



The Petroleum Oil and Gas Corporation
Of South Africa (SOC) Ltd
Reg. No. 1970/008130/30

151 Frans Conradie Drive, Parow 7500

Private Bag X5, Parow 7499
Republic of South Africa

Tel: +27 (0)21 929 3000
Fax: +27 (0)21 929 3144

QUOTATION NOTICE

1. Introduction

You are hereby invited to submit a Quotation for the Supply and Delivery of the Goods detailed in this Request for Quotation ("RFQ").

The goods are to be delivered to PetroSA, Receiving section, Duinzicht Avenue, N2 Highway, Mossel Bay, or the destination nominated in the RFQ.

Quotations must be **submitted electronically via the E Procurement Portal** by logging on to the procurement website www.procurement.petrosa.com and selecting the 'Login to Access Tenders/Quotes tab' and logging on to the E Procurement Portal or as detailed in the RFQ.

The Quotation must be submitted in accordance with online terms and conditions and the requirements stipulated in the documentation listed below:

- This Quotation Notice
- Standard Terms & Conditions for PetroSA (available on <http://www.procurement.petrosa.com/terms.aspx>)
- Request for Quotation

IMPORTANT NOTICE

- **Suppliers must ensure that they are registered and approved. Suppliers that are not approved or provisionally approved will not be able to submit quotations on the portal.**
- **All current PetroSA registered and future suppliers are kindly requested to also register on the National Treasury Central Supplier Database with effect from 1 May 2016. Please use the following link**

Directors:

Mr Nkululeko Poya (Chairperson),
Mr Llewellyn Delport, Mr Leon Haywood, Ms Nolubabalo Sondlo, Mr Mthozami Xiphu,
Group Chief Executive Officer (acting): Ms Sandisiwe Ncemane
Group Chief Financial Officer: Ms Nombulelo Tyandela
Group Company Secretary: Ms Marlene Khumalo

(<https://secure.csd.gov.za>) or visit the Office of the Chief Procurement Officer's webpage at www.treasury.gov.za.

- **Quotations will only be considered if it is submitted electronically on the E-Procurement Portal before the closing date and time, as detailed in the RFQ. No faxed or e-mailed quotations will be accepted.**

PetroSA may issue Tender Bulletins from time to time to clarify certain aspects or to provide additional information on this RFQ. It is the Supplier's responsibility to check PetroSA procurement website (<http://www.procurement.petrosa.com/OpenTenders.aspx>) to establish whether any bulletins were issued on this RFQ, prior to tender submission.

PetroSA endorses Broad Based Black Economic Empowerment (BBBEE) and reserves the right to give preference to BBBEE Suppliers, or Suppliers that form partnerships and/or joint ventures with BBBEE Suppliers.

PetroSA reserves the right to require joint ventures between such Suppliers and BBBEE Suppliers that tendered for or expressed interest in the provision of the above supply. Suppliers are required to submit a BBBEE improvement plan with their tenders, as per the attached BBBEE Proposal guideline.

Suppliers are required to give preference to suitable labour from the area in which the supply is required and to liaise closely with local labour forums in this regard. Preference should also be given to local black subcontractors.

In keeping with the principles of good corporate governance, which includes adequate fraud prevention measures as required by the Public Finance Management Act (PFMA), PetroSA has established a **toll free hotline, No 0800 117 861**, where any act of fraud should be reported. This "whistleblower" facility is managed by an independent company that will ensure the anonymity of the whistleblowers and establish the substance of any allegations made.

2. Exchange Rate Variation

From the date of an order or award of a contract emanating from this enquiry, the supplier accepts the risk of any additional cost due to exchange rate variation on the imported content of the order or contract.

Any additional cost due to exchange rate variation between the quotation/ tender date and receipt of the order or contract award shall be for the account of PetroSA. In order to claim any additional cost as a result of currency variation the supplier shall clearly state the value of the imported content on the quotation.

The cost resulting from such exchange rate variation will be based on the difference between the relevant exchange rates at the closing date of the

quotation/tender and the date of the order or contract award, as published by the South African Reserve Bank (<https://www.resbank.co.za>).

3. Marking

Suppliers shall mark the goods with the purchase order ("PO") number, PO item number and commodity number.

