

Transnet Freight Rail

an Operating Division **TRANSNET SOC LTD**

[Registration Number 1990/000900/30]

REQUEST FOR PROPOSAL (RFP)

**FOR THE: RE-INSTATEMENT, REPAIR AND MAINTENANCE OF RAILWAY TRACKSIDE
GREASE POTS, FOR TRANSNET RAIL INFRASTRUCTURE MANAGER, ON AS AND
WHEN REQUIRED BASIS.**

RFP NUMBER	: HOAC-HO-51958
ISSUE DATE	: 29 SEPTEMBER 2025
COMPULSORY BRIEFING	: 09 OCTOBER 2025
CLOSING DATE	: 28 OCTOBER 2025
CLOSING TIME	: 10h00am
TENDER VALIDITY PERIOD	: 12 weeks from closing date

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T1.1 TENDER NOTICE AND INVITATION TO TENDER

SECTION 1: NOTICE TO TENDERERS

1. INVITATION TO TENDER

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

DESCRIPTION	Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.
TENDER DOWNLOADING	<p>This Tender may be downloaded directly from the National Treasury eTender Publication Portal at www.etenders.gov.za and the Transnet website at https://transnetetenders.azurewebsites.net (please use Google Chrome to access Transnet link).</p> <p>FREE OF CHARGE</p>

COMPULSORY TENDER CLARIFICATION MEETING	<p>A compulsory tender clarification meeting, with representatives of the Employer will take place on Microsoft Teams Platform, on the 09 October 2025, at 10:00am [10 O'clock] for a period of ± 2 (two) hours.</p> <p>The compulsory tender clarification meeting will start punctually, and information will not be repeated for the benefit of Tenderers arriving late.</p> <ul style="list-style-type: none"> Tenderers are required to confirm their intention to attend the meeting, by sending their e-mail address, and/or that of their company representatives (where applicable), to Wandile Msibi, on the following e-mail address: wandile.msibi@transnet.net, on or before Friday, 07 October 2025 (12h00 midday). This is to ensure that Transnet makes the necessary invitation arrangements for the RFP briefing meeting. Transnet encourages all respondents to attend. Transnet will not be held responsible if any respondent who did not attend the compulsory RFP briefing session subsequently feels disadvantaged as a result thereof. Respondents failing to attend the compulsory RFP briefing <u>will</u> be disqualified.
CLOSING DATE	The closing date and time for submission of tenders is 10:00 am on (28 October 2025) – refer to C.2.15 of the Standard Conditions of Tender.



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	<p>Telegraphic, telephonic, telex and late tenders <u>will not</u> be accepted – refer to C.2.13.9 of the Standard Conditions of Tender.</p> <p>Tenderers must ensure that tenders are uploaded timeously onto the system. If a tender is late, it will not be accepted for consideration.</p>
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2. TENDER SUBMISSION

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

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

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

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

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

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

3. CONFIDENTIALITY

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



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4. DISCLAIMERS

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

- 4.1. Award the business to the highest scoring Tenderer/s unless objective criteria justify the award to another tenderer.
- 4.2. Not necessarily accept the lowest priced tender or an alternative Tender;
- 4.3. Go to the open market if the quoted rates (for award of work) are deemed unreasonable;
- 4.4. Should the Tenderers be awarded business on strength of information furnished by the Tenderer, which after conclusion of the contract is proved to have been incorrect, Transnet reserves the right to terminate the contract;
- 4.5. Request audited financial statements or other documentation for the purposes of a due diligence exercise;
- 4.6. Not accept any changes or purported changes by the Tenderer to the tender rates after the closing date;
- 4.7. Verify any information supplied by a Tenderer by submitting a tender, the Tenderer/s hereby irrevocably grant the necessary consent to the Transnet to do so;
- 4.8. Conduct the evaluation process in parallel. The evaluation of Tenderers at any given stage must therefore not be interpreted to mean that Tenderers have necessarily passed any previous stage(s);
- 4.9. Unless otherwise expressly stated, each tender lodged in response to the invitation to tender shall be deemed to be an offer by the Tenderer. The Employer has the right in its sole and unfettered discretion not to accept any offer.
- 4.10. Not be held liable if tenderers do not provide the correct contact details during the clarification session and do not receive the latest information regarding this RFP with the possible consequence of being disadvantaged or disqualified as a result thereof.
- 4.11. Transnet reserves the right to exclude any Tenderers from the tender process who has been convicted of a serious breach of law during the preceding 5 [five] years including but not limited to breaches of the Competition Act 89 of 1998, as amended. Tenderers are required to indicate in tender returnable on [T2.2-16], **[Breach of Law]** whether or not they have been found guilty of a serious breach of law during the past 5 [five] years.
- 4.12. Transnet reserves the right to perform a risk analysis on the preferred tenderer to ascertain if any of the following might present an unacceptable commercial risk to the employer:
 - *unduly high or unduly low tendered rates or amounts in the tender offer;*
 - *contract data of contract provided by the tenderer; or*
 - *the contents of the tender returnables which are to be included in the contract.*

5. Transnet will not reimburse any Tenderer for any preparatory costs or other work performed in connection with this Tender, whether or not the Tenderer is awarded a contract.

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6. NATIONAL TREASURY'S CENTRAL SUPPLIER DATABASE

Tenderer are required to self-register on National Treasury's Central Supplier Database (CSD) which has been established to centrally administer supplier information for all organs of state and facilitate the verification of certain key supplier information. The CSD can be accessed at <https://secure.csd.gov.za/>. Tenderer are required to provide the following to Transnet in order to enable it to verify information on the CSD:

Supplier Number.....

and

Unique registration reference number..... (**Tender Data**).

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

T1.2 TENDER DATA

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

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

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

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

Clause	Data
C.1.1 The <i>Employer</i> is	Transnet SOC Ltd (Reg No. 1990/000900/30)
C.1.2 The tender documents issued by the <i>Employer</i> comprise:	
Part T: The Tender	
Part T1: Tendering procedures	T1.1 Tender notice and invitation to tender T1.2 Tender data
Part T2: Returnable documents	T2.1 List of returnable documents T2.2 Returnable schedules
Part C: The contract	
Part C1: Agreements and contract data	C1.1 Form of offer and acceptance C1.2 Contract data (Part 1 & 2)
Part C2: Pricing data	C2.1 Pricing instructions C2.2 Price List
Part C3: Scope of work	C3.1 Service Information
Part C4: Affected Property	C4.1 Affected Property

C.1.4 The Employer's agent is:

Name:	Wandile Msibi
Address:	Transnet Rail Infrastructure Manager Container Corridor, 1 Houer road, City Deep, Johannesburg
Tel No.	011 584-4684
E – mail	wandile.msibi@transnet.net

C.2.1 Only those tenderers who satisfy the following eligibility criteria are eligible to submit tenders:

a) **Eligibility in terms of the Construction Industry Development Board:**

Only those tenderers who are registered with the CIDB or are capable of being so prior to the evaluation of submissions, in a contractor grading designation equal to or higher than a contractor grading designation determined in accordance with the sum tendered or a value determined in accordance with Regulation 25 (1B) or 25(7A) of the Construction Industry Development Regulations, designation of **6ME or higher** class of construction work, are eligible to have their tenders evaluated.

b) **Eligibility with regards to attending a compulsory RFP clarification meeting:**

Attendance of compulsory RFP clarification meeting: verify if the tenderer has attended the meeting using Microsoft Teams meeting list of participants (attendance register) – refer to CIDB Standard Condition of Tender C.2.7

c) Joint Venture (JV)

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

- d) every member of the joint venture is registered with the CIDB;
- e) the lead partner has a contractor grading designation of not lower than one level below the required class of construction works under consideration and possesses the required recognition status; and
- f) the combined Contractor grading designation calculated in accordance with the Construction Industry Development Regulations is equal to or higher than a contractor grading designation determined in accordance with the sum tendered for a **6ME or higher** class of construction work or a value determined in accordance with Regulation 25(1B) or 25(7A) of the Construction Industry Development Regulations.
- g) The tenderer shall provide a certified copy of its signed joint venture agreement.

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

C.2.7 The arrangements for a **compulsory RFP clarification meeting**, are as stated in the Tender Notice and Invitation to Tender.

Should there be a need for an addenda, it will be made available only to those tenderers that attended the compulsory RFP clarification meeting.

Tenderers are also **required to bring their RFP document to the briefing session.**

C.2.12 No alternative tender offers will be considered.

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

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

Identification details:	<p>The tender documents must be uploaded with:</p> <ul style="list-style-type: none"> ▪ Name of Tenderer: ▪ Contact person and details: ▪ The Tender Number: ▪ The Tender Description <p>Documents must be marked for the attention of: Employer's Agent: Wandile Msibi</p>
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C.2.13.9 **Telephonic, telegraphic, facsimile or e-mailed tender offers will not be accepted.**

C.2.15 The closing time for submission of tender offers is:
Time: **10:00am** on the **28 October 2025**

Location: The Transnet e-Tender Submission Portal:
(<https://transnetetenders.azurewebsites.net>).

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

NO LATE TENDERS WILL BE ACCEPTED

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

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

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1. A valid Tax Clearance Certificate issued by the South African Revenue Services. **Tenderers also to provide Transnet with a TCS PIN to verify Tenderers compliance status.**
 2. A **valid B-BBEE Certificate** from a Verification Agency accredited by the South African Accreditation System [**SANAS**], or a **sworn affidavit** confirming annual turnover and level of black ownership, in line with the code of good practice, together with the tender.
 3. A valid CIDB CRS registration number'
 4. Proof of registration on the National Treasury's Central Supplier Database.
 5. Letter of Good Standing with the Workmen's compensation fund by the tendering entity or separate Letters of Good Standing from all members of a newly constituted JV.

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



C.3.11 The minimum number of evaluation points for functionality is **80**

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

Functionality Criteria

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

Functionality evaluation criteria	Sub-criteria	Scoring guide.
1. Previous experience in executing similar scope of railway permanent service (T2.2-03).	The tenderer shall submit 4 award letters and/or completion certificates and/or claim form and/or, previous Contracts, for executing installation, repairing and maintenance of railway trackside grease pots or experience working with pressurized equipment or experience with maintenance of perway assets. (The tenderer shall demonstrate the scope of the work executed). NB: 1. Award and completion letters must clearly stipulate or provide description of the project scope. 2. Award and completion letter shall state the budget/cost of project completion.	Very good (score 100) – for a tenderer that submits 4 Award letters and/or, Purchase Orders and/or, Previous contracts & their completion certificates. Score full 30 points.
		Good (score 90) - for a tenderer that submits 3 Award letters and/or, Purchase Orders and/or, Previous contracts & their completion certificates. Score 22.5 points.
		Satisfactory (score 70) - for a tenderer that submits 2 Award letters and/or, Purchase Orders and/or, Previous contracts & their completion certificates. Score 15 points.
		Poor (score 40) - for a tenderer that submits 1 Award letter and/or, Purchase Order and/or, Previous contract & their completion certificate. Score 7.5 points.
		Score 0 points for No submission.

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	<p>3. Award and completion letters must be on official client's letterhead and signed by a person with DoA or duly authorized.</p> <p>4. Award and completion letter must state the name, address and contact person details of the client.</p>	
2.Method statement (T2.2-05).	<p>The tenderer shall submit a method statement that will be specific to the installation, repair and maintenance of railway trackside grease pots, includes ensuring proper installation, addressing any issues with grease pots, and performing preventative maintenance to prolong their lifespan and maintain rail lubrication.</p>	<p>Very good (score 100) – for a tenderer that submits a method statement that reflects a minimum of all of the following (i) Appropriate fitment of the lubricator assembly to the rail or adjacent to the rail as per the manufacturer's guidelines, (ii) install the plates correctly, ensuring they are aligned with the rail and adjusted for adequate grease application, as described in the manufacturer's manual, (iii) configure the system settings to optimize grease application and adjust the grease flow as needed, following the manufacturer's recommendations, (iv) after repairs, prime the system to ensure it is functioning correctly and that the grease flow is adequate, as described in the manufacturer's instructions, and (v) refill the grease, as recommended by the manufacturer, to maintain its lubricating properties and prevent contamination.</p> <p>Score full 10 points.</p>
		<p>Good (score 90) – for a tenderer that submits a method statement that reflects a combination of any 4 of the following (i) Appropriate fitment of the lubricator assembly to the rail or adjacent to the rail as per the manufacturer's guidelines, (ii) install the plates correctly, ensuring they are aligned with the rail and adjusted for adequate grease application, as described in the manufacturer's manual, (iii) configure the system settings to optimize grease application and adjust the grease flow as needed, following the manufacturer's recommendations, (iv) after repairs, prime the system to ensure it is functioning correctly and that the grease flow is adequate, as described in the manufacturer's instructions, and (v) refill the grease, as recommended by the manufacturer, to maintain its lubricating properties and prevent contamination.</p> <p>Score 8 points.</p>

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		<p>Satisfactory (score 70) - for a tenderer that submits a method statement that reflects a combination of any 3 of the following (i) Appropriate fitment of the lubricator assembly to the rail or adjacent to the rail as per the manufacturer's guidelines, (ii) install the plates correctly, ensuring they are aligned with the rail and adjusted for adequate grease application, as described in the manufacturer's manual, (iii) configure the system settings to optimize grease application and adjust the grease flow as needed, following the manufacturer's recommendations, (iv) after repairs, prime the system to ensure it is functioning correctly and that the grease flow is adequate, as described in the manufacturer's instructions, and (v) refill the grease, as recommended by the manufacturer, to maintain its lubricating properties and prevent contamination.</p> <p>Score 6 points.</p>
		<p>Poor (score 40) - for a tenderer that submits a method statement that reflects a combination of any 2 of the following (i) Appropriate fitment of the lubricator assembly to the rail or adjacent to the rail as per the manufacturer's guidelines, (ii) install the plates correctly, ensuring they are aligned with the rail and adjusted for adequate grease application, as described in the manufacturer's manual, (iii) configure the system settings to optimize grease application and adjust the grease flow as needed, following the manufacturer's recommendations, (iv) after repairs, prime the system to ensure it is functioning correctly and that the grease flow is adequate, as described in the manufacturer's instructions, and (v) refill the grease, as recommended by the manufacturer, to maintain its lubricating properties and prevent contamination.</p> <p>Score 4 points.</p>
		<p>Score 0 points for a tenderer that submits a method statement that reflects only 1 of the following (i) Appropriate fitment of the lubricator assembly to the rail or adjacent to the rail as per the manufacturer's guidelines, (ii) install the plates correctly, ensuring they are aligned with the rail and adjusted for adequate grease application, as described in the manufacturer's manual, (iii) configure the system settings to optimize grease application and adjust the grease flow as needed, following</p>



		the manufacturer's recommendations, (iv) after repairs, prime the system to ensure it is functioning correctly and that the grease flow is adequate, as described in the manufacturer's instructions, and (v) refill the grease, as recommended by the manufacturer, to maintain its lubricating properties and prevent contamination or No submission.
3.Commitment letters (T2.2-06).	<p>The tenderer shall submit a combination of the below list of commitment letters in the tenderer's company letterhead, signed by duly authorised person:</p> <ul style="list-style-type: none"> i. Indicating that the tenderer is an OEM of trackside lubricators, or the tenderer shall provide a Memorandum of Understanding with the OEM. ii. Declaring the warranty for the spares of the trackside lubricators spare parts. (12 months warranty) iii. That Transnet shall conduct a testing exercise on the trackside lubricators spare parts, at the tenderers/contractor's expense. iv. That the tenderer/contractor will provide technical back-up and support on the reinstated, repaired and maintenance trackside lubricators, for a period of 12 months after reinstatement, repaired and maintenance. 	<p>Very good (score 100) – for a tenderer that submit all six (06) commitment letters, in the tenderer's company letterhead, signed by duly authorised person, (i) indicating that the tenderer is an OEM of trackside lubricators, or the tenderer shall provide a Memorandum of Understanding with the OEM, (ii) declaring the warranty for the spares of the trackside lubricators spare parts to be 12 months, (iii) that Transnet shall conduct a testing exercise on the trackside lubricators spare parts, at the tenderers/contractor's expense, (iv) that the tenderer/contractor will provide technical back-up and support on the newly reinstated, repaired and maintained trackside lubricators, for a period of 12 months after reinstatement, repair and maintenance, (v) the tenderer will provide manufacturing identification labels on the reinstated, repaired and maintained trackside lubricators, and (vi) a valid manufacturer's quality management system certificate, which meet the minimum requirements of ISO 9001. Score full 30 points.</p>
		<p>Good (score 90) – for a tenderer that submit a combination of any five (05) commitment letters, in the tenderer's company letterhead, signed by duly authorised person, (i) indicating that the tenderer is an OEM of trackside lubricators, or the tenderer shall provide a Memorandum of Understanding with the OEM, (ii) declaring the warranty for the spares of the trackside lubricators spare parts, (iii) that Transnet shall conduct a testing exercise on the trackside lubricators spare parts, at the tenderers/contractor's expense, (iv) that the tenderer/contractor will provide technical back-up and support on the newly installed, repaired and maintenance trackside lubricators, for a period of 12 months after installation, repaired and maintenance, (v) the tenderer will provide manufacturing identification labels on the installed, repaired and maintenance done trackside lubricators, and (vi) a valid manufacturer's</p>



