new unskilled jobs				

<b>Year 5</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
Total number of new jobs				
Number of new jobs for Black men				
Number of new jobs for black women				
Number of new jobs for black youth				
Number of new jobs for black people living in rural or underdeveloped areas or townships				
Number of new jobs for black People with Disabilities				
Number of new jobs for other categories				
Number of new skilled jobs				
Number of new semi-skilled jobs				
Number of new unskilled jobs				



## **SECTION 12: PROTECTION OF PERSONAL INFORMATION**

1. The following terms shall bear the same meaning as contemplated in Section 1 of the Protection of Person information act, No.4 of 2013.(“POPIA”):

consent; data subject; electronic communication; information officer; operator; person; personal information; processing; record; Regulator; responsible party; special information; as well as any terms derived from these terms.

2. Transnet will process all information by the Bidder in terms of the requirements contemplated in Section 4(1) of the POPIA:

Accountability; Processing limitation; Purpose specification; Further processing limitation; Information quality; Openness; Security safeguards and Data subject participation.

3. The Parties acknowledge and agree that, in relation to personal information that will be processed pursuant to this RFP, the Responsible party is “Transnet” and the Data subject is the “Bidder”. Transnet will process personal information only with the knowledge and authorisation of the Bidder and will treat personal information which comes to its knowledge as confidential and will not disclose it, unless so required by law or subject to the exceptions contained in the POPIA.
4. Transnet reserves all the rights afforded to it by the POPIA in the processing of any of its information as contained in this RFP and the Bidder is required to comply with all prescripts as detailed in the POPIA relating to all information concerning Transnet.
5. In responding to this bid, Transnet acknowledges that it will obtain and have access to personal information of the Bidder. Transnet agrees that it shall only process the information disclosed by Bidder in their response to this bid for the purpose of evaluating and subsequent award of business and in accordance with any applicable law.
6. Transnet further agrees that in submitting any information or documentation requested in this RFP, the Bidder is consenting to the further processing of their personal information for the purpose of, but not limited to, risk assessment, assurances, contract award, contract management, auditing, legal opinions/litigations, investigations (if applicable), document storage for the legislatively required period, destruction, de-identification and publishing of personal information by Transnet and/or its authorised appointed third parties.
7. Furthermore, Transnet will not otherwise modify, amend or alter any personal data submitted by the Bidder or disclose or permit the disclosure of any personal data to any third party without the prior written consent from the Bidder. Similarly, Transnet requires the Bidder to process any personal information disclosed by Transnet in the bidding process in the same manner.
8. Transnet shall, at all times, ensure compliance with any applicable laws put in place and maintain sufficient measures, policies and systems to manage and secure against all forms of risks to any information that may be shared or accessed pursuant to this RFP (physically, through a computer or any other form of electronic communication).
9. Transnet shall notify the Bidder in writing of any unauthorised access to information, cybercrimes or suspected cybercrimes, in its knowledge and report such crimes or suspected crimes to the relevant authorities in accordance with applicable laws, after becoming aware of such crimes or suspected crime. The Bidder must take all necessary



remedial steps to mitigate the extent of the loss or compromise of personal information and to restore the integrity of the affected personal information as quickly as is possible.

10. The Bidder may, in writing, request Transnet to confirm and/or make available any personal information in its possession in relation to the Bidder and if such personal information has been accessed by third parties and the identity thereof in terms of the POPIA. The Bidder may further request that Transnet correct (excluding critical/mandatory or evaluation information), delete, destroy, withdraw consent or object to the processing of any personal information relating to the Bidder in Transnet’s possession in terms of the provision of the POPIA and utilizing Form 2 of the POPIA Regulations.
  
11. In submitting any information or documentation requested in this RFP, the Bidder is hereby consenting to the processing of their personal information for the purpose of this RFP and further confirming that they are aware of their rights in terms of Section 5 of POPIA. The Transnet SOC Ltd Tender: Transnet Internal Audit requires the disclosure of personal information as defined within the Protection of Personal Information Act 4 of 2013. Transnet SOC Ltd will utilise this information to identify the tenderers who wish to tender. The tender process includes that director(s), of the tenderer (that will service Transnet) will also be required to disclose their criminal record background checks. The personal information will remain protected within Transnet’s systems and access to this information restricted to authorized employees only. Following completion of the tender the records will remain in accordance with Transnet record keeping policy and process. You are entitled to request Transnet ([Lerato.ramoyada@transnet.net](mailto:Lerato.ramoyada@transnet.net)) to disclose all personal information as it relates to you, to ensure accuracy of this information. By submitting your personal information, you consent to Transnet processing this personal information. You are also made aware, and you consent, that Transnet, and any 3<sup>rd</sup> party, authorized by Transnet, may conduct any checks on your personal information, however only for the purposes as outlined within this tender.”

**Bidders are required to provide consent to processing their personal information below:**

<b>YES</b>	<b>NO</b>
------------	-----------

12. Further, the Bidder declares that they have obtained all consents pertaining to other data subject’s personal information included in its submission and thereby indemnifying Transnet against any civil or criminal action, administrative fines or other penalty or loss that may arise as a result of the processing of any personal information that the Bidder submitted.



13. The Bidder declares that the personal information submitted for the purpose of this RFP is complete, accurate, not misleading, is up to date and may be updated where applicable.

Signature of Bidder's authorised representative: \_\_\_\_\_

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