4. Declaration

By submitting a Quotation (offer to render the supply of goods and/or services referred to above) the Supplier declares that:

- (a) the information provided is true and correct;
- (b) the person submitting the quotation is duly authorised to submit the quotation on behalf of the Supplier;
- (c) the quotation is completed independently from, and without consultation, communication, agreement or arrangement with any competitor. Communication between parties in a joint venture or consortium will not be construed as collusive tendering (As detailed in the Certificate of Independent Bid Determination-SBD 9, available from National Treasury's website)
- (d) documentary proof regarding any quotation will be submitted to the satisfaction of PetroSA when called upon to do so; and
- (e) the Supplier consents to a "due diligence" being conducted on it by PetroSA or its authorised representatives regarding the Supplier's legal and empowerment status, technical ability, creditworthiness, security clearance, etc., and the Supplier undertakes to co-operate fully in this regard, within two days of receiving notification from PetroSA.
- (f) the Supplier understands and acknowledges that any award made to it will be subject to the conclusion of an agreement between the Supplier and PetroSA. The Suppliers understand and acknowledge that the PetroSA's Standard Terms and Conditions shall be applicable and shall take precedence over the Supplier's own terms and conditions of supply (if any). The Suppliers further acknowledge that it is their responsibility to peruse same prior to making any proposal to PetroSA. It is an express condition that should there be any comments and/or qualification on PetroSA's Standard Terms and Conditions, any such comments and/or qualifications should be submitted with the Supplier's Tender Documents. Any negotiations shall solely be conducted on the basis of such Supplier's comments and/or qualifications.

5. Evaluation Process

Only technically acceptable quotations that meet the scope of work requirements will be considered and evaluated further (Refer to technical questionnaire available on the eProcurement System). Points will be allocated in accordance with the following preference point system:

Preference points system

Preference points in terms of the Preferential Procurement Regulations 2017. Refer to Claim Form SBD 6.1 for full explanation

The following preference point systems are applicable to all tenders:

- 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).

Preference points for this tender shall be awarded for:

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

Points awarded for Price

THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) & \text{or} & P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \end{array}$$

Where

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

Points awarded for B-BBEE Status Level of Contribution

It is the Supplier's responsibility to ensure that PetroSA is, at all times, in possession of the Supplier's valid B-BBEE certificate. Suppliers with expired B-BBEE certificates and/or who are non-compliant contributors to B-BBEEE will not be awarded preference points for B-BBEE.

In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a Tenderer for attaining the B-BBEE status level of contribution in accordance with the table below:

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

6. Fronting

PetroSA supports the spirit of broad based black economic empowerment and recognises that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background, PetroSA condemns any form of fronting.

PetroSA, in ensuring that tenderers conduct themselves in an honest manner will, as part of the Tender evaluation process, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in Tender documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures & Transactions and Fronting, issued by the Department of Trade and Industry, be established during such enquiry/investigation, the onus will be on the Tenderer to prove that fronting does not exist. Failure to do so within 14 days from date of notification may lead to the disqualification of the Tenderer and may also result in the restriction of the Tenderer to conduct business with PetroSA, in addition to any other remedies PetroSA may have against the Tenderer.

7. Locally Manufactured Goods (Designated Sectors)

Preference will be given to locally produced or locally manufactured goods with a stipulated minimum threshold for local production and content, as indicated in Annexure B.

For quotations that fall under the designated sectors (refer to Annexure B), the Supplier should complete and submit the standard bidding document (SBD 6.2 – Declaration certificate for Local Production and Content), in line with the requirements of the SABS approved technical specification number SATS 1286:2011 and the Guidance Document for the Calculation of Local Content, together with the Local Content Declaration Templates (Annex C: Local Content Declaration - Summary Schedule, Annex D: Imported Content Declaration - Supporting Schedule to Annex C and Annex E: Local Content Declaration - Supporting Schedule to Annex C). The documents referred to above are available on www.procurement.petrosa.com and http://www.dti.gov.za/industrial_development/ip.jsp.

8. Enquiries

Technical enquiries regarding this quotation should be addressed to the buyer responsible for the quotation.

General enquiries (i.e. Supplier queries, Updating / Completing supplier registration) should be addressed to our Supplier Database Call Centre on 021 928 4731.

9. Reverse Auctions

Prior to any contract award, PetroSA may, at its sole discretion, request short listed Tenderers who have submitted technically and commercially acceptable tenders to engage in a reverse auction to determine the final winning tender.

The following additional provisions are applicable during the reverse auction:

- 7.1 Short listed Tenderers will be notified of the scheduled time and date of the reverse auction.
- 7.2 Tenderers who elect not to participate in the reverse auction will not be eligible for contract award