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	<p>v. The tenderer will provide manufacturing identification labels on the reinstated, repaired and maintained trackside lubricators.</p> <p>vi. A valid manufacturer's quality management system certificate, which meet the minimum requirements of ISO 9001.</p>	<p>quality management system certificate, which meet the minimum requirements of ISO 9001.</p> <p>Score 25 points.</p> <p>Satisfactory (score 70) – for a tenderer that submit a combination of any four (04) commitment letters, in the tenderer's company letterhead, signed by duly authorised person, (i) indicating that the tenderer is an OEM of trackside lubricators, or the tenderer shall provide a Memorandum of Understanding with the OEM, (ii) declaring the warranty for the spares of the trackside lubricators spare parts, (iii) that Transnet shall conduct a testing exercise on the trackside lubricators spare parts, at the tenderers/contractor's expense, (iv) that the tenderer/contractor will provide technical back-up and support on the newly installed, repaired and maintenance trackside lubricators, for a period of 12 months after installation, repaired and maintenance, (v) the tenderer will provide manufacturing identification labels on the installed, repaired and maintenance done trackside lubricators, and (vi) a valid manufacturer's quality management system certificate, which meet the minimum requirements of ISO 9001.</p> <p>Score 20 points.</p> <p>Poor (score 40) - for a tenderer that submit a combination of any three (03) commitment letters, in the tenderer's company letterhead, signed by duly authorised person, (i) indicating that the tenderer is an OEM of trackside lubricators, or the tenderer shall provide a Memorandum of Understanding with the OEM, (ii) declaring the warranty for the spares of the trackside lubricators spare parts, (iii) that Transnet shall conduct a testing exercise on the trackside lubricators spare parts, at the tenderers/contractor's expense, (iv) that the tenderer/contractor will provide technical back-up and support on the newly installed, repaired and maintenance trackside lubricators, for a period of 12 months after installation, repaired and maintenance, (v) the tenderer will provide manufacturing identification labels on the installed, repaired and maintenance done trackside lubricators, and (vi) a valid manufacturer's quality management system certificate, which meet the minimum requirements of ISO</p>
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		<p>9001.</p> <p>Score 15 points.</p> <p>Score 0 points for No submission, or for a tenderer that submit a combination of any two (02) or less commitment letters, in the tenderer's company letterhead, signed by duly authorised person, (i) indicating that the tenderer is an OEM of trackside lubricators, or the tenderer shall provide a Memorandum of Understanding with the OEM, (ii) declaring the warranty for the spares of the trackside lubricators spare parts, (iii) that Transnet shall conduct a testing exercise on the trackside lubricators spare parts, at the tenderers/contractor's expense, (iv) that the tenderer/contractor will provide technical back-up and support on the newly installed, repaired and maintenance trackside lubricators, for a period of 12 months after installation, repaired and maintenance, (v) the tenderer will provide manufacturing identification labels on the installed, repaired and maintenance done trackside lubricators, and (vi) a valid manufacturer's quality management system certificate, which meet the minimum requirements of ISO 9001.</p>
<p>4.Project organogram management and CV's (T2.2-07).</p>	<p>The tenderer shall submit the following documents as a minimum returnable: a project organogram complemented by CVs & academic qualifications of key personnel, reflecting:</p> <ul style="list-style-type: none"> i. 3 Flag men. ii. 1 Millwright or Competent Person - Pressure Vessels (SAQCC-CP) iii. An assistant to the Millwright iv. 1 Inspector of Pressurized Equipment (SAQCC-IPE). <p>NB: The assistant to the Millwright or to the competent person is a general worker</p>	<p>Very good (score 100) – tenderer submits project organogram complemented by CVs & academic qualifications of key personnel, reflecting all of the below:</p> <ul style="list-style-type: none"> i. 3 Flag men. ii. 1 Millwright or 1 Competent Person - Pressure Vessels (SAQCC-CP). iii. 1 Assistant Millwright or Assistant to the Competent Person - Pressure Vessels (SAQCC-CP) iv. 1 Inspector of Pressurized Equipment (SAQCC-IPE). <p>Score 30 points.</p> <p>Good (score 90) – tenderer submit project organogram complemented by CVs & academic qualifications of key personnel, reflecting only three (03) of the below:</p> <ul style="list-style-type: none"> i. 3 Flag men. ii. 1 Millwright or 1 Competent Person - Pressure Vessels (SAQCC-CP). iii. 1 Assistant Millwright or Assistant to the Competent Person - Pressure Vessels (SAQCC-CP) iv. 1 Inspector of Pressurized Equipment (SAQCC-IPE).



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Transnet Rail Infrastructure Manager, on as and when required basis.

		Score 25 points.
		Satisfactory (score 70) – tenderer submit project organogram complemented by CVs & academic qualifications of key personnel, reflecting only two (02) of the below: <ul style="list-style-type: none">i. 3 Flag men.ii. 1 Millwright or 1 Competent Person - Pressure Vessels (SAQCC-CP).iii. 1 Assistant Millwright or Assistant to the Competent Person - Pressure Vessels (SAQCC-CP)iv. 1 Inspector of Pressurized Equipment (SAQCC-IPE).
		Score 20 points. Poor (score 40) – tenderer submit project organogram complemented by CVs & academic qualifications of key personnel, reflecting only one (01) of the below: <ul style="list-style-type: none">i. 3 Flag men.ii. 1 Millwright or 1 Competent Person - Pressure Vessels (SAQCC-CP).iii. 1 Assistant Millwright or Assistant to the Competent Person - Pressure Vessels (SAQCC-CP)iv. 1 Inspector of Pressurized Equipment (SAQCC-IPE).
		Score 15 points. Score 0 - tenderer submit project organogram complemented by CVs & academic qualifications of key personnel, reflecting none of the below, or No submission: <ul style="list-style-type: none">i. 3 Flag men.ii. 1 Millwright or 1 Competent Person - Pressure Vessels (SAQCC-CP).iii. 1 Assistant Millwright or Assistant to the Competent Person - Pressure Vessels (SAQCC-CP)iv. 1 Inspector of Pressurized Equipment (SAQCC-IPE).



Transnet Rail Infrastructure Manager

Tender Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for
Transnet Rail Infrastructure Manager, on as and when required basis.

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

1. T2.2-03 Previous experience in executing similar scope of railway permanent service (30 points).
2. T2.2-05 Method statement (10 points).
3. T2.2-06 Commitment letters (30 points).
4. T2.2-07 Project organogram management and CV's (30 points).

Each evaluation criteria will be assessed in terms of scores of 0, 40, 70, 90 or 100.

C.3.12 Only tenders that achieve the minimum qualifying score for functionality will be evaluated further in accordance with the 80/20 preference points systems as described in Preferential Procurement Regulations.

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

Thresholds	Minimum Threshold
Functionality	80 points

Evaluation Criteria	Final Weighted Scores
Price	80
TPPP Specific goals = 20 points:	
APPLICABLE SPECIFIC GOALS FOR THIS TENDER IS B-BBEE Level of contributor Level 1 or Level 2.	8
Entities that are at least 50% Black Youth Owned.	2
Entities that are at least 51% Black Owned.	4
Local Content and Production: <ul style="list-style-type: none"> Steel products and components for construction designated at 100%. Valves and actuators designated at 70%. Pumps and associated equipment designated at 70%. Fully completed duly declared and signed Local Content: Annexures C, D and E will score tenderer full 2 points per sector (3 sectors). Incomplete, submitted blank or not submitted Local Content Annexures C, D and E, will score zero (0) points. In case the suppliers do not meet required Local Content thresholds, DTIC Exemption letter will be required in support for scoring purposes.	6
Non-compliant and/or B-BBEE Level 3-8 contributors.	0
TOTAL SCORE:	100



Transnet Rail Infrastructure Manager

Tender Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for
Transnet Rail Infrastructure Manager, on as and when required basis.

Up to 100 minus W_1 tender evaluation points will be awarded to tenderers who complete the preferencing schedule and who are found to be eligible for the preference claimed. **Should the evidence required for any of the Specific Goals applicable in this tender not be provided, a tenderer will score zero preference points for that particular "Specific Goal".**

In terms of Transnet Preferential Procurement Policy (TPPP) and Procurement Manuals, the following preference points must be awarded to a bidder who provides the relevant required evidence for claiming points.

Selected Specific Goal	Number of points allocated (20)
APPLICABLE SPECIFIC GOALS FOR THIS TENDER IS B-BBEE Level of contributor – Level 1 or Level 2, and	8 points
Entities that are at least 50% Black Youth Owned.	2 points
Entities that are at least 51% Black Owned.	4 points
Local Content and Production: <ul style="list-style-type: none"> Steel products and components for construction designated at 100%. Valves and actuators designated at 70%. Pumps and associated equipment designated at 70%. Fully completed duly declared and signed Local Content: Annexures C, D and E will score tenderer full 2 points per sector (3 sectors). Incomplete, submitted blank or not submitted Local Content Annexures C, D and E, will score zero (0) points. In case the suppliers do not meet required Local Content thresholds, DTIC Exemption letter will be required in support for scoring purposes.	6 points
Non-Compliant and/or B-BBEE Level 3-8 contributors.	0 points



Transnet Rail Infrastructure Manager

Tender Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

Specific Goals	Acceptable Evidence
B-BBEE Level 1 or 2	B-BBEE Certificate / Sworn- Affidavit / B-BBEE CIPC Certificate (in case of JV, a consolidated scorecard will be accepted) as per DTIC guideline
Entities that are at least 51% Black Owned	B-BBEE Certificate / Sworn-Affidavit / CIPC Certificate
>50% Black Youth Owned Entities	Certified copy of ID Documents of the Owners and B-BBEE Certificate / Sworn- Affidavit / B-BBEE CIPC Certificate (in case of JV, a consolidated scorecard will be accepted) as per DTIC guideline
Local Content and Local Production	Returnable Local Content and production Annexures

The maximum points for this bid are allocated as follows:

DESCRIPTION	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTION	8
APPLICABLE SPECIFIC GOALS FOR THIS TENDER IS B-BBEE Level of contributor – Level 1 or Level 2.	
Entities that are at least 50% Black Youth Owned.	2
Entities that are at least 51% Black Owned.	4
Local Content and Production: <ul style="list-style-type: none"> Steel products and components for construction designated at 100%. Valves and actuators designated at 70%. Pumps and associated equipment designated at 70%. Fully completed duly declared and signed Local Content: Annexures C, D and E will score tenderer full 2 points per sector (3 sectors). Incomplete, submitted blank or not submitted Local Content Annexures C, D and E, will score zero (0) points. In case the suppliers do not meet required Local Content thresholds, DTIC Exemption letter will be required in support for scoring purposes.	6
Total points for Price and Specific Goals must not exceed	100

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

C.3.13 Tender offers will only be accepted if:

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

the tenderer:

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

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

Annex C

Standard Conditions of Tender

C.1 General

C.1.1 Actions

C.1.1.1 The employer and each tenderer submitting a tender offer shall comply with these conditions of tender. In their dealings with each other, they shall discharge their duties and obligations as set out in C.2 and C.3, timeously and with integrity, and behave equitably, honestly and transparently, comply with all legal obligations and not engage in anticompetitive practices.

C.1.1.2 The employer and the tenderer and all their agents and employees involved in the tender process shall avoid conflicts of interest and where a conflict of interest is perceived or known, declare any such conflict of interest, indicating the nature of such conflict. Tenderers shall declare any potential conflict of interest in their tender submissions. Employees, agents and advisors of the employer shall declare any conflict of interest to whoever is responsible for overseeing the procurement process at the start of any deliberations relating to the procurement process or as soon as they become aware of such conflict and abstain from any decisions where such conflict exists or recuse themselves from the procurement process, as appropriate.

Note: 1) A conflict of interest may arise due to a conflict of roles which might provide an incentive for improper acts in some circumstances. A conflict of interest can create an appearance of impropriety that can undermine confidence in the ability of that person to act properly in his or her position even if no improper acts result.

2) Conflicts of interest in respect of those engaged in the procurement process include direct, indirect or family interests in the tender or outcome of the procurement process and any personal bias, inclination, obligation, allegiance or loyalty which would in any way affect any decisions taken.

C.1.1.3 The employer shall not seek and a tenderer shall not submit a tender without having a firm intention and the capacity to proceed with the contract.

C.1.2 Tender Documents

The documents issued by the employer for the purpose of a tender offer are listed in the tender data.

C.1.3 Interpretation

C.1.3.1 The tender data and additional requirements contained in the tender schedules that are included in the returnable documents are deemed to be part of these conditions of tender.

C.1.3.2 These conditions of tender, the tender data and tender schedules which are required for tender evaluation purposes, shall form part of any contract arising from the invitation to tender.

C.1.3.3 For the purposes of these conditions of tender, the following definitions apply:

a) **conflict of interest** means any situation in which:

- i) someone in a position of trust has competing professional or personal interests which make it difficult to fulfill his or her duties impartially;
- ii) an individual or tenderer is in a position to exploit a professional or official capacity in some way for their personal or corporate benefit; or
- iii) incompatibility or contradictory interests exist between an employee and the tenderer who employs that employee.

b) **comparative offer** means the price after the factors of a non-firm price and all unconditional discounts it can be utilised to have been taken into consideration;

- c) **corrupt practice** means the offering, giving, receiving or soliciting of anything of value to influence the action of the employer or his staff or agents in the tender process;
- d) **fraudulent practice** means the misrepresentation of the facts in order to influence the tender process or the award of a contract arising from a tender offer to the detriment of the employer, including collusive practices intended to establish prices at artificial levels;

C.1.4 Communication and employer's agent

Each communication between the employer and a tenderer shall be to or from the employer's agent only, and in a form that can be readily read, copied and recorded. Communications shall be in the English language. The employer shall not take any responsibility for non-receipt of communications from or by a tenderer. The name and contact details of the employer's agent are stated in the tender data.

C.1.5 Cancellation and Re-Invitation of Tenders

C.1.5.1 An employer may, prior to the award of the tender, cancel a tender if-

- a) due to changed circumstances, there is no longer a need for the engineering and construction works specified in the invitation;
- b) funds are no longer available to cover the total envisaged expenditure; or
- c) no acceptable tenders are received.
- d) there is a material irregularity in the tender process.

C.1.5.2 The decision to cancel a tender invitation must be published in the same manner in which the original tender invitation was advertised

C.1.5.3 An employer may only with the prior approval of the relevant treasury cancel a tender invitation for the second time.

C.1.6 Procurement procedures

C.1.6.1 General

Unless otherwise stated in the tender data, a contract will, subject to C.3.13, be concluded with the tenderer who in terms of C.3.11 is the highest ranked or the tenderer scoring the highest number of tender evaluation points, as relevant, based on the tender submissions that are received at the closing time for tenders.

C.1.6.2 Competitive negotiation procedure

C.1.6.2.1 Where the tender data require that the competitive negotiation procedure is to be followed, tenderers shall submit tender offers in response to the proposed contract in the first round of submissions. Notwithstanding the requirements of C.3.4, the employer shall announce only the names of the tenderers who make a submission. The requirements of C.8 relating to the material deviations or qualifications which affect the competitive position of tenderers shall not apply.

C.1.6.2.2 All responsive tenderers or at least a minimum of not less than three responsive tenderers that are highest ranked in terms of the evaluation criteria stated in the tender data shall be invited to enter into competitive negotiations based on the principle of equal treatment, keeping confidential the proposed solutions and associated information.

Notwithstanding the provisions of C.2.17, the employer may request that tenders be clarified, specified and fine-tuned in order to improve a tenderer's competitive position provided that such clarification, specification, fine-tuning or additional information does not alter any fundamental aspects of the offers or impose substantial new requirements which restrict or distort competition or have a discriminatory effect.

C.1.6.2.3 At the conclusion of each round of negotiations, tenderers shall be invited by the employer to revise their tender offer based on the same evaluation criteria, with or without adjusted weightings. Tenderers shall be advised when they are to submit their best and final offer.

C.1.6.2.4 The contract shall be awarded in accordance with the provisions of C.3.11 and C.3.13 after tenderers have been requested to submit their best and final offer.

C.1.6.3 Proposal procedure using the two stage-system

C.1.6.3.1 Option 1

Tenderers shall in the first stage submit technical proposals and, if required, cost parameters around which a contract may be negotiated. The employer shall evaluate each responsive submission in terms of the method of evaluation stated in the tender data, and in the second stage negotiate a contract with the tenderer scoring the highest number of evaluation points and award the contract in terms of these conditions of tender.

C.1.6.3.2 Option 2

C.1.6.3.2.1 Tenderers shall submit in the first stage only technical proposals. The employer shall invite all responsive tenderers to submit tender offers in the second stage, following the issuing of procurement documents.

C.1.6.3.2.2 The employer shall evaluate tenders received during the second stage in terms of the method of evaluation stated in the tender data, and award the contract in terms of these conditions of tender.

C.2 Tenderer's obligations

C.2.1 Eligibility

C.2.1.1 Submit a tender offer only if the tenderer satisfies the criteria stated in the tender data and the tenderer, or any of his principals, is not under any restriction to do business with employer.

C.2.1.2 Notify the employer of any proposed material change in the capabilities or formation of the tendering entity (or both) or any other criteria which formed part of the qualifying requirements used by the employer as the basis in a prior process to invite the tenderer to submit a tender offer and obtain the employer's written approval to do so prior to the closing time for tenders.

C.2.2 Cost of tendering

C.2.2.1 Accept that, unless otherwise stated in the tender data, the employer will not compensate the tenderer for any costs incurred in the preparation and submission of a tender offer, including the costs of any testing necessary to demonstrate that aspects of the offer complies with requirements.

C.2.2.2 The cost of the tender documents charged by the employer shall be limited to the actual cost incurred by the employer for printing the documents. Employers must attempt to make available the tender documents on its website so as not to incur any costs pertaining to the printing of the tender documents.

C.2.3 Check documents

Check the tender documents on receipt for completeness and notify the employer of any discrepancy or omission.

C.2.4 Confidentiality and copyright of documents

Treat as confidential all matters arising in connection with the tender. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a tender offer in response to the invitation.

C.2.5 Reference documents

Obtain, as necessary for submitting a tender offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are not attached but which are incorporated into the tender documents by reference.

C.2.6 Acknowledge addenda

Acknowledge receipt of addenda to the tender documents, which the employer may issue, and if necessary apply for an extension to the closing time stated in the tender data, in order to take the addenda into account.

C.2.7 Clarification meeting

Attend, where required, a clarification meeting at which tenderers may familiarize themselves with aspects of the proposed work, services or supply and raise questions. Details of the meeting(s) are stated in the tender data.

C.2.8 Seek clarification

Request clarification of the tender documents, if necessary, by notifying the employer at least five (5) working days before the closing time stated in the tender data.

C.2.9 Insurance

Be aware that the extent of insurance to be provided by the employer (if any) might not be for the full cover required in terms of the conditions of contract identified in the contract data. The tenderer is advised to seek qualified advice regarding insurance.

C.2.10 Pricing the tender offer

C.2.10.1 Include in the rates, prices, and the tendered total of the prices (if any) all duties, taxes except Value Added Tax (VAT), and other levies payable by the successful tenderer, such duties, taxes and levies being those applicable fourteen (14) days before the closing time stated in the tender data.

C.2.10.2 Show VAT payable by the employer separately as an addition to the tendered total of the prices.

C.2.10.3 Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data.

C.2.10.4 State the rates and prices in Rand unless instructed otherwise in the tender data. The conditions of contract identified in the contract data may provide for part payment in other currencies.

C.2.11 Alterations to documents

Do not make any alterations or additions to the tender documents, except to comply with instructions issued by the employer, or necessary to correct errors made by the tenderer. All signatories to the tender offer shall initial all such alterations.

C.2.12 Alternative tender offers

C.2.12.1 Unless otherwise stated in the tender data, submit alternative tender offers only if a main tender offer, strictly in accordance with all the requirements of the tender documents, is also submitted as well as a schedule that compares the requirements of the tender documents with the alternative requirements that are proposed.

C.2.12.2 Accept that an alternative tender offer must be based only on the criteria stated in the tender data or criteria otherwise acceptable to the employer.

C.2.12.3 An alternative tender offer must only be considered if the main tender offer is the winning tender.

C.2.13 Submitting a tender offer

C.2.13.1 Submit one tender offer only, either as a single tendering entity or as a member in a joint venture to provide the whole of the works identified in the contract data and described in the scope of works, unless stated otherwise in the tender data.

C.2.13.2 Return all returnable documents to the employer after completing them in their entirety, either electronically (if they were issued in electronic format) or by writing legibly in non-erasable ink.

C.2.13.3 Submit the parts of the tender offer communicated on paper as an original plus the number of copies stated in the tender data, with an English translation of any documentation in a language other than English, and the parts communicated electronically in the same format as they were issued by the employer.

C.2.13.4 Sign the original and all copies of the tender offer where required in terms of the tender data. The employer will hold all authorized signatories liable on behalf of the tenderer. Signatories for tenderers proposing to contract as joint ventures shall state which of the signatories is the lead partner whom the employer shall hold liable for the purpose of the tender offer.

C.2.13.5 Seal the original and each copy of the tender offer as separate packages marking the packages as "ORIGINAL" and "COPY". Each package shall state on the outside the employer's address and identification details stated in the tender data, as well as the tenderer's name and contact address.

C.2.13.6 Where a two-envelope system is required in terms of the tender data, place and seal the returnable documents listed in the tender data in an envelope marked "financial proposal" and place the remaining returnable documents in an envelope marked "technical proposal". Each envelope shall state on the outside the employer's address and identification details stated in the tender data, as well as the tenderer's name and contact address.

C.2.13.7 Seal the original tender offer and copy packages together in an outer package that states on the outside only the employer's address and identification details as stated in the tender data.

C.2.13.8 Accept that the employer will not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated.

C.2.13.9 Accept that tender offers submitted by facsimile or e-mail will be rejected by the employer, unless stated otherwise in the tender data.

C.2.14 Information and data to be completed in all respects

Accept that tender offers, which do not provide all the data or information requested completely and in the form required, may be regarded by the employer as non-responsive.

C.2.15 Closing time

C.2.15.1 Ensure that the employer receives the tender offer at the address specified in the tender data not later than the closing time stated in the tender data. Accept that proof of posting shall not be accepted as proof of delivery.

C.2.15.2 Accept that, if the employer extends the closing time stated in the tender data for any reason, the requirements of these conditions of tender apply equally to the extended deadline.

C.2.16 Tender offer validity

C.2.16.1 Hold the tender offer(s) valid for acceptance by the employer at any time during the validity period stated in the tender data after the closing time stated in the tender data.

C.2.16.2 If requested by the employer, consider extending the validity period stated in the tender data for an agreed additional period with or without any conditions attached to such extension.

C.2.16.3 Accept that a tender submission that has been submitted to the employer may only be withdrawn or substituted by giving the employer's agent written notice before the closing time for tenders that a tender is to be withdrawn or substituted. If the validity period stated in C.2.16 lapses before the employer evaluating tender, the contractor reserves the right to review the price based on Consumer Price Index (CPI).

C.2.16.4 Where a tender submission is to be substituted, a tenderer must submit a substitute tender in accordance with the requirements of C.2.13 with the packages clearly marked as "SUBSTITUTE".

C.2.17 Clarification of tender offer after submission

Provide clarification of a tender offer in response to a request to do so from the employer during the evaluation of tender offers. This may include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the competitive position of tenderers or substance of the tender offer is sought, offered, or permitted.

Note: Sub-clause C.2.17 does not preclude the negotiation of the final terms of the contract with a preferred tenderer following a competitive selection process, should the Employer elect to do so.

C.2.18 Provide other material

C.2.18.1 Provide, on request by the employer, any other material that has a bearing on the tender offer, the tenderer's commercial position (including notarized joint venture agreements), preferencing arrangements, or samples of materials, considered necessary by the employer for the purpose of a full and fair risk assessment.

Should the tenderer not provide the material, or a satisfactory reason as to why it cannot be provided, by the time for submission stated in the employer's request, the employer may regard the tender offer as non-responsive.

C.2.18.2 Dispose of samples of materials provided for evaluation by the employer, where required.

C.2.19 Inspections, tests and analysis

Provide access during working hours to premises for inspections, tests and analysis as provided for in the tender data.

C.2.20 Submit securities, bonds and policies

If requested, submit for the employer's acceptance before formation of the contract, all securities, bonds, guarantees, policies and certificates of insurance required in terms of the conditions of contract identified in the tender data.

C.2.21 Check final draft

Check the final draft of the contract provided by the employer within the time available for the employer to issue the contract.

C.2.22 Return of other tender documents

If so instructed by the employer, return all retained tender documents within twenty-eight (28) days after the expiry of the validity period stated in the tender data.

C.2.23 Certificates

Include in the tender submission or provide the employer with any certificates as stated in the tender data.

C.3 The employer's undertakings

C.3.1 Respond to requests from the tenderer

C.3.1.1 Unless otherwise stated in the tender Data, respond to a request for clarification received up to five (5) working days before the tender closing time stated in the Tender Data and notify all tenderers who collected tender documents.

C.3.1.2 Consider any request to make a material change in the capabilities or formation of the tendering entity (or both) or any other criteria which formed part of the qualifying requirements used to prequalify a tenderer to submit a tender offer in terms of a previous procurement process and deny any such request if as a consequence:

- a) an individual firm, or a joint venture as a whole, or any individual member of the joint venture fails to meet any of the collective or individual qualifying requirements;
- b) the new partners to a joint venture were not prequalified in the first instance, either as individual firms or as another joint venture; or
- c) in the opinion of the Employer, acceptance of the material change would compromise the outcome of the prequalification process.

C.3.2 Issue Addenda

If necessary, issue addenda that may amend or amplify the tender documents to each tenderer during the period from the date that tender documents are available until three (3) working days before the tender closing time stated in the Tender Data. If, as a result a tenderer applies for an extension to the closing time stated in the Tender Data, the Employer may grant such extension and, shall then notify all tenderers who collected tender documents.

C.3.3 Return late tender offers

Return tender offers received after the closing time stated in the Tender Data, unopened, (unless it is necessary to open a tender submission to obtain a forwarding address), to the tenderer concerned.

C.3.4 Opening of tender submissions

C.3.4.1 Unless the two-envelope system is to be followed, open valid tender submissions in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data. Tender submissions for which acceptable reasons for withdrawal have been submitted will not be opened.

C.3.4.2 Announce at the meeting held immediately after the opening of tender submissions, at a venue indicated in the tender data, the name of each tenderer whose tender offer is opened and, where

applicable, the total of his prices, number of points claimed for its BBBEE status level and time for completion for the main tender offer only.

C.3.4.3 Make available the record outlined in C.3.4.2 to all interested persons upon request.

C.3.5 Two-envelope system

C.3.5.1 Where stated in the tender data that a two-envelope system is to be followed, open only the technical proposal of valid tenders in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data and announce the name of each tenderer whose technical proposal is opened.

C.3.5.2 Evaluate functionality of the technical proposals offered by tenderers, then advise tenderers who remain in contention for the award of the contract of the time and place when the financial proposals will be opened. Open only the financial proposals of tenderers, who score in the functionality evaluation more than the minimum number of points for functionality stated in the tender data, and announce the score obtained for the technical proposals and the total price and any points claimed on BBBEE status level. Return unopened financial proposals to tenderers whose technical proposals failed to achieve the minimum number of points for functionality.

C.3.6 Non-disclosure

Not disclose to tenderers, or to any other person not officially concerned with such processes, information relating to the evaluation and comparison of tender offers, the final evaluation price and recommendations for the award of a contract, until after the award of the contract to the successful tenderer.

C.3.7 Grounds for rejection and disqualification

Determine whether there has been any effort by a tenderer to influence the processing of tender offers and instantly disqualify a tenderer (and his tender offer) if it is established that he engaged in corrupt or fraudulent practices.

C.3.8 Test for responsiveness

C.3.8.1 Determine, after opening and before detailed evaluation, whether each tender offer properly received:

- a) complies with the requirements of these Conditions of Tender,
- b) has been properly and fully completed and signed, and
- c) is responsive to the other requirements of the tender documents.

C.3.8.2 A responsive tender is one that conforms to all the terms, conditions, and specifications of the tender documents without material deviation or qualification. A material deviation or qualification is one which, in the Employer's opinion, would:

- a) detrimentally affect the scope, quality, or performance of the works, services or supply identified in the Scope of Work,
- b) significantly change the Employer's or the tenderer's risks and responsibilities under the contract, or
- c) affect the competitive position of other tenderers presenting responsive tenders, if it were to be rectified.

Reject a non-responsive tender offer, and not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.

C.3.9 Arithmetical errors, omissions and discrepancies

C.3.9.1 Check responsive tenders for discrepancies between amounts in words and amounts in figures. Where there is a discrepancy between the amounts in figures and the amount in words, the amount in words shall govern.

C.3.9.2 Check the highest ranked tender or tenderer with the highest number of tender evaluation points after the evaluation of tender offers in accordance with C.3.11 for:

- a) the gross misplacement of the decimal point in any unit rate;
- b) omissions made in completing the pricing schedule or bills of quantities; or
- c) arithmetic errors in:
 - (i) line item totals resulting from the product of a unit rate and a quantity in bills of quantities or schedules of prices; or
 - (ii) the summation of the prices.

C.3.9.3 Notify the tenderer of all errors or omissions that are identified in the tender offer and either confirm the tender offer as tendered or accept the corrected total of prices.

C.3.9.4 Where the tenderer elects to confirm the tender offer as tendered, correct the errors as follows:

- a) If bills of quantities or pricing schedules apply and there is an error in the line item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is an obviously gross misplacement of the decimal point in the unit rate, the line item total as quoted shall govern, and the unit rate shall be corrected.
- b) Where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the tenderer's addition of prices, the total of the prices shall govern and the tenderer will be asked to revise selected item prices (and their rates if bills of quantities apply) to achieve the tendered total of the prices.

C.3.10 Clarification of a tender offer

Obtain clarification from a tenderer on any matter that could give rise to ambiguity in a contract arising from the tender offer.

C.3.11 Evaluation of tender offers

The Standard Conditions of Tender standardize the procurement processes, methods and procedures from the time that tenders are invited to the time that a contract is awarded. They are generic in nature and are made project specific through choices that are made in developing the Tender Data associated with a specific project.

Conditions of tender are by definition the document that establishes a tenderer's obligations in submitting a tender and the employer's undertakings in soliciting and evaluating tender offers. Such conditions establish the rules from the time a tender is advertised to the time that a contract is awarded and require employers to conduct the process of offer and acceptance in terms of a set of standard procedures.

The CIDB Standard Conditions of Tender are based on a procurement system that satisfies the following system requirements:	
Requirement	Qualitative interpretation of goal
Fair	The process of offer and acceptance is conducted impartially without bias, providing simultaneous and timely access to participating parties to the same information.
Equitable	Terms and conditions for performing the work do not unfairly prejudice the interests of the parties.
Transparent	The only grounds for not awarding a contract to a tenderer who satisfies all requirements are restrictions from doing business with the employer, lack of capability or capacity, legal impediments and conflicts of interest.
Competitive	The system provides for appropriate levels of competition to ensure cost effective and best value outcomes.

Cost effective	The processes, procedures and methods are standardized with sufficient flexibility to attain best value outcomes in respect of quality, timing and price, and least resources to effectively manage and control procurement processes.
----------------	--

The activities associated with evaluating tender offers are as follows:

- a) Open and record tender offers received
- b) Determine whether or not tender offers are complete
- c) Determine whether or not tender offers are responsive
- d) Evaluate tender offers
- e) Determine if there are any grounds for disqualification
- f) Determine acceptability of preferred tenderer
- g) Prepare a tender evaluation report
- h) Confirm the recommendation contained in the tender evaluation report

C.3.11.1 General

The employer must appoint an evaluation panel of not less than three persons conversant with the proposed scope of works to evaluate each responsive tender offer using the tender evaluation methods and associated evaluation criteria and weightings that are specified in the tender data.

C.3.12 Insurance provided by the employer

If requested by the proposed successful tenderer, submit for the tenderer's information the policies and / or certificates of insurance which the conditions of contract identified in the contract data, require the employer to provide.

C.3.13 Acceptance of tender offer

Accept the tender offer; if in the opinion of the employer, it does not present any risk and only if the tenderer:

- a) is not under restrictions, or has principals who are under restrictions, preventing participating in the employer's procurement;
- b) can, as necessary and in relation to the proposed contract, demonstrate that he or she possesses the professional and technical qualifications, professional and technical competence, financial resources, equipment and other physical facilities, managerial capability, reliability, experience and reputation, expertise and the personnel, to perform the contract;
- c) has the legal capacity to enter into the contract;
- d) is not; insolvent, in receivership, under Business Rescue as provided for in chapter 6 of the Companies Act No. 2008, bankrupt or being wound up, has his/her affairs administered by a court or a judicial officer, has suspended his/her business activities or is subject to legal proceedings in respect of any of the foregoing;
- e) complies with the legal requirements, if any, stated in the tender data; and
- f) is able, in the opinion of the employer, to perform the contract free of conflicts of interest.

C.3.14 Prepare contract documents

C.3.14.1 If necessary, revise documents that shall form part of the contract and that were issued by the employer as part of the tender documents to take account of:

- a) addenda issued during the tender period,
- b) inclusion of some of the returnable documents and
- c) other revisions agreed between the employer and the successful tenderer.

C.3.14.2 Complete the schedule of deviations attached to the form of offer and acceptance, if any.

C.3.15 Complete adjudicator's contract

Unless alternative arrangements have been agreed or otherwise provided for in the contract, arrange for both parties to complete formalities for appointing the selected adjudicator at the same time as the main contract is signed.

C.3.16 Registration of the award

An employer must, within twenty-one (21) working days from the date on which a contractor's offer to perform a construction works contract is accepted in writing by the employer, register and publish the award on the cidb Register of Projects.

C.3.17 Provide copies of the contracts

Provide to the successful tenderer the number of copies stated in the Tender Data of the signed copy of the contract as soon as possible after completion and signing of the form of offer and acceptance.

C.3.18 Provide written reasons for actions taken

Provide upon request written reasons to tenderers for any action that is taken in applying these conditions of tender but withhold information which is not in the public interest to be divulged, which is considered to prejudice the legitimate commercial interests of tenderers or might prejudice fair competition between tenderers.



T2.1 List of Returnable Documents.

2.1.1 These schedules will be utilised for functionality evaluation purposes – refer to T1.2 Tender data

C.2.1

- T2.2-03 **Evaluation Schedule:** Previous experience.
- T2.2-05 **Evaluation Schedule:** Method statement.
- T2.2-06 **Evaluation Schedule :** Commitment letters.
- T2.2-07 **Evaluation Schedule :** Project organogram management and CV's.

2.1.2 The below returnable schedules are required for price and preference points scoring/evaluation purposes of this tender – refer to Tender data C.3.11:

- T2.2-02 **Evaluation Schedule:** Valid proof of tenderer's compliance to Specific Goals evidence (Preference Claim Form) requirements stipulated in SBD6.1.
ANNEX G Compulsory Enterprise Questionnaire.

A tenderer that fails to submit this returnable document and/or schedule, by closing date and time of this tender, **will not** automatically be disqualified, however, that tenderer will receive an automatic score of zero (0) for preference points for applicable specific goals for this tender.

2.1.3 Returnable Schedules:

General:

- T2.2-01 Record of addenda to tender documents.
- T2.2-08 Authority to submit a tender.
- T2.2-09 Quality Management.
- T2.2-10 Testing and Commissioning.
- T2.2-11 Letter of Good Standing.
- T2.2-13 Risk Elements.

2.1.4 Agreement and Commitment by Tenderer:

- T2.2-14 Non-Disclosure Agreement.
- T2.2-15 Tender Declaration Form.
- T2.2-16 RFP – Breach of Law.
- T2.2-17 Certificate of Acquaintance with Tender Document.
- T2.2-18 Service Provider Integrity Pact.
- T2.2-20 Agreement in terms of Protection of Personal Information Act.
- T2.2-21 Supplier Code of Conduct.

Transnet Rail Infrastructure Manager

Tender Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for
Transnet Rail Infrastructure Manager, on as and when required basis.

2.1.5 Bonds/Guarantees/Financial/Insurance:

T2.2-19 Insurance provided by Contractor

2.2 C1.1 Form of Offer

2.3 C1.2 Contract Data Part Two (Data by Contractor)

2.4 C2.2 Priced Contract with Price List – Main Option A

T2.2-01: Record of Addenda to Tender Documents.

The tenderer hereby confirms that the following communications were received from the *Employer* before the submission of this tender offer, amending the tender documents and have been taken all the Addenda into account in this tender offer:

	Date	Title or Details of Addenda
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

Attach additional pages if more space is required.

T2.2-02 : ANNEX G Compulsory Enterprise Questionnaire

The following particulars hereunder must be furnished.

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

Section 1: Name of enterprise: _____

Section 2: VAT registration number, if any: _____

Section 3: CIDB registration number, if any: _____

Section 4: CSD number: _____

Section 5: Particulars of sole proprietors and partners in partnerships

Name	Identity number	Personal income tax number

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

Section 6: Particulars of companies and close corporations

Company registration number _____

Close corporation number _____

Tax reference number: _____

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

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

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

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

Signed

Date

Name

Position

Enterprise
name

SBD 6.1**PREFERENCE POINTS CLAIM FORM**

This preference form must form part of all bids invited. It contains general information and serves as a claim for preference points for Specific Goals contribution. Transnet will award preference points to companies who provide valid proof of evidence as per the table of evidence in paragraph 4.1 below.

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 **not exceed** R50 000 000 (all applicable taxes included) and therefore the **80/20 preference point system** shall be applicable. Despite the stipulated preference point system, Transnet shall use the lowest acceptable bid to determine the applicable preference point system in a situation where all received acceptable bids are received outside the stated preference point system.

1.3 Preference points for this bid shall be awarded for:

- (a) Price;
- (b) B-BBEE Status Level of Contribution; and
- (c) Any other specific goal determined in the Transnet preferential procurement policy

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

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTION APPLICABLE SPECIFIC GOALS FOR THIS TENDER IS B-BBEE Level of contributor – Level 1 or Level 2.	8
Entities that are at least 50% Black Youth Owned.	2
Entities that are at least 51% Black Owned.	4

<p>Local Content and Production:</p> <ul style="list-style-type: none"> • Steel products and components for construction designated at 100%. • Valves and actuators designated at 70%. • Pumps and associated equipment designated at 70%. <p>Fully completed duly declared and signed Local Content: Annexures C, D and E will score tenderer full 2 points per sector (3 sectors).</p> <p>Incomplete, submitted blank or not submitted Local Content Annexures C, D and E, will score zero (0) points.</p> <p>In case the suppliers do not meet required Local Content thresholds, DTIC Exemption letter will be required in support for scoring purposes.</p>	6
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of evidence required for any of the specific goals together with the bid will be interpreted to mean that preference points for that specific goal are not claimed.

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

2. DEFINITIONS

- (a) **"all applicable taxes"** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- (b) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (c) **"B-BBEE status level of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (d) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the supply/provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- (e) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (f) **"EME"** means an Exempted Micro Enterprise as defines by Codes of Good Practice under section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (g) **"functionality"** means the ability of a bidder to provide goods or services in accordance with specification as set out in the bid documents
- (h) **"Price"** includes all applicable taxes less all unconditional discounts.

(i) **"Proof of B-BBEE Status Level of Contributor"**

- i) the B-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.

(l) **"Specific goals"** means targeted advancement areas or categories of persons or groups either previously disadvantaged or falling within the scope of the Reconstruction and Development Programme identified by Transnet to be given preference in allocation of procurement contracts in line with section 2(1) of the PPPFA.

3. POINTS AWARDED FOR PRICE**3.1 THE 80/20 PREFERENCE POINT SYSTEMS**

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

80/20

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

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

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

4. EVIDENCE REQUIRED FOR CLAIMING SPECIFIC GOALS

4.1 In terms of Transnet Preferential Procurement Policy (TPPP) and Procurement Manuals, preference points must be awarded to a bidder for providing evidence in accordance with the table below:

Specific Goals	Acceptable Evidence
B-BBEE Level 1 or 2	B-BBEE Certificate / Sworn- Affidavit / B-BBEE CIPC Certificate (in case of JV, a consolidated scorecard will be accepted) as per DTIC guideline
Entities that are at least 51% Black Owned	B-BBEE Certificate / Sworn-Affidavit / CIPC Certificate
>50% Black Youth Owned Entities	Certified copy of ID Documents of the Owners and B-BBEE Certificate / Sworn- Affidavit / B-BBEE CIPC Certificate (in case of JV, a consolidated scorecard will be accepted) as per DTIC guideline
Local Content and Local Production	Returnable Local Content and production Annexures

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

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

- 4.3 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level verification certificate for every separate bid.
- 4.4 Tertiary Institutions and Public Entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 4.5 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 4.6 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.
- 4.7 Bidders are to note that the rules pertaining to B-BBEE verification and other B-BBEE requirements may be changed from time to time by regulatory bodies such as National Treasury or the DTI. It is the Bidder's responsibility to ensure that his/her bid complies fully with all B-BBEE requirements at the time of the submission of the bid.

5. BID DECLARATION

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

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

- 6.1 B-BBEE Status Level of Contribution: . = (maximum of **20** points)

.....

 8.6 COMPANY CLASSIFICATION

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

[*TICK APPLICABLE BOX*]

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

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

WITNESSES

1.
2.

.....

SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

SBD4**BIDDER'S DISCLOSURE****1. PURPOSE OF THE FORM**

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

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

2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state?

YES/NO

- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

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

¹ the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

YES/NO

2.2.1 If so, furnish particulars:

.....

.....

.....

.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

YES/NO

2.3.1 If so, furnish particulars:

.....

.....

.....

.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements

² Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

T2.2-03: Functionality evaluation schedule - Previous Experience.

The tenderer shall submit **4** Award letters, and/or Purchase Orders and/or, previous Contracts, for executing installation, repairing and maintenance of railway trackside grease pots or similar railway permanent way scope.

NB: The award letters, and/or Purchase Orders, and/or previous Contracts must be on official Employer's letterhead and signed by a person with DoA or duly authorized.

Previous experience in executing similar scope of service = 20 points.	
Very good (score 100) – for a tenderer that submits 4 Award letters and/or, Purchase Orders and/or, Previous contracts & their completion certificates. Score full 30 points.	
Good (score 90) - for a tenderer that submits 3 Award letters and/or, Purchase Orders and/or, Previous contracts & their completion certificates. Score 22.5 points.	
Satisfactory (score 70) - for a tenderer that submits 2 Award letters and/or, Purchase Orders and/or, Previous contracts & their completion certificates. Score 15 points.	
Poor (score 40) - for a tenderer that submits 1 Award letter and/or, Purchase Order and/or, Previous contract & their completion certificate. Score 7.5 points.	
Score 0 points for No submission.	

Index of documentation attached to this schedule:

.....

.....

.....

.....

Signed _____ Date _____

Name _____ Position _____

Tenderer _____

T2.2-05: Functionality evaluation schedule - Method Statement.

The tenderer shall submit a method statement that will be specific to the installation, repair and maintenance of railway trackside grease pots, includes ensuring proper installation, addressing any issues with grease pots, and performing preventative maintenance to prolong their lifespan and maintain rail lubrication.

The Method statement should reflect a minimum of all the following:

- 1.** Appropriate fitment of the lubricator assembly to the rail or adjacent to the rail as per the manufacturer's guidelines
- 2.** install the plates correctly, ensuring they are aligned with the rail and adjusted for adequate grease application, as described in the manufacturer's manual
- 3.** configure the system settings to optimize grease application and adjust the grease flow as needed, following the manufacturer's recommendations
- 4.** after repairs, prime the system to ensure it is functioning correctly and that the grease flow is adequate, as described in the manufacturer's instructions
- 5.** refill the grease, as recommended by the manufacturer, to maintain its lubricating properties and prevent contamination.

Method Statement = 10 points.

Very good (score 100) – for a tenderer that submits a method statement that reflects **a minimum of all** of the following **(i)** Appropriate fitment of the lubricator assembly to the rail or adjacent to the rail as per the manufacturer's guidelines, **(ii)** install the plates correctly, ensuring they are aligned with the rail and adjusted for adequate grease application, as described in the manufacturer's manual, **(iii)** configure the system settings to optimize grease application and adjust the grease flow as needed, following the manufacturer's recommendations, **(iv)** after repairs, prime the system to ensure it is functioning correctly and that the grease flow is adequate, as described in the manufacturer's instructions, and **(v)** refill the grease, as recommended by the manufacturer, to maintain its lubricating properties and prevent contamination.

Score full 10 points.

Good (score 90) – for a tenderer that submits a method statement that reflects **a combination of any 4** of the following **(i)** Appropriate fitment of the lubricator assembly to the rail or adjacent to the rail as per the manufacturer's guidelines, **(ii)** install the plates correctly, ensuring they are aligned with the rail and adjusted for adequate grease application, as described in the manufacturer's manual, **(iii)** configure the system settings to optimize grease application and adjust the grease flow as needed, following the manufacturer's recommendations, **(iv)** after repairs, prime the system to ensure it is functioning correctly and that the grease flow is adequate, as described in the manufacturer's instructions, and **(v)** refill the grease, as recommended by the manufacturer, to maintain its lubricating properties and prevent contamination.

Score 8 points.

Satisfactory (score 70) - for a tenderer that submits a method statement that reflects **a combination of any 3** of the following **(i)** Appropriate fitment of the lubricator assembly to the rail or adjacent to the rail as per the manufacturer's guidelines, **(ii)** install the plates correctly, ensuring they are aligned with the rail and adjusted for adequate grease application, as described in the manufacturer's manual, **(iii)** configure the system settings to optimize grease application and adjust the grease flow as needed, following the manufacturer's recommendations, **(iv)** after repairs, prime the system to ensure it is

functioning correctly and that the grease flow is adequate, as described in the manufacturer's instructions, and **(v)** refill the grease, as recommended by the manufacturer, to maintain its lubricating properties and prevent contamination.

Score 6 points.

Poor (score 40) - for a tenderer that submits a method statement that reflects **a combination of any 2** of the following **(i)** Appropriate fitment of the lubricator assembly to the rail or adjacent to the rail as per the manufacturer's guidelines, **(ii)** install the plates correctly, ensuring they are aligned with the rail and adjusted for adequate grease application, as described in the manufacturer's manual, **(iii)** configure the system settings to optimize grease application and adjust the grease flow as needed, following the manufacturer's recommendations, **(iv)** after repairs, prime the system to ensure it is functioning correctly and that the grease flow is adequate, as described in the manufacturer's instructions, and **(v)** refill the grease, as recommended by the manufacturer, to maintain its lubricating properties and prevent contamination.

Score 4 points.

Score 0 points for a tenderer that submits a method statement that reflects **only 1** of the following **(i)** Appropriate fitment of the lubricator assembly to the rail or adjacent to the rail as per the manufacturer's guidelines, **(ii)** install the plates correctly, ensuring they are aligned with the rail and adjusted for adequate grease application, as described in the manufacturer's manual, **(iii)** configure the system settings to optimize grease application and adjust the grease flow as needed, following the manufacturer's recommendations, **(iv)** after repairs, prime the system to ensure it is functioning correctly and that the grease flow is adequate, as described in the manufacturer's instructions, and **(v)** refill the grease, as recommended by the manufacturer, to maintain its lubricating properties and prevent contamination. **or No submission.**

Attached submissions to this schedule:

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.....

.....

Signed

Date

Name

Position

Tenderer

T2.2-06: Functionality evaluation schedule – Commitment letters.

The tenderer shall submit a combination of the below list of commitment letters in the tenderer's company letterhead, signed by duly authorised person:

- i. Indicating that the tenderer is an OEM of trackside lubricators, **or** the tenderer shall provide a Memorandum of Understanding with the OEM.
- ii. Declaring the warranty for the spares of the trackside lubricators spare parts.
- iii. That Transnet shall conduct a testing exercise on the trackside lubricators spare parts, at the tenderers/contractor's expense.
- iv. That the tenderer/contractor will provide technical back-up and support on the newly installed, repaired and maintenance trackside lubricators, for a period of 12 months after installation, repaired and maintenance.
- v. The tenderer will provide manufacturing identification labels on the installed, repaired and maintenance done trackside lubricators.
- vi. A valid manufacturer's quality management system certificate, which meet the minimum requirements of ISO 9001.

Commitment letters = 30 points.
--

<p>Very good (score 100) – for a tenderer that submit all six (06) commitment letters, in the tenderer's company letterhead, signed by duly authorised person, (i) indicating that the tenderer is an OEM of trackside lubricators, or the tenderer shall provide a Memorandum of Understanding with the OEM, (ii) declaring the warranty for the spares of the trackside lubricators spare parts, (iii) that Transnet shall conduct a testing exercise on the trackside lubricators spare parts, at the tenderers/contractor's expense, (iv) that the tenderer/contractor will provide technical back-up and support on the newly installed, repaired and maintenance trackside lubricators, for a period of 12 months after installation, repaired and maintenance, (v) the tenderer will provide manufacturing identification labels on the installed, repaired and maintenance done trackside lubricators, and (vi) a valid manufacturer's quality management system certificate, which meet the minimum requirements of ISO 9001.</p>

Score full 30 points.

<p>Good (score 90) – for a tenderer that submit a combination of any five (05) commitment letters, in the tenderer's company letterhead, signed by duly authorised person, (i) indicating that the tenderer is an OEM of trackside lubricators, or the tenderer shall provide a Memorandum of Understanding with the OEM, (ii) declaring the warranty for the spares of the trackside lubricators spare parts, (iii) that Transnet shall conduct a testing exercise on the trackside lubricators spare parts, at the tenderers/contractor's expense, (iv) that the tenderer/contractor will provide technical back-up and support on the newly installed, repaired and maintenance trackside lubricators, for a period of 12 months after installation, repaired and maintenance, (v) the tenderer will provide manufacturing identification labels on the installed, repaired and maintenance done trackside lubricators, and (vi) a valid manufacturer's quality management system certificate, which meet the minimum requirements of ISO 9001.</p>

Score 25 points.

<p>Satisfactory (score 70) – for a tenderer that submit a combination of any four (04) commitment letters, in the tenderer's company letterhead, signed by duly authorised person, (i) indicating that the tenderer is an OEM of trackside lubricators, or the tenderer shall provide a Memorandum of Understanding with the OEM, (ii) declaring the warranty for the spares of the trackside lubricators spare parts, (iii) that Transnet shall conduct a testing exercise on the trackside lubricators spare parts, at the</p>

tenderers/contractor's expense, **(iv)** that the tenderer/contractor will provide technical back-up and support on the newly installed, repaired and maintenance trackside lubricators, for a period of **12 months** after installation, repaired and maintenance, **(v)** the tenderer will provide manufacturing identification labels on the installed, repaired and maintenance done trackside lubricators, and **(vi)** a valid manufacturer's quality management system certificate, which meet the minimum requirements of ISO 9001.

Score 20 points.

Poor (score 40) - for a tenderer that submit a **combination of any three (03)** commitment letters, in the tenderer's company letterhead, signed by duly authorised person, **(i)** indicating that the tenderer is an OEM of trackside lubricators, **or** the tenderer shall provide a Memorandum of Understanding with the OEM, **(ii)** declaring the warranty for the spares of the trackside lubricators spare parts, **(iii)** that Transnet shall conduct a testing exercise on the trackside lubricators spare parts, at the tenderers/contractor's expense, **(iv)** that the tenderer/contractor will provide technical back-up and support on the newly installed, repaired and maintenance trackside lubricators, for a period of **12 months** after installation, repaired and maintenance, **(v)** the tenderer will provide manufacturing identification labels on the installed, repaired and maintenance done trackside lubricators, and **(vi)** a valid manufacturer's quality management system certificate, which meet the minimum requirements of ISO 9001.

Score 15 points.

Score 0 points for No submission, or for a tenderer that submit a **combination of any two (02) or less** commitment letters, in the tenderer's company letterhead, signed by duly authorised person, **(i)** indicating that the tenderer is an OEM of trackside lubricators, **or** the tenderer shall provide a Memorandum of Understanding with the OEM, **(ii)** declaring the warranty for the spares of the trackside lubricators spare parts, **(iii)** that Transnet shall conduct a testing exercise on the trackside lubricators spare parts, at the tenderers/contractor's expense, **(iv)** that the tenderer/contractor will provide technical back-up and support on the newly installed, repaired and maintenance trackside lubricators, for a period of **12 months** after installation, repaired and maintenance, **(v)** the tenderer will provide manufacturing identification labels on the installed, repaired and maintenance done trackside lubricators, and **(vi)** a valid manufacturer's quality management system certificate, which meet the minimum requirements of ISO 9001.

Attached submissions to this schedule:

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Signed

Date

Name

Position

Tenderer

T2.2-07: Functionality evaluation schedule: Project organogram management and CVs of key persons who will be involved in the project (Organogram with copies of all the qualifications and certifications).

The tenderer shall submit the following documents as a minimum returnable: a project organogram complemented by CVs & academic qualifications of key personnel, reflecting:

- a) 3 Flag men.
- b) 1 Millwright or 1 Competent Person - Pressure Vessels (SAQCC-CP).
- c) 1 Assistant Millwright or Assistant to the Competent Person - Pressure Vessels (SAQCC-CP)
- d) 1 Inspector of Pressurized Equipment (SAQCC-IPE).

<p>Project organogram management and CVs of key persons who will be involved in the project (Organogram with copies of all the qualifications and certifications) = 30 points.</p> <p>Very good (score 100) – tenderer submits project organogram complemented by CVs & academic qualifications of key personnel, reflecting all of the below:</p> <ul style="list-style-type: none"> a) 3 Flag men. b) 1 Millwright or 1 Competent Person - Pressure Vessels (SAQCC-CP). c) 1 Assistant Millwright or Assistant to the Competent Person - Pressure Vessels (SAQCC-CP) d) 1 Inspector of Pressurized Equipment (SAQCC-IPE). <p>Score 30 points.</p>
<p>Good (score 90) – tenderer submit project organogram complemented by CVs & academic qualifications of key personnel, reflecting only three (03) of the below:</p> <ul style="list-style-type: none"> a) 3 Flag men. b) 1 Millwright or 1 Competent Person - Pressure Vessels (SAQCC-CP). c) 1 Assistant Millwright or Assistant to the Competent Person - Pressure Vessels (SAQCC-CP) d) 1 Inspector of Pressurized Equipment (SAQCC-IPE). <p>Score 25 points.</p>
<p>Satisfactory (score 70) – tenderer submit project organogram complemented by CVs & academic qualifications of key personnel, reflecting only two (02) of the below:</p> <ul style="list-style-type: none"> a) 3 Flag men. b) 1 Millwright or 1 Competent Person - Pressure Vessels (SAQCC-CP). c) 1 Assistant Millwright or Assistant to the Competent Person - Pressure Vessels (SAQCC-CP) d) 1 Inspector of Pressurized Equipment (SAQCC-IPE). <p>Score 20 points.</p>
<p>Poor (score 40) – tenderer submit project organogram complemented by CVs & academic qualifications of key personnel, reflecting only one (01) of the below:</p> <ul style="list-style-type: none"> a) 3 Flag men. b) 1 Millwright or 1 Competent Person - Pressure Vessels (SAQCC-CP). c) 1 Assistant Millwright or Assistant to the Competent Person - Pressure Vessels (SAQCC-CP) d) 1 Inspector of Pressurized Equipment (SAQCC-IPE). <p>Score 15 points.</p>

Score 0 - tenderer submit project organogram complemented by CVs & academic qualifications of key personnel, **reflecting none** of the below, or No submission:

- a) 3 Flag men.
- b) 1 Millwright or 1 Competent Person - Pressure Vessels (SAQCC-CP).
- c) 1 Assistant Millwright or Assistant to the Competent Person - Pressure Vessels (SAQCC-CP)
- d) 1 Inspector of Pressurized Equipment (SAQCC-IPE).

Attached submissions to this schedule (Completed by Tenderer):

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Signed _____ Date _____

Name _____ Position _____

Tenderer _____

T2.2-08: Authority to submit a Tender.

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

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

A. Certificate for Company

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

Signed

Date

Name

Position

Chairman of the Board of Directors

01:29:50

B. Certificate for Partnership

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

_____ hereby authorise Mr/Ms _____

acting in the capacity of _____, to sign all documents in
connection with the tender offer for Contract _____ and any contract
resulting from it on our behalf.

Name	Address	Signature	Date

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

C. Certificate for Joint Venture

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

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

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

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

D. Certificate for Sole Proprietor

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

Signed

Date

Name

Position

Sole Proprietor

T2.2-09: Quality Management plan.

The tenderer shall submit a Quality Management Plan in accordance with **ISO 9001: 1993** and should include a **Quality Policy, Quality Control Plan, Quality Checklist** and **Quality Process Control Chart** for all activities.

Attached submissions to this schedule:

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Signed

Date

Name

Position

Tenderer

T2.2-10: Testing and Commissioning.

The tenderer shall submit how testing and commissioning will be carried out.

Signed

Date

Name

Position

Tenderer

T2.2-11: Letter/s of Good Standing with the Workmen's Compensation Fund.

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

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

Name of Company/Members of Joint Venture:

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T2.2-13: Risk Elements

Tenderers to identify and evaluate the potential risk elements associated with the Service and possible mitigation thereof. The risk elements and the mitigation as identified thereof by the Tenderer are to be submitted.

If No Risks are identified "No Risks" must be stated on this schedule.

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

Tenders to note: Notwithstanding this information, all costs related to risk elements which are at the Contractor's risk are deemed to be included in the tenderer's offered total of the Prices.

T2.2-14 NON-DISCLOSURE AGREEMENT

Note to tenderers: This Non-Disclosure Agreement is to be completed and signed by an authorised signatory:

THIS AGREEMENT is made effective as of day of 20..... by and between:

TRANSNET SOC LTD

(Registration No. 1990/000900/30), a company incorporated and existing under the laws of South Africa, having its principal place of business at Transnet Corporate Centre 138 Eloff Street, Braamfontein, Johannesburg 2000

and

.....
.....

(Registration No.), a private company incorporated and existing under the laws of South Africa having its principal place of business at

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

WHEREAS

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

IT IS HEREBY AGREED

1. INTERPRETATION

In this Agreement:

- 1.1 **Agents** mean directors, officers, employees, agents, professional advisers, contractors or sub-contractors, or any Group member;
- 1.2 **Bid or Bid Document** (hereinafter Tender) means Transnet's Request for Information [**RFI**] Request for Proposal [**RFP**] or Request for Quotation [**RFQ**], as the case may be;
- 1.3 **Confidential Information** means any information or other data relating to one party [the **Disclosing Party**] and/or the business carried on or proposed or intended to be carried on by that party and which is made available for the purposes of the Bid to the other party [the

Receiving Party] or its Agents by the Disclosing Party or its Agents or recorded in agreed minutes following oral disclosure and any other information otherwise made available by the Disclosing Party or its Agents to the Receiving Party or its Agents, whether before, on or after the date of this Agreement, and whether in writing or otherwise, including any information, analysis or specifications derived from, containing or reflecting such information but excluding information which:

- 1.3.1 is publicly available at the time of its disclosure or becomes publicly available [other than as a result of disclosure by the Receiving Party or any of its Agent's contrary to the terms of this Agreement]; or
- 1.3.2 was lawfully in the possession of the Receiving Party or its Agents [as can be demonstrated by its written records or other reasonable evidence] free of any restriction as to its use or disclosure prior to its being so disclosed; or
- 1.3.3 following such disclosure, becomes available to the Receiving Party or its Agents [as can be demonstrated by its written records or other reasonable evidence] from a source other than the Disclosing Party or its Agents, which source is not bound by any duty of confidentiality owed, directly or indirectly, to the Disclosing Party in relation to such information;
- 1.4 **Group** means any subsidiary, any holding company and any subsidiary of any holding company of either party; and
- 1.5 **Information** means all information in whatever form including, without limitation, any information relating to systems, operations, plans, intentions, market opportunities, know-how, trade secrets and business affairs whether in writing, conveyed orally or by machine-readable medium.

2. CONFIDENTIAL INFORMATION

- 2.1 All Confidential Information given by one party to this Agreement [the **Disclosing Party**] to the other party [the **Receiving Party**] will be treated by the Receiving Party as secret and confidential and will not, without the Disclosing Party's written consent, directly or indirectly communicate or disclose [whether in writing or orally or in any other manner] Confidential Information to any other person other than in accordance with the terms of this Agreement.
- 2.2 The Receiving Party will only use the Confidential Information for the sole purpose of technical and commercial discussions between the parties in relation to the Tender or for the subsequent performance of any contract between the parties in relation to the Tender.
- 2.3 Notwithstanding clause 2.1 above, the Receiving Party may disclose Confidential Information:
 - 2.3.1 to those of its Agents who strictly need to know the Confidential Information for the sole purpose set out in clause 2.2 above, provided that the Receiving Party shall ensure that such Agents are made aware prior to the disclosure of any part of the Confidential Information that the same is confidential and that they owe a duty of confidence to the Disclosing Party. The Receiving Party shall at all times remain liable for any actions of such Agents that would constitute a breach of this Agreement; or
 - 2.3.2 to the extent required by law or the rules of any applicable regulatory authority, subject to clause 2.4 below.
- 2.4 In the event that the Receiving Party is required to disclose any Confidential Information in accordance with clause 2.3.2 above, it shall promptly notify the Disclosing Party and cooperate with the Disclosing Party regarding the form, nature, content and purpose of such disclosure or

any action which the Disclosing Party may reasonably take to challenge the validity of such requirement.

- 2.5 In the event that any Confidential Information shall be copied, disclosed or used otherwise than as permitted under this Agreement then, upon becoming aware of the same, without prejudice to any rights or remedies of the Disclosing Party, the Receiving Party shall as soon as practicable notify the Disclosing Party of such event and if requested take such steps [including the institution of legal proceedings] as shall be necessary to remedy [if capable of remedy] the default and/or to prevent further unauthorised copying, disclosure or use.
- 2.6 All Confidential Information shall remain the property of the Disclosing Party and its disclosure shall not confer on the Receiving Party any rights, including intellectual property rights over the Confidential Information whatsoever, beyond those contained in this Agreement.

3. RECORDS AND RETURN OF INFORMATION

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

4. ANNOUNCEMENTS

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

5. DURATION

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

6. PRINCIPAL

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

7. ADEQUACY OF DAMAGES

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

8. PRIVACY AND DATA PROTECTION

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

9. GENERAL

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

Signed

Date

Name

Position

Tenderer

T2.2-15: TENDER DECLARATION FORM.

NAME OF COMPANY: _____

We _____ do hereby certify that:

1. Transnet has supplied and we have received appropriate tender offers to any/all questions (as applicable) which were submitted by ourselves for tender clarification purposes.
2. we have received all information we deemed necessary for the completion of this Tender.
3. at no stage have we received additional information relating to the subject matter of this tender from Transnet sources, other than information formally received from the designated Transnet contact(s) as nominated in the tender documents.
4. we are satisfied, insofar as our company is concerned, that the processes and procedures adopted by Transnet in issuing this TENDER and the requirements requested from tenderers in responding to this TENDER have been conducted in a fair and transparent manner; and
5. furthermore, we acknowledge that a direct relationship exists between a family member and/or an owner / member / director / partner / shareholder (unlisted companies) of our company and an employee or board member of the Transnet Group as indicated below: *[Respondent to indicate if this section is not applicable]*

FULL NAME OF OWNER/MEMBER/DIRECTOR/

PARTNER/SHAREHOLDER:

ADDRESS:

Indicate nature of relationship with Transnet:

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

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

6. We accept that any dispute pertaining to this tender will be resolved through the Ombudsman process and will be subject to the Terms of Reference of the Ombudsman. The Ombudsman process must first be exhausted before judicial review of a decision is sought. (Refer "Important Notice to respondents" below).
7. We further accept that Transnet reserves the right to reverse a tender award or decision based on the recommendations of the Ombudsman without having to follow a formal court process to have such award or decision set aside.

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

IMPORTANT NOTICE TO RESPONDENTS

- Transnet has appointed a Procurement Ombudsman to investigate any material complaint in respect of tenders exceeding R5,000,000.00 (five million S.A. Rand) in value. Should a Respondent have any material concern regarding a tender process which meets this value threshold, a complaint may be lodged with Transnet's Procurement Ombudsman for further investigation.
- It is incumbent on the Respondent to familiarise himself/herself with the Terms of Reference for the Transnet Procurement Ombudsman, details of which are available for review at Transnet's website www.transnet.net.
- An official complaint form may be downloaded from this website and submitted, together with any supporting documentation, within the prescribed period, to procurement.ombud@transnet.net
- For transactions below the R5, 000,000.00 (five million S.A. Rand) threshold, a complaint may be lodged with the Chief Procurement Officer of the relevant Transnet Operating Division.
- All Respondents should note that a complaint must be made in good faith. If a complaint is made in bad faith, Transnet reserves the right to place such a bidder on its List of Excluded Bidders.

T2.2-16: REQUEST FOR PROPOSAL – BREACH OF LAW.

NAME OF COMPANY: _____

I / We _____ do hereby certify that
I/we have/have not been found guilty during the preceding 5 (five) years of a serious breach of
law, including but not limited to a breach of the Competition Act, 89 of 1998, by a court of law, tribunal
or other administrative body. The type of breach that the Tenderer is required to disclose excludes
relatively minor offences or misdemeanours, e.g., traffic offences.

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

NATURE OF BREACH:

DATE OF BREACH: _____

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

Signed on this _____ day of _____ 20____

SIGNATURE OF TENDERER

T2.2-17: Certificate of Acquaintance with Tender Documents.

NAME OF TENDERING ENTITY:

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



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8. The terms of the accompanying Tender have not been, and will not be, disclosed by the Tenderer, directly or indirectly, to any competitor, prior to the date and time of the official Tender opening or of the awarding of the contract.
 9. I/We am/are aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to Tenders and contracts, Tenders that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and/or may be reported to the National Prosecuting Authority [NPA] for criminal investigation. In addition, Tenderers that submit suspicious Tenders may be restricted from conducting business with the public sector for a period not exceeding 10 [ten] years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

Signed on this _____ day of _____ 20____

SIGNATURE OF TENDERER

T2.2-18: Service Provider Integrity Pact.

Important Note: All potential tenderers must read this document and certify in the RFP Declaration Form that they have acquainted themselves with and agree with the content.

The contract with the successful tenderer will automatically incorporate this Integrity Pact and shall be deemed as part of the final concluded contract.

INTEGRITY PACT

Between

TRANSNET SOC LTD

Registration Number: 1990/000900/30

("Transnet")

and

The Contractor (hereinafter referred to as the "Tenderer/Service Providers/Contractor")

PREAMBLE.

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

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

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

All Tenderers/Service Providers/Contractor's will be required to sign and comply with undertakings contained in this Integrity Pact, should they want to be registered as a Transnet vendor.

1 OBJECTIVES

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

2 COMMITMENTS OF TRANSNET

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

- 2.1 Transnet hereby undertakes that no employee of Transnet connected directly or indirectly with the sourcing event and ensuing contract, will demand, take a promise for or accept directly or through intermediaries any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the Tenderer, either for themselves or for any person, organisation or third party related to the contract in exchange for an advantage in the tendering process, Tender evaluation, contracting or implementation process related to any contract.
- 2.2 Transnet will, during the registration and tendering process treat all Tenderers/ Service Providers/Contractor with equity, transparency and fairness. Transnet will in particular, before and during the registration process, provide to all Tenderers/ Service Providers/Contractors the same information and will not provide to any

Tenderers/Service Providers/Contractors confidential/additional information through which the Tenderers/Service Providers/Contractors could obtain an advantage in relation to any tendering process.

- 2.3 Transnet further confirms that its employees will not favour any prospective Tenderers/Service Providers/Contractors in any form that could afford an undue advantage to a particular Tenderer during the tendering stage and will further treat all Tenderers/Service Providers/Contractors participating in the tendering process in a fair manner.
- 2.4 Transnet will exclude from the tender process such employees who have any personal interest in the Tenderers/Service Providers/Contractors participating in the tendering process.

3 OBLIGATIONS OF THE TENDERER / SERVICE PROVIDER

- 3.1 Transnet has a '**Zero Gifts**' Policy. No employee is allowed to accept gifts, favours or benefits.
 - a) Transnet officials and employees **shall not** solicit, give or accept, or from agreeing to solicit, give, accept or receive directly or indirectly, any gift, gratuity, favour, entertainment, loan, or anything of monetary value, from any person or juridical entities in the course of official duties or in connection with any operation being managed by, or any transaction which may be affected by the functions of their office.
 - b) Transnet officials and employees **shall not** solicit or accept gifts of any kind, from vendors, suppliers, customers, potential employees, potential vendors, and suppliers, or any other individual or organisation irrespective of the value.
 - c) Under **no circumstances** should gifts, business courtesies or hospitality packages be accepted from or given to prospective suppliers participating in a tender process at the respective employee's Operating Division, regardless of retail value.
 - d) Gratuities, bribes or kickbacks of any kind must never be solicited, accepted or offered, either directly or indirectly. This includes money, loans, equity, special privileges, personal favours, benefit or services. Such favours will be considered to constitute corruption.
- 3.2 The Tenderer/Service Provider/Contractor commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its Tender or during any ensuing contract stage in order to secure the contract or in furtherance to secure it and in particular the Tenderer/Service Provider/Contractor commits to the following:
 - a) The Tenderer/Service Provider/Contractor will not, directly or through any other person or firm, offer, promise or give to Transnet or to any of Transnet's employees involved in the tendering process or to any third person any material or other benefit or payment, in order to obtain in exchange an advantage during the tendering process; and

- b) The Tenderer/Service Provider/Contractor will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any employee of Transnet, connected directly or indirectly with the tendering process, or to any person, organisation or third party related to the contract in exchange for any advantage in the tendering, evaluation, contracting and implementation of the contract.
- 3.3 The Tenderer/Service Provider/Contractor will not collude with other parties interested in the contract to preclude a competitive Tender price, impair the transparency, fairness and progress of the tendering process, Tender evaluation, contracting and implementation of the contract. The Tenderer / Service Provider further commits itself to delivering against all agreed upon conditions as stipulated within the contract.
- 3.4 The Tenderer/Service Provider/Contractor will not enter into any illegal or dishonest agreement or understanding, whether formal or informal with other Tenderers/Service Providers/Contractors. This applies in particular to certifications, submissions or non-submission of documents or actions that are restrictive or to introduce cartels into the tendering process.
- 3.5 The Tenderer/Service Provider/Contractor will not commit any criminal offence under the relevant anti-corruption laws of South Africa or any other country. Furthermore, the Tenderer/Service Provider/Contractor will not use for illegitimate purposes or for restrictive purposes or personal gain, or pass on to others, any information provided by Transnet as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
- 3.6 A Tenderer/Service Provider/Contractor of foreign origin shall disclose the name and address of its agents or representatives in South Africa, if any, involved directly or indirectly in the registration or tendering process. Similarly, the Tenderer / Service Provider / Contractor of South African nationality shall furnish the name and address of the foreign principals, if any, involved directly or indirectly in the registration or tendering process.
- 3.7 The Tenderer/Service Provider/Contractor will not misrepresent facts or furnish false or forged documents or information in order to influence the tendering process to the advantage of the Tenderer/Service Provider/Contractor or detriment of Transnet or other competitors.
- 3.8 Transnet may require the Tenderer/Service Provider/Contractor to furnish Transnet with a copy of its code of conduct. Such code of conduct must address the compliance programme for the implementation of the code of conduct and reject the use of bribes and other dishonest and unethical conduct.
- 3.9 The Tenderer/Service Provider/Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

3.10 The Tenderer/Service Provider/Contractor confirms that they will uphold the ten principles of the United Nations Global Compact (UNGC) in the fields of Human Rights, Labour, Anti-Corruption and the Environment when undertaking business with Transnet as follows:

a) Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

b) Labour

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

c) Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

d) Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

4 INDEPENDENT TENDERING

4.1 For the purposes of that Certificate in relation to any submitted Tender, the Tenderer declares to fully understand that the word "competitor" shall include any individual or organisation, other than the Tenderer, whether or not affiliated with the Tenderer, who:

- a) has been requested to submit a Tender in response to this Tender invitation;
- b) could potentially submit a Tender in response to this Tender invitation, based on their qualifications, abilities or experience; and
- c) provides the same Goods and Services as the Tenderer and/or is in the same line of business as the Tenderer.

- 4.2 The Tenderer has arrived at his submitted Tender independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium will not be construed as collusive tendering.
- 4.3 In particular, without limiting the generality of paragraph 5 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- a) prices;
 - b) geographical area where Goods or Services will be rendered [market allocation];
 - c) methods, factors or formulas used to calculate prices;
 - d) the intention or decision to submit or not to submit, a Tender;
 - e) the submission of a Tender which does not meet the specifications and conditions of the RFP; or
 - f) tendering with the intention of not winning the Tender.
- 4.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the Goods or Services to which his/her tender relates.
- 4.5 The terms of the Tender as submitted have not been, and will not be, disclosed by the Tenderer, directly or indirectly, to any competitor, prior to the date and time of the official Tender opening or of the awarding of the contract.
- 4.6 Tenderers are aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to Tenders and contracts, Tenders that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and/or may be reported to the National Prosecuting Authority [NPA] for criminal investigation and/or may be restricted from conducting business with the public sector for a period not exceeding 10 [ten] years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.
- 4.7 Should the Tenderer find any terms or conditions stipulated in any of the relevant documents quoted in the Tender unacceptable, it should indicate which conditions are unacceptable and offer alternatives by written submission on its company letterhead, attached to its submitted Tender. 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.

5 DISQUALIFICATION FROM TENDERING PROCESS

- 5.1 If the Tenderer/Service Provider/Contractor has committed a transgression through a violation of section 3 of this Integrity Pact or in any other form such as to put its reliability or credibility as a Tenderer/Service Provider/Contractor into question, Transnet may reject the Tenderer's / Service Provider's / Contractor's application from the registration

or tendering process and remove the Tenderer/Service Provider/Contractor from its database, if already registered.

- 5.2 If the Tenderer/Service Provider/Contractor has committed a transgression through a violation of section 3, or any material violation, such as to put its reliability or credibility into question. Transnet may after following due procedures and at its own discretion also exclude the Tenderer/Service Provider /Contractor from future tendering processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the circumstances of the case, which will include amongst others the number of transgressions, the position of the transgressors within the company hierarchy of the Tenderer/Service Provider/Contractor and the amount of the damage. The exclusion will be imposed for up to a maximum of 10 (ten) years. However, Transnet reserves the right to impose a longer period of exclusion, depending on the gravity of the misconduct.
- 5.3 If the Tenderer/Service Provider/Contractor can prove that it has restored the damage caused by it and has installed a suitable corruption prevention system or taken other remedial measures as the circumstances of the case may require, Transnet may at its own discretion revoke the exclusion or suspend the imposed penalty.

6 TRANSNET'S LIST OF EXCLUDED TENDERERS (BLACKLIST)

- 6.1 The process of restriction is used to exclude a company/person from conducting future business with Transnet and other organs of state for a specified period. No Tender shall be awarded to a Tenderer whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. Transnet reserves the right to withdraw an award, or cancel a contract concluded with a Tenderer should it be established, at any time, that a tenderer has been restricted with National Treasury by another government institution.
- 6.2 All the stipulations on Transnet's restriction process as laid down in Transnet's Supply Chain Policy and Procurement Procedures Manual (CPM included) are included herein by way of reference. Below follows a condensed summary of this restriction procedure.
- 6.3 On completion of the restriction procedure, Transnet will submit the restricted entity's details (including the identity number of the individuals and registration number of the entity) to National Treasury for placement on National Treasury's Database of Restricted Suppliers for the specified period of exclusion. National Treasury will make the final decision on whether to restrict an entity from doing business with any organ of state for a period not exceeding 10 years and place the entity concerned on the Database of Restricted Suppliers published on its official website.
- 6.4 The decision to restrict is based on one of the grounds for restriction. The standard of proof to commence the restriction process is whether a "*prima facie*" (i.e. on the face of it) case has been established.

- 6.5 Depending on the seriousness of the misconduct and the strategic importance of the Goods/Services, in addition to restricting a company/person from future business, Transnet may decide to terminate some or all existing contracts with the company/person as well.
- 6.6 A Service Provider or Contractor to Transnet may not subcontract any portion of the contract to a blacklisted company.
- 6.7 Grounds for blacklisting include: If any person/Enterprise which has submitted a Tender, concluded a contract, or, in the capacity of agent or subcontractor, has been associated with such Tender or contract:
- a) Has, in bad faith, withdrawn such Tender after the advertised closing date and time for the receipt of Tenders.
 - b) has, after being notified of the acceptance of his Tender, failed or refused to sign a contract when called upon to do so in terms of any condition forming part of the Tender documents.
 - c) has carried out any contract resulting from such Tender in an unsatisfactory manner or has breached any condition of the contract.
 - d) has offered, promised or given a bribe in relation to the obtaining or execution of the contract.
 - e) has acted in a fraudulent or improper manner or in bad faith towards Transnet or any Government Department or towards any public body, Enterprise or person.
 - f) has made any incorrect statement in a certificate or other communication with regard to the Local Content of his Goods or his B-BBEE status and is unable to prove to the satisfaction of Transnet that:
 - (i) he made the statement in good faith honestly believing it to be correct; and
 - (ii) before making such statement, he took all reasonable steps to satisfy himself of its correctness.
 - g) caused Transnet damage, or to incur costs in order to meet the contractor's requirements and which could not be recovered from the contractor.
 - h) has litigated against Transnet in bad faith.
- 6.8 Grounds for blacklisting include a company/person recorded as being a company or person prohibited from doing business with the public sector on National Treasury's database of Restricted Service Providers or Register of Tender Defaulters.
- 6.9 Companies associated with the person/s guilty of misconduct (i.e. entities owned, controlled or managed by such persons), any companies subsequently formed by the person(s) guilty of the misconduct and/or an existing company where such person(s) acquires a controlling stake may be considered for blacklisting. The decision to extend the blacklist to associated companies will be at the sole discretion of Transnet.

7 PREVIOUS TRANSGRESSIONS

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

8 SANCTIONS FOR VIOLATIONS

- 8.1 Transnet shall also take all or any one of the following actions, wherever required to:
- a) Immediately exclude the Tenderer/Service Provider/Contractor from the tendering process or call off the pre-contract negotiations without giving any compensation the Tenderer/Service Provider/Contractor. However, the proceedings with the other Tenderer/ Service Provider/Contractor may continue.
 - b) Immediately cancel the contract, if already awarded or signed, without giving any compensation to the Tenderer/Service Provider/Contractor.
 - c) Recover all sums already paid by Transnet.
 - d) Encash the advance bank guarantee and performance bond or warranty bond, if furnished by the Tenderer/Service Provider/Contractor, in order to recover the payments, already made by Transnet, along with interest.
 - e) Cancel all or any other contracts with the Tenderer/Service Provider/Contractor; and
 - f) Exclude the Tenderer/ Service Provider/Contractor from entering into any Tender with Transnet in future.

9 CONFLICTS OF INTEREST

- 9.1 A conflict of interest includes, inter alia, a situation in which:
- a) A Transnet employee has a personal financial interest in a tendering / supplying entity; and
 - b) A Transnet employee has private interests or personal considerations or has an affiliation or a relationship which affects, or may affect, or may be perceived to affect his / her judgment in action in the best interest of Transnet or could affect the employee's motivations for acting in a particular manner, or which could result in, or be perceived as favouritism or nepotism.
- 9.2 A Transnet employee uses his / her position, or privileges or information obtained while acting in the capacity as an employee for:
- a) Private gain or advancement; or

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

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

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

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

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

10 DISPUTE RESOLUTION

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

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

11 GENERAL

- 11.1 This Integrity Pact is governed by and interpreted in accordance with the laws of the Republic of South Africa.

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

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

I duly authorised by the tendering entity, hereby certify that the tendering entity are **fully acquainted** with the contents of the Integrity Pact and further **agree to abide by it** in full.

Signature

Date

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

T2.2-19: Insurance provided by the *Contractor*.

Clause 83.1 in NEC3 Term Service Contract (June 2005) (amended June 2006 and April 2013) requires that the *Contractor* provides the insurance stated in the insurance table except any insurance which the *Employer* is to provide as stated in the Contract Data.

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

Insurance against (See clause 83.1 of the TSC)	Name of Insurance Company	Cover	Premium
Liability for death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract			
Motor Vehicle Liability Insurance comprising (as a minimum) "Balance of Third Party" Risks including Passenger and Unauthorised Passenger Liability indemnity with a minimum indemnity limit of R10 000 000.			
Insurance in respect of loss of or damage to own property and equipment.			
(Other)			

T2.2-20: Agreement in terms of Protection of Personal Information Act, 4 of 2013 ("POPIA").

1. PREAMBLE AND INTRODUCTION

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

2. PROTECTION OF PERSONAL INFORMATION.

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



personal information and the information of a third party to any third party without prior written consent from Transnet.

- 2.8. The Operator shall, at all times, ensure compliance with any applicable laws put in place and maintain sufficient measures, policies and systems to manage and secure against all forms of risks to any information that may be shared or accessed pursuant to the services offered to Transnet in terms of this Agreement (physically, through a computer or any other form of electronic communication).
- 2.9. The Operator shall notify Transnet in writing of any unauthorised access to personal information and the information of a third party, cybercrimes or suspected cybercrimes, in its knowledge and report such crimes or suspected crimes to the relevant authorities in accordance with applicable laws, after becoming aware of such crimes or suspected crime. The Operator must inform Transnet of the breach as soon as it has occurred to allow Transnet to take all necessary remedial steps to mitigate the extent of the loss or compromise of personal information and the information of a third party and to restore the integrity of the affected personal information as quickly as is possible.
- 2.10. Transnet may, in writing, request the Operator to confirm and/or make available any personal information and the information of a third party in its possession in relation to Transnet and if such personal information has been accessed by third parties and the identity thereof in terms of the POPIA.
- 2.11. Transnet may further request that the Operator correct, delete, destroy, withdraw consent or object to the processing of any personal information and the information of a third party relating to the Transnet or a third party in the Operator's possession in terms of the provision of the POPIA and utilizing Form 2 of the POPIA Regulations.
- 2.12. In signing this addendum that is in terms of the POPIA, the Operator hereby agrees that it has adequate measures in place to provide protection of the personal information and the information of a third party given to it by Transnet in line with the 8 conditions of the POPIA and that it will provide to Transnet satisfactory evidence of these measures whenever called upon to do so by Transnet.

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

YES		NO	
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- 2.13. Further, the Operator acknowledges that it will be held liable by Transnet should it fail to process personal information in line with the requirements of the POPIA. The Operator will be subject to any civil or criminal action, administrative fines or other penalty or loss that may arise as a result of the processing of any personal information that Transnet submitted to it.
- 2.14. Should a Tenderer have any complaints or objections to processing of its personal information, by Transnet, the Tenderer can submit a complaint to the Information Regulator on <https://www.justice.gov.za/inforeg/>, click on contact us, click on complaints.IR@justice.gov.za



3. **SOLE AGREEMENT**

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

Signed at _____ on this _____ day of _____ 2021

Name: _____

Title: _____

Signature: _____

..... (Pty) Ltd
(Operator)

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

AS WITNESSES:

1. Name: _____ Signature: _____

2. Name: _____ Signature: _____

T2.2-21: Supplier Code of Conduct

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

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

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

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

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

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

- Transnet and its employees will follow the laws of this country and keep accurate business records that reflect actual transactions with, and payments to, our suppliers.
- Employees must not accept or request money or anything of value, directly or indirectly, from suppliers.
- Employees may not receive anything that is calculated to:
 - Illegally influence their judgement or conduct or to ensure the desired outcome of a sourcing activity;
 - Win or retain business or to influence any act or decision of any person involved in sourcing decisions; or
 - Gain an improper advantage.
- There may be times when a supplier is confronted with fraudulent or corrupt behaviour of Transnet employees. We expect our Suppliers to use our "Tip-offs Anonymous" Hot line to report these acts. (0800 003 056).

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

- Suppliers are expected to comply with all applicable laws and regulations regarding fair competition and antitrust practices.

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

-
- Transnet does not engage with non-value adding agents or representatives solely for the purpose of increasing B-BBEE spend (fronting).

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

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

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for
Transnet Rail Infrastructure Manager, on as and when required basis.

Conflicts of Interest

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

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

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

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

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

Signed this on day _____ at _____

Signature

NEC3 Term Service Contract (TSC)

entered into by and between

Transnet SOC Ltd

Registration Number 1990/000900/30

(hereinafter referred to as the "*Employer*")

and

.....

Registration Number

(hereinafter referred to as the "*Contractor*")

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

Contract Number: HOAC-HO-51958

Start Date: To be advised.

Completion Date: To be advised.

CONTRACT DOCUMENTS

Form of Offer & Acceptance

Contract Data

Part One – Data provided by the *Employer*

Part Two – Data provided by the *Contractor*

Conditions of Contract (3rd Edition – available separately)

Prices

Service Information

Affected Property

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

C1.1 Form of Offer & Acceptance

Offer

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

For re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

The tenderer, identified in the Offer signature block, has

<i>either</i>	examined the documents listed in the Tender Data and addenda thereto as listed in the Returnable Schedules, and by submitting this Offer has accepted the Conditions of Tender.
<i>or</i>	examined the contract as listed in the Acceptance section and agreed to provide this Offer.

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

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

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

Signature(s)

Name(s)

Capacity

For the tenderer:

(Insert name and address of

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for
Transnet Rail Infrastructure Manager, on as and when required basis.

Name & *organisation)*

signature of
witness

Date

Tenderer's CIDB registration number:

Acceptance

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for
Transnet Rail Infrastructure Manager, on as and when required basis.

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

The terms of the contract, are contained in:

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

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

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

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

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

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

Signature(s)

Name(s)

Capacity

**for the
Employer**

Name &
signature of
witness

(Insert name and address of
organisation)

Date

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for
Transnet Rail Infrastructure Manager, on as and when required basis.

Schedule of Deviations

Note:

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

No.	Subject	Details
1		
2		
3		

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

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

	For the tenderer:	For the Employer
Signature	_____	_____
Name	_____	_____
Capacity	_____	_____
On behalf of	<i>(Insert name and address of organisation)</i>	Transnet SOC Ltd, trading through its operating division Transnet Rail Infrastructure Manager.
Name & signature of witness	_____	_____
Date	_____	_____

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

C1.1 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	dispute resolution Option	A: Priced contract with Price List
	and secondary Options	W1: Dispute resolution procedure
		X2: Changes in the law
		X17: Low service damages
		X18: Limitation of liability
		X19: Task Order
		Z: Additional conditions of contract
	of the NEC3 Term Service Contract (June 2005) (and amended June 2006 and April 2013)	
10.1	The <i>Employer</i> is:	Transnet SOC Ltd
	Address	Registered address: Transnet Corporate Centre 138 Eloff Street Braamfontein Johannesburg 2000
	Having elected its Contractual Address for the purposes of this contract as:	Transnet Rail Infrastructure Manager 1 Service Road Reunion Old Airport KwaZulu-Natal province
	Tel No.	079 532 9899
10.1	The <i>Service Manager</i> is (name):	Khuliso Kunene

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

Address	Transnet Rail Infrastructure Manager 1 Service Road Reunion Old Airport KwaZulu-Natal province	
Tel	079 532 9899	
e-mail	khuliso.kunene@transnet.net	
11.2(2)	The Affected Property is	Electrical substations – refer to attached Part C4).
11.2(13)	The <i>service</i> is	Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.
11.2(14)	The following matters will be included in the Risk Register	<ul style="list-style-type: none"> i. Trolley inspections. ii. Movement of road rail vehicle/Tamping machine/Trolley and train on running line. iii. Track maintenance. iv. Skewing sleepers. v. Substandard track geometry. vi. Non-conformance to MICA standards.
11.2(15)	The Service Information is in	The Scope of Service
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa subject to the jurisdiction of the Courts of South Africa.
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	2 (two) weeks.
2	The <i>Contractor's</i> main responsibilities	No additional data is required for this section of the <i>conditions of contract</i>.
21.1	The <i>Contractor</i> submits a first plan for acceptance within	2 weeks from the Contract Date
3	Time	
30.1	The <i>starting date</i> is.	To be advised.
30.1	The <i>service period</i> is	Two (02) years.
4	Testing and defects	No additional data is required for this section of the <i>conditions of contract</i>.

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

5	Payment	
50.1	The <i>assessment interval</i> is	25th (twenty fifth) day of each successive month.
51.1	The <i>currency of this contract</i> is the	South African Rand.
51.2	The period within which payments are made is	Payment will be affected on or before the last day of the month following the month during which a valid Tax Invoice and Statement were received.
51.4	The <i>interest rate</i> is	The prime lending rate of the Standard Bank South Africa.
6	Compensation events	No additional data is required for this section of the <i>conditions of contract</i>.
7	Use of Equipment Plant and Materials	No additional data is required for this section of the <i>conditions of contract</i>.
8	Risks and insurance	
80.1	These are additional <i>Employers</i> risks	None
83.1	The minimum limit of indemnity for insurance in respect of loss and damage to property (except goods, plant and materials and equipment) and liability for bodily injury or death of a person (not an employee of the <i>Contractor</i>) caused by activity in connection with this contract for any one event is:	Whatever <i>Contractor</i> deems necessary as the <i>Employer</i> is not carrying this indemnity.
83.1	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract for any one event is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act.
83.1	Motor Vehicle Liability Insurance comprising (as a minimum) "Balance of Third Party" Risks including Passenger and Unauthorised Passenger Liability indemnity with a minimum indemnity limit of R 10 000 000	

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

83.1	The <i>Contractor</i> liability to the <i>Employer</i> for indirect or consequential loss including loss of profit, revenue and goodwill, is limited to:	The Total of the Prices.
83.1	For any one event, the <i>Contractor</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employers</i> property is limited to:	The Total of the Prices.
83.1	The <i>Contractor</i> total liability to the <i>Employer</i> for all matters arising under or in connection with this contract, other than the excluded matters, is limited to:	The Total of the Prices.
9	Termination	There is no Contract Data required for this section of the <i>conditions of contract</i>.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than	2 weeks.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i> is (Name)	Both parties will agree as and when a dispute arises. If the parties cannot reach an agreement on the <i>Adjudicator</i>, the chairman of the Association of Arbitrators will appoint an <i>Adjudicator</i>.
W1.2(3)	The <i>Adjudicator nominating body</i> is: If no <i>Adjudicator nominating body</i> is entered, it is	The Association of Arbitrators (Southern Africa).
W1.4(2)	The <i>tribunal</i> is:	Arbitration
W1.4(5)	The <i>arbitration procedure</i> is	The Rules for the Conduct of Arbitrations of the Association of Arbitrators (Southern Africa).
	The place where arbitration is to be held is	Johannesburg, South Africa

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

The person or organisation who will choose an arbitrator

- if the Parties cannot agree a choice or
- if the arbitration procedure does not state who selects an arbitrator, is

The Chairman of the Association of Arbitrators (Southern Africa).

12 Data for secondary Option clauses

X2 Changes in the law **No additional data is required for this Option**

X17 Low service damages

X17.1 The *service level table*

Performance Level	% Achieved of performance against Time worked for each task order.	Low Service damages for each task order.
Rate of re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis, as per Part C3: Service Information.	96% - 100% performance achieved.	R0 (nil)
	90% - 95% performance achieved.	2.5% of the Price for Service Provided to date in terms of the Task Order.
	85% - 89% performance achieved.	5% of the Price for Service Provided to date in terms of the Task Order.
	80% - 84% performance achieved.	7.5% of the Price for Service Provided to date in terms of the Task Order.
	<84% performance achieved.	10% of the Price for Service Provided to date in terms of the Task Order.

X18 Limitation of liability

X18.1 The *Contractor's* liability to the *Employer* for indirect or consequential loss is limited to **Nil.**

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to	The deductible of the relevant insurance policy
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	The cost of correcting the defect.
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	Total of the Prices.
X18.5	The <i>end of liability date</i> is	3 years after the end of the <i>service period</i>.
X19	Task Order	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	5 days of receiving the Task Order
Z	<i>Additional conditions of contract</i>	
Z1	Obligations in respect of Termination	
Z1.1	<p>The following will be included under core clause 91.1:</p> <p>In the second main bullet, after the word 'partnership' add 'joint venture whether incorporated or otherwise (including any constituent of the joint venture)'; and</p> <p>Under the second main bullet, insert the following additional bullets after the last sub-bullet:</p> <ul style="list-style-type: none"> • commenced business rescue proceedings (R22) • repudiated this Contract (R23) 	
Z1.2	Termination Table	<p>The following will be included under core clause 90.2 Termination Table as follows:</p> <p>Amend "A reason other than R1 – R21" to "A reason other than R1 – R23"</p>
Z1.3		Amend "R1 – R15 or R18" to "R1 – R15, R18, R22 or R23."

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

Z2 Right Reserved by Transnet to Conduct Vetting through SSA

Z2.1	<p>Transnet reserves the right to conduct vetting through State Security Agency (SSA) for security clearances of any Contractor who has access to National Key Points for the following without limitations:</p> <ol style="list-style-type: none"> 1. Confidential – this clearance is based on any information which may be used by malicious, opposing or hostile elements to harm the objectives and functions of an organ of state. 2. Secret – clearance is based on any information which may be used by malicious, opposing or hostile elements to disrupt the objectives and functions of an organ of state. 3. Top Secret – this clearance is based on information which may be used by malicious, opposing or hostile elements to neutralise the objectives and functions of an organ of state.
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Z3 Additional clause relating to Collusion in the Construction Industry

Z3.1	<p>The contract award is made without prejudice to any rights Transnet may have to take appropriate action later with regard to any declared bid rigging including blacklisting.</p>
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Z4 Protection of Personal Information Act

Z4.1	<p>The <i>Employer</i> and the <i>Contractor</i> are required to process information obtained for the duration of the Agreement in a manner that is aligned to the Protection of Personal Information Act</p>
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C1.2 Contract Data

Part two - Data provided by the *Contractor*

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

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

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is	%
	The <i>subcontracted fee percentage</i> is	%
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key persons are: 1. Name: Job: Responsibilities: Qualifications:	

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

Experience:

2. Name:

Job

Responsibilities:

Qualifications:

Experience:

CV's (and further key person's data including CVs) are in

A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in
11.2(19)	The tendered total of the Prices is	R.....

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.



PART C2: PRICING DATA

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

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

C2.1 Pricing instructions: Option A

1.1 The *conditions of contract*

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

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

Identified 11

and defined terms

- 11.2 (17) The Price for Services Provided to Date is the total of
- the Price for each lump sum item in the Price List which the *Contractor* has completed and
 - where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the *Contractor* has completed by the rate.
- (19) The Prices are the amounts stated in the Price column of the Price List, where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

1.3 Measurement and Payment

- 1.3.1 The Price List provides the basis of all valuations of the Price for Services Provided to Date, payments in multiple currencies and general progress monitoring.
- 1.3.2 The amount due at each assessment date is based on activities and/or milestones completed as indicated on the Price List.
- 1.3.3 The Price List work breakdown structure provided by the *Contractor* is based on the activity/milestone provided by the Employer. The activities listed by the *Employer* are the minimum activities acceptable and identify the specific activities which are required to achieve Completion. **The Price List work breakdown structure is compiled to the satisfaction of the *Employer* with any additions and/or amendments deemed necessary.**
- 1.3.4 The *Contractor's* detailed Price List summates back to the activity/milestone provided by the *Employer* and is sufficient detail to monitor completion of activities related to the operations on the Accepted Plan in order that payment of completed activities may be assessed.
- 1.3.5 The Prices are obtained from the Price List. The Prices includes for all direct and indirect costs, overheads, profits, risks, liabilities, obligations, etc. relative to the contract.

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.



	Pricing Schedule for Year 1				
Activity no.	Item Description	Unit	Quantity	Rate	Amount
1	Labour for Installation, maintenance & repair Y1: Labour excluding parts for routine grease pot maintenance (all functional G.P) and repair and installation of all damaged grease pots year 1.	Qty	289		
2	Accommodation costs year 1: Room per night per person (4 people per team).	Room/day	240		
3	Travel kilometres from depots to site year 1: Kilometres travelled @ 4200km/month.	Km	43 200		
4	Standing Time year 1: Provision for standing grease pots.	Qty	87		
5	Lubricant/grease refill year 1: Refill of track lubricant/grease after repair/ maintenance (25kg per pot).	Qty	289		
6	Spare parts for Routine maintenance (Class A) Y1: Spare parts for Routine maintenance (Class A) Y1: Gasket, Pump and Plate packing, Nozzles, Bolts and Screws, O-ring replacement year 1.	Qty	164		

Transnet Rail Infrastructure Manager

Contract Number: HOAC-HO-51958

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.



7	Spare parts for Class B repairs Y1: Class A parts + Main container + Piston + Spring replacement.	Qty	38		
8	Spare parts for Class C repairs Y1: Repair of grease pots totally damaged/ vandalised year 1.	Qty	50		
9	Grease pots quality: Inspections by Inspector of Pressurized Equipment (SAQCC-IPE).	Qty	58		
The offered total of the Prices exclusive of VAT is					
VAT @ 15% (If applicable)					
The offered total of the Prices inclusive of VAT is					

PART C3: SERVICE INFORMATION

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

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

C3 Service Information

3.1 Description of the *service*.

3.1.1 Executive overview.

The service that the *Contractor* is to perform includes:

- a) The *service* that the *Contractor* is to perform involve installation, repair and maintenance of railway trackside grease pots" (**BBH7003**) outlines the operational, maintenance, installation and repair requirements of the mechanical railway trackside grease pots used in Transnet Rail Infrastructure Manager. The railway trackside grease pots are to be suitable for use on TFR's SAR48, SAR57 and 60E1 rail profiles.

3.1.2 Background.

- a) Transnet Rail Infrastructure Manager (TRIM) is a custodian of a railway infrastructure used in the haulage of bulk goods nationally. TRIM's container corridor has three (3) Rail Network depots that are responsible for the maintenance of track infrastructure. Specific focused maintenance interventions are required on a continuous basis to ensure the availability, reliability, and the safety of the network. Locomotive and wagon wheels (rolling stock) roll on a rail whereby there is friction due to metal-to-metal contact. To minimise the friction that arises between the metal-to-metal contact of the rail and wheelset flange during the haulage of freight TRIM uses track lubricants (grease) and lubricating devices also known as 'grease pots' to house the grease and mechanically lubricate the rail.
- b) The optimum functionality of the grease pots is crucial for avoiding the premature replacement of rails due to wear. The portable grease pots are installed on the outer leg of the rail just before the curve section of the rail to ensure adequate lubrication for the curved rail track. On curved tracks the gauge corner of the high leg must be adequately and uniformly covered with a layer of lubricant throughout the whole length of the curve to ensure that the rate of side wear is reduced evenly. Other advantages of track lubrication include flange noise reduction, reduction of the rate of Rolling Contact Fatigue (RCF) development and improvement of fuel efficiency.

3.1.3 Current situation of the control panels.

- a) There are no spares available also for the maintenance of existing grease pots which are now becoming obsolete.

3.2 Employers' objective.

- a) Provision of spare parts for the lubricating grease pots.
- b) Maintenance of track lubrication grease pots as per the relevant standards.
- c) Refurbishment of vandalised track lubrication grease of pots.
- d) Refill of the track lubrication grease pots with track lubricant/ grease after repair, installation and/or maintenance.

3.3 Scope of Service and Technical specification.

- 3.3.1 Bidders must fully comply with the Specification "Service Information for the Repair, Installation, and Maintenance of Railway Trackside Grease Pots" (BBH7003).
- 3.3.2 Bidders are required to have teams with the necessary skills and experience as specified in BBH7003 to undertake the repair, installation, and maintenance of railway trackside grease pots. The grease pots shall be repaired and/or maintained on track during in-between-trains (OBT) occupations, or they may be repaired at a workshop and installed on track as directed by the Service Manager.
- 3.3.3 Bidders shall provide Memorandum of understanding (MOU) with recognised OEMs for the grease lubrication devices and demonstrate ability to supply spare parts. Demonstrating the ability to manage these partnerships is key to maintaining a reliable supply chain.
- 3.3.4 Bidders must also submit a detailed, step-by-step plan outlining how they will conduct the repair, maintenance, and installation of the trackside grease pots. This plan should demonstrate their capacity and capability to complete the work within the 2-year contract period. Additionally, it must address the health and safety implications of the tasks and include control measures to minimize risks.
- 3.3.5 The table below (Table 1) outlines the **estimated quantities** of track lubrication grease pots which are functional and non-functional on the Container Corridor which require maintenance/ repair and installation on the TFR rail network on the Container Corridor on an as and when required basis.

Estimated quantities of track lubrication grease pots which are functional and non-functional on the Container Corridor.

Container Corridor	Non-functional (require complete repair)	Functional (require routine maintenance)	Total
Ladysmith	158	187	345
Heidelberg	62	48	110
Durban	31	92	123
Total	251	37	578

3.3.6 The table below (Table 2) outlines the estimated bill of quantities for the duration of the contract on an as and when required basis of over the 2-year contract period.

Table 2: Estimated bill of quantities for the duration of the contract on an as an when basis over the 2-year period.

Fixed Costs				
Item Name	Item Description	Unit	Year 1	Year 2
Labour for Installation, Maintenance & Repair.	Labour for routine grease pot maintenance (all functional) and repair & installation of all damaged grease pots.	Qty	289	289
Variable Costs				
Item Name	Item Description	Unit	Year 1	Year 2
Accommodation costs	Room per night per person (4 people per team)	Room/day	240	240
Travel kilometres from depots to site	Kilometres travelled @ 4200km/month	Km	43200	43200
Standing Time	Provision for standing grease pots	Qty	87	87
Lubricant/grease refill	Refill of track lubricant/grease after repair/ maintenance (25kg per pot)	Qty	289	289
Spare parts for Routine maintenance (Class A)	Gasket, Pump and Plate packing, Nozzles, Bolts and Screws, O-ring replacement	Qty	164	164
Spare parts for Class B repairs	Class A parts + Main container + Piston + Spring replacement	Qty	38	38
Spare parts for Class C repairs	Repair of grease pots totally damaged/ vandalised	Qty	50	50
Grease pots quality inspection	Inspections by Competent Person for Pressure Vessels (SAQCC-CP) and Inspector for Pressurized Equipment (SAQCC-IPE)	Qty	58	58

3.3.7 The table below (Table 3) outlines a typical grease pot assembly, listing the spare parts that bidders must have the capacity to supply.

Table 3: Typical trackside grease pot assembly.

Item No.	Part Description	Quantity
Main Assembly		
1	Main container	1
2	Piston Plate	1
3	Piston Spring	1
4	Back Plate Cover	1
5	Hose	2
6	Hose Clamp	4
7	Front mounting Clamp (Only on older units)	1
8	Handle	1
9	Withdrawing Bolt	1
10	Filler Hole Plug	1
11	O-Ring	1
12	Hex HD Bolt	2

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

Left Hand and Right-Hand Side Grease Pumps

1	Ball Valve Stop	2
2	Ball Valve Spring	2
3	Ball Valve (10 mm Diameter)	2
4	Pump Body Left Hand Side	1
5	Pump Body Right Hand Side	1
6	Plunger Spring	2
7	Plunger	2
8	Pump Casting	2
9	Packing	2

Applicator Bars

1	Packing	2
2	Front Plate	2
3	Grease Plate	2
4	Back Plate	2
5	Grease Plate Side Clamp	2
6	Mounting Hex Bolts	4

Miscellaneous

1	Hex Nuts	8
2	Calibration Tool	1

3.4 FUNCTIONAL REQUIREMENTS.

- Bidders shall provide Memorandum of understanding with recognised OEMs for grease lubrication devices and demonstrate ability to supply spare parts. Demonstrating the ability to manage these partnerships is key to maintaining a reliable supply chain.
- The bidder's team shall avail the required technical skills for grease pot maintenance, repair, and installation, including ability to work on active railway tracks and/or workshop-based repairs.
- Experience with quality control and quality management plans is crucial to ensure that all repairs and installations meet required safety and operational standards.
- Bidders must show competence in creating and following detailed work plans, meeting deadlines and show experience in health and safety management, with effective risk control measures.

3.5 PERFORMANCE REQUIREMENTS.

- The grease pots must ensure optimal lubrication of the active surface and must be effective in uniformly applying the grease along the entire length of the curve. Refer to the **Specification for track lubrication BBF9327 Version.**
- The grease pots must be durable and capable of withstanding the harsh conditions of railway operations. Bidders must provide warranty periods for the various spare parts of

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

the grease pots as outlined in the Specification "Service Information for the Repair, Installation, and Maintenance of Railway Trackside Grease Pots" (BBH7003).

3.6 Service.

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

3.6.1.1 Affected Property entry and security control, permits, and Affected Property regulations.

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

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

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

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

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

3.6.2.4 The new control panels will need to undergo quality assurance by our Technology Management personnel.

3.7 Areas of deployment.

Rail Network Maintenance Depots

Container Corridor

▪ Heidelberg

▪ Durban

▪ Ladysmith

3.8 List of reference specifications.

Transnet specification	Revision	Title
BBH7003	n/a	Principal protection requirements for the substation.
BBF9327	n/a	Specification for track lubrication.

3.9 PROCUREMENT.

3.6.1 The *Contractor's* Invoices

- a) The invoice states the following:

Description of Service: Re-instatement, repair and maintenance of railway trackside grease pots, for Transnet Rail Infrastructure Manager, on as and when required basis.

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

3.6.2 The invoice contains the supporting detail:

A bill format as per the tender document indicating previously paid, paid to date and amount due for the month.

The invoice is presented either by email or by hand delivery.

The invoice is presented as an original.

PART 4: AFFECTED PROPERTY

Core clause 11.2(2) states

"Affected Property is property which

- Is affected by the work of the *Contractor* or used by the *Contractor* in Providing the Service
- is in the documents which the Contract Data states it is in."

In Contract Data, reference has been made to this Part 4 of the contract for the location of the Affected Property.

1. Description of the Affected Property and its surroundings

1.1. General description

The deployment of the service will be done on the Container Corridor. The table below depicts the specific areas of deployment within TFR corridors:

Corridors	Rail Network Maintenance Depots		
Container Corridor	▪ Heidelberg	▪ Durban	▪ Ladysmith

Table 1: Estimated quantities of track lubrication grease pots which are functional and non-functional on the Container Corridor.

Container Corridor	Non-functional (require complete repair)	Functional (require routine maintenance)	Total
Ladysmith	158	187	345
Heidelberg	62	48	110
Durban	31	92	123
Total	251	327	578

1.2. Existing buildings, structures, and plant & machinery on the Affected Property

- No information available.

1.3. Subsoil information

- No information available.

1.4. Hidden services

- No information available.

1.5. Other reports and publicly available information

- No information available.

FAILURE TO FULLY COMPLETE, DECLARE, SIGN & DATE THIS ANNEXURE C WILL RESULT IN THE BID BEING NON-RESPONSIVE & DISQUALIFIED

Local Content Declaration - Summary Schedule

Note: VAT to be excluded from all calculations

Pula EU GBP [illegible][illegible]

(C20) Total tender value	R 0	
(C21) Total Exempt imported content	R 0	
(C22) Total Tender value net of exempt imported content	R 0	
(C23) Total Imported content		R 0
(C24) Total local content		R 0
(C25) Average local content % of tender		

Date: _____

Annex D

ESSENTIAL RETURNABLE DOCUMENT:

FAILURE TO FULLY COMPLETE, DECLARE, SIGN & DATE THIS ANNEXURE D MAY RESULT IN THE BID BEING NON-RESPONSIVE & DISQUALIFIED

Imported Content Declaration - Supporting Schedule to Annex C

(D1)	Tender No.		
(D2)	Tender description:		
(D3)	Designated Products:		
(D4)	Tender Authority:		
(D5)	Tendering Entity name:		
(D6)	Tender Exchange Rate:	Pula	

Note: VAT to be excluded from all calculations

EU	R 9,00
----	--------

GBP	R 12,00
-----	---------

A. Exempted imported content

A. Exempted imported content				Calculation of imported content						Summary	
Tender item no's	Description of imported content	Local supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Exchange Rate	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Tender Qty	Exempted imported value
(D7)	(D8)	(D9)	(D10)	(D11)	(D12)	(D13)	(D14)	(D15)	(D16)	(D17)	(D18)
(D19) Total exempt imported value											R 0

(D19) Total exempt imported value	R 0
-----------------------------------	-----

**This total must correspond with
Annex C - C 21**

B. Imported directly by the Tenderer

[illegible]

(D32) Total imported value by tenderer	R 0
--	-----

C. Imported by a 3rd party and supplied to the Tenderer

[illegible]

(D45) Total imported value by 3rd party	R 0
---	-----

D. Other foreign currency payments

D. Other foreign currency payments			Calculation of foreign currency payments		Summary of payments
Type of payment	Local supplier making the payment	Overseas beneficiary	Foreign currency value paid	Tender Rate of Exchange	Local value of payments
(D46)	(D47)	(D48)	(D49)	(D50)	(D51)

(D52) Total of foreign currency payments declared by tenderer and/or 3rd party

(D53) Total of imported content & foreign currency payments - (D32), (D45) & (D52) above	R 0
--	-----

**This total must correspond with
Annex C - C 23**

Signature of tenderer from Annex B

Date: _____

Annex E

ESSENTIAL RETURNABLE DOCUMENT:

FAILURE TO FULLY COMPLETE, DECLARE, SIGN & DATE THIS ANNEXURE E MAY RESULT IN THE BID BEING NON-RESPONSIVE & DISQUALIFIED

Local Content Declaration - Supporting Schedule to Annex C

(E1)	Tender No.	
(E2)	Tender description:	
(E3)	Designated products:	
(E4)	Tender Authority:	
(E5)	Tendering Entity name:	

Note: VAT to be excluded from all calculations

Local Products (Goods, Services and Works)	Description of items purchased	Local suppliers	Value
	(E6)	(E7)	(E8)
(E9) Total local products (Goods, Services and Works)			R 0

(E10) **Manpower costs** (Tenderer's manpower cost) R 0

(E11) **Factory overheads** (Rental, depreciation & amortisation, utility costs, consumables etc.) R 0

(E12) **Administration overheads and mark-up** (Marketing, insurance, financing, interest etc.) R 0

(E13) Total local content R 0

This total must correspond with Annex C - C24

Signature of tenderer from Annex B

Date: _____



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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

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

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

HEAD OFFICIALS OF PROVINCIAL TREASURIES

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

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

1. PURPOSE

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

2. BACKGROUND

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

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

3. SECTOR DESIGNATION

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

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

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PRODUCTION AND CONTENT FOR VALVES PRODUCTS AND ACTUATORS**

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

- 3.3 The minimum of 70% local content in the case of each individual valve, manual actuator (gearbox) and pneumatic actuator designated, must be made up of the following:
- 3.3.1 a combination of the use of locally produced and certified castings, forgings and/or fabrications, and
 - 3.3.2 verifiable manufacturing activities that shall include as a minimum, machining, drilling, coating, assembling and testing of the valves in question.

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- 3.4 The averaging out of local content either across any number of valve and gearbox/actuator combinations, or locally made and imported valves/other items, is not allowable.
- 3.5 Each individual valve, manual actuator (gearbox) or pneumatic actuator is subject to the minimum of 70% Local Content threshold.
- 3.6 For further information, bidders and procuring State Organs may contact the Metals Fabrication, Capital and Rail Transport unit within **the dti** at telephone 012 394 1356 or email Thandi Phele at tphele@thedti.gov.za.
- 3.7 Bid specifications for the valves products and actuators referred to above may be done in collaboration with **the dti**.
- 4. INVITATION OF BIDS FOR VALVES PRODUCTS AND ACTUATORS**
- 4.1 Bids in respect of valves products and actuators must be advertised with a specific bidding condition that:
- 4.1.1. Only locally manufactured valves products, manual actuators (Gearboxes) and pneumatic actuators with a stipulated minimum threshold for local production and content will be considered.
- 4.1.2. If the quantity; input materials; and/or components of valves products and actuators required cannot be wholly sourced from South African (SA) based manufacturers to achieve the designated local content threshold of 70% on a fully-built valve and/or manual actuator (gearbox) or pneumatic actuator at any particular time, bidders should request and obtain written exemption from **the dti**. Such exemption applications should be submitted and approvals should be obtained prior to the closure of the bid(s) concerned. **The dti**, in consultation with the procuring organ of state and the local industry, will consider the exemption applications on a case-by-case basis and will consider the following:
- required volumes in the particular bid;
 - available collective SA industry manufacturing capacity at that time;
 - delivery times;
 - availability of input materials and components;
 - technical considerations including operating conditions; and
 - materials of construction
- 4.1.3. Bidders must clearly indicate in their bids the quantities of designated valves, manual actuators (gearboxes) and pneumatic actuators to be supplied and the level of local content for each product
- 4.1.4. Organs of state may contact **the dti** in instances where the stipulated minimum threshold for local content cannot be met in order for **the dti** to verify and in consultation with the AO/AA provide directives in this regard.
- 4.2 AOs/AAs must stipulate in bid invitations that:
- 4.2.1. the exchange rate to be used for the calculation of local production and content must be the exchange rate published by the South African Reserve Bank (SARB) on the date of advertisement of the bid; and

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PRODUCTION AND CONTENT FOR VALVES PRODUCTS AND ACTUATORS**

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

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

Where

x is the imported content in Rand

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

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

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

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

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

5.2 Benchmark / market related prices

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

6. EVALUATION OF BIDS BASED ON FUNCTIONALITY

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

7. POST AWARD AND REPORTING REQUIREMENTS

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

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

8. CONTACT INFORMATION

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

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

9. APPLICABILITY

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

10. DISSEMINATION OF INFORMATION CONTAINED IN THIS INSTRUCTION

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

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

11. NOTIFICATION TO THE AUDITOR-GENERAL

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

12. REPEAL OF INSTRUCTION DATED 6 FEBRUARY 2014

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

13. AUTHORITY FOR THIS INSTRUCTION AND EFFECTIVE DATE

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

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



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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

ACCOUNTING OFFICERS OF ALL MUNICIPALITIES AND MUNICIPAL ENTITIES

ACCOUNTING AUTHORITIES OF ALL SCHEDULE 2 AND 3 PUBLIC ENTITIES

HEAD OFFICIALS OF PROVINCIAL TREASURIES

NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 15 OF 2016/2017.

**INVITATION AND EVALUATION OF BIDS BASED ON A STIPULATED MINIMUM THRESHOLD
OF CONVERSION PROCESSES FOR LOCAL PRODUCTION AND CONTENT FOR STEEL
PRODUCTS AND COMPONENTS FOR CONSTRUCTION.**

1. PURPOSE

- 1.1 The purpose of this instruction note is to regulate the environment within which accounting officers (AOs) and accounting authorities (AAs) may procure steel products and components for construction which have been designated as a sector for local production and content.

2. BACKGROUND

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

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3. PRODUCT DESIGNATION

- 3.1 In this instruction note, steel products and components for construction have been recommended for designation
- 3.2 Steel products and components for construction refer to:
- 3.2.1 **Fabricated structural steel** which includes a wide range of free standing shapes, cross sections and sizes of steel metal pieces produced through a variety of operations according to a specific design, certain standards of chemical composition and mechanical properties. The fabricated components are produced from various primary and downstream steel products, including: channels (parallel and taper flanges); I-beams and H-beams; angles (equal and unequal); bars (flat; square and round); reinforcing bar and fasteners. The fabrication comprises of detailing (cutting, rolling, drilling, bending, grinding and machining), fitting, welding and/or, fastening, surface preparation (cleaning) and surface protection (coating) of steel components for application in an assortment structures.
- 3.2.2 In addition to the processes in 3.2.1; **joining components** such as gussets, cleats, stiffeners, splices, plates, cranks, kinks, doglegs, holes, girders, spacers, tabs, brackets, fasteners (bolts, nuts, rivets and nails) are used for connection and assembly of structures.
- 3.2.3 **Frames** refer to all rigid structures that surround doors, windows, patio, showers and built-in-cupboards made of steel.
- 3.2.4 **Roof Cladding** refers to a layer of covering applied to a roof in order to provide both weather protection and aesthetic appeal which consist of large sheets of material, or many small, overlapping units made of steel.
- 3.2.4.1 **Vertical cladding** refers to the protective or insulating layer fixed to the outside of a building or another structure for aesthetic appeal made of steel.
- 3.2.5 **Wire Products** refers to all downstream wire products manufactured from hot-rolled ferrous wire rod coils, including drawn wire – carbon/alloy steel (galvanised or plain), articles of wire – forged, wire rope/strand, fabric reinforcing, all fencing wire (barbed, welded mesh, hexagonal wire netting, diamond mesh), welding electrodes nails/tacks, chains, gabions, springs and screws.
- 3.2.6 **Fasteners** refer to hardware products that mechanically join or affix two or more steel components.
- 3.2.7 **Ducting and Structural Pipework** refers to non-conveyance tubing fabricated from steel sheeting and plate with structural supports.
- 3.2.8 **Gutters, downpipes & launders** refers to drainage systems made from sheeting associated with roofing
- 3.2.9 **Primary steel products** which includes flat and long products which are converted into value-added steel products in 3.2.1 to 3.2.8 as well as for reinforcement of buildings and structures.

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- 3.3 Table 1 provides the stipulated minimum threshold for local content and production for steel products and components for construction (as described in 3.2)

Table 1a: Minimum local content for Steel Value-added Products

Steel Construction Materials	Components	Local Content Threshold
Fabricated Structural Steel	Latticed steelwork, reinforcement steel, columns, beams, plate girders, rafters, bracing, cladding supports, stair stringers & treads, ladders, steel flooring, floor grating, handrailing and balustrading, scaffolding, ducting, gutters, launders, downpipes and trusses	100%
Joining/Connecting Components	Gussets, cleats, stiffeners, splices, cranks, kinks, doglegs, spacers, tabs, brackets	100%
Frames	Doors and Windows	100%
Roof and Cladding	Bare steel cladding, galvanised steel cladding, colour coated cladding	100%
Fasteners	Bolts, nuts, rivets and nails	100%
Wire Products	All fencing products: all barbed wire and mesh fencing, fabric/mesh reinforcing, gabions, wire rope/strand and chains, welding electrodes, nails/tacks, springs and screws	100%
Ducting and Structural Pipework	Non-conveyance tubing fabricated from steel sheeting and plate with structural supports	100%
Gutters, downpipes & launders	Fabricated materials made from sheeting associated with roof drainage systems	100%

Table 1b: Minimum local content for Primary Steel Products

Steel Construction Materials	Local Content Threshold
Plates (>4.5mm thick and supplied in flat pieces)	100%
Sheets (<4.5mm thick and supplied in coils)	100%
Galvanised and Colour Coated Coils	100%
Wire Rod and Drawn Wire	100%
Sections (Channels; Angles, I-Beams and H-Beams)	100%
Reinforcing bars	100%

- 3.4 In the designation, imported inputs raw materials (i.e. zinc and additives in the surface preparation and protection processes (cleaning and coating/galvanising)) used in the production of steel products and components for construction are deemed as locally manufactured input materials.
- 3.5 The imported input raw materials, as specified in 3.4, used in the manufacture and production of steel products and components for construction will be deemed to have been sourced locally for the purposes of calculating local content.

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The application of this instruction note is applicable where an organ of state purchases directly from the manufacturer, in a case of turnkey projects (design, build, operate and/or transfer) and/or on purchases for maintenance and repairs where a contract is awarded for a project which the designated products are part of the bill of quantities or materials to be utilised in the entire project.

- 3.6 Organs of state may contact **the dti** in instances where the stipulated minimum threshold for local content cannot be met in order for **the dti** to verify and in consultation with the AO/AA provide directives in this regard.
- 3.7 For further information, bidders and procuring state organs may contact the following units with **the dti**: Metals Fabrication, Capital and Rail Transport Equipment at telephone 012 394 1356 or email Thandi Phele at TPhele@thedti.gov.za and Primary Minerals processing & Construction at telephone 012 394 5157 or email Tapiwa Samanga at TSamanga@thedti.gov.za.
- 3.8 Bid specifications for the designated products in this instruction note may be done in collaboration with **the dti**.

4. INVITATION OF BIDS FOR STEEL PRODUCTS AND COMPONENTS

- 4.1 Bids in respect of steel products and components for construction must contain a specific bidding condition which states that:
- 4.1.1. Only locally produced or locally manufactured steel products and components for construction with a stipulated minimum threshold for local production and content will be considered.
- 4.1.2. If the quantity of steel products and components for construction required cannot be wholly sourced from South African (SA) based manufacturers and/or at the designated local content threshold stipulated in paragraph 3.3 at any particular time, bidders and the procuring entities should obtain written exemption from **the dti**. **the dti**, in consultation with the procuring organ of state and the local industry, will consider the exemption applications on a case-by-case basis and will consider the following:
- required volumes in the particular bid;
 - available collective SA industry manufacturing capacity at that time;
 - delivery times;
 - availability of input materials and components;
 - technical considerations including operating conditions;
 - materials of construction; and
 - security of supply
- 4.1.3. Bidders must clearly indicate in their bids the quantities to be supplied and the level of local content for each product.
- 4.2 AOs/AAs must stipulate in bid invitations that:

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- 4.2.1. the exchange rate to be used for the calculation of local production and content must be the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid; and
- 4.2.2. only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content

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

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

Where

x is the imported content in Rand

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

(in the case of turnkey products/projects x and y will only refer to the value of steel products and components in the project)

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

- 4.4 **AOs/AAs must clearly stipulate in the bid documentation that the SABS approved technical specification number SATS 1286:2011 and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)] are accessible to all potential bidders on the dti's official website <http://www.thedti.gov.za/industrialdevelopment/ip.jsp> at no cost.**
- 4.5 For the purpose of paragraphs 4.1, 4.2 and 4.3 above, the attached Declaration Certificates for Local Production and Content (SBD/MBD 6.2) must form part of the bid documentation. The SBD 6.2 is for use by all national and provincial departments, constitutional institutions and public entities listed in schedules 2, 3A, 3B, 3C and 3D to the Public Finance Management Act whilst the MBD 6.2 is for use by all municipalities and municipal entities to which the Municipal Finance Management Act (MFMA) apply.
- 4.6 AOs/AAs must stipulate in the bid documentation that:
- (a) the Declaration Certificate for Local Production and Content (SBD / MBD 6.2) together with the Annex C (Local Content Declaration: Summary Schedule) must be completed, duly signed and submitted by the bidder at the closing date and time of the bid;
 - (b) bidders must submit a certificate from a registered auditor confirming that the Local Content Declaration Templates have been audited and certified as correct. (See paragraph 5 of the Declaration Certificate); and
 - (c) the rates of exchange quoted by the bidder in paragraph 4.1 of the Declaration Certificate will be verified for accuracy.

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4.7 Benchmark / market related prices

4.7.1. AOs/AAs are required to ensure that reasonable or market related prices are secured for steel products and components for construction being procured taking into account factors such as benchmark prices, value for money and economies of scale.

4.7.2. For this purpose, AOs/AAs may approach **the dti** for assistance, where possible, with benchmark prices for steel products and components for construction that have been designated for local production and content. **The dti** will be in a position to provide price references for the different products that have been designated for local production and content.

4.8 Bid specifications for the sub-sectors referred to in paragraph 3 above and the price benchmarking referred to in paragraph 4.7 above must be done in collaboration with the dti. Contact information in this regard is provided in paragraph 8 below.

5. EVALUATION OF BIDS FOR STEEL PRODUCTS AND COMPONENTS FOR CONSTRUCTION

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

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

5.1.1.1 Bids must be evaluated in terms of the minimum threshold stipulated in the bid documents.

5.1.1.2 The declaration made by the bidder in the Declaration Certificate for Local Content (SBD / MBD 6.2) and Annex C (Local Content Declaration: Summary Schedule) must be used for this purpose. If the bid is for more than one product, the local content percentages for each product contained in Declaration C must be used.

5.1.1.3 The amendment of the stipulated minimum threshold for local production and content is not allowed.

5.1.1.4 A bid may be disqualified if:

- The bidder fails to achieve the stipulated minimum threshold for local production and content unless written exemption has been granted to the bidder by **the dti** to bid at a lower local content level; and
- The Declaration Certificate for Local Content (SBD / MBD 6.2), the Annex C (Local Content Declaration: Summary Schedule) and the registered auditors' certificate referred to in paragraphs 4.6 (a) and (b) are not submitted as part of the bid documentation.

5.1.1.5 AOs / AAs must verify the accuracy of the rates of exchange quoted by the bidder in paragraph 4.1 of the Declaration Certificate for Local Content (SBD / MBD 6.2)

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

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

6. EVALUATION OF BIDS BASED ON FUNCTIONALITY

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

7. POST AWARD AND REPORTING REQUIREMENTS

- 7.1 Once bids are awarded, **the dti** must be:
 - (i) notified of all the successful bidders and the estimated value of the contracts; and
 - (ii) provided with copies of the contracts, the SBD/MBD 6.2 Certificates together with the Declaration C submitted by the successful bidders.
- 7.2 The purpose of the requirements of paragraph 7.1 above is for **the dti** to among others conduct compliance audits with a view to monitor the implementation of the industrial development strategies.
- 7.3 Contractors may not be allowed to sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the minimum threshold as stipulated in regulation 9 of the Preferential Procurement Regulations, 2011.

8. CONTACT INFORMATION

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

The Department of Trade and Industry
Private Bag X84
Pretoria
0001

For Attention:

Dr Tebogo Makube
Chief Director: Industrial Procurement
Tel: (012) 394 3927

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Fax: (012) 394 4927

EMAIL: TMakube@thedti.gov.za

9. APPLICABILITY

- 9.1 This instruction applies to all National and Provincial Departments, Constitutional Institutions; Public Entities listed in schedules 2 and 3 to the PFMA, and, Municipalities and Municipal Entities to which the MFMA apply.

10. DISSEMINATION OF INFORMATION CONTAINED IN THIS INSTRUCTION NOTE

- 10.1 Heads of Provincial Treasuries are requested to bring the contents of this Instruction to the attention of accounting officers and supply chain management officials of their respective provincial departments.
- 10.2 Accounting Officers of National and Provincial Departments are requested to bring the contents of this Instruction to the attention of Accounting Authorities and the supply chain management officials of Schedule 3A and 3C Public Entities reporting to their respective Executive Authorities.
- 10.3 Accounting Officers of Municipalities and Municipal Entities are requested to bring the contents of this Instruction to the attention of the supply chain management officials of their Municipalities and Municipal entities.
- 10.4 Accounting Authorities of Schedule 2, 3B and 3D Public Entities are requested to bring the contents of this Instruction to the attention of the supply chain management officials of their Public Entities.

11. NOTIFICATION TO THE AUDITOR-GENERAL

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

12. AUTHORITY FOR THIS INSTRUCTION NOTE AND EFFECTIVE DATE

- 12.1 This Instruction is issued in terms of Regulation 9(2) of the Preferential Procurement Regulations, 2011 and takes effect on the date of issuance.
- 12.2 This Instruction takes effect on 1 February 2017.



SCHALK HUMAN
ACTING CHIEF PROCUREMENT OFFICER
DATE: 13.01.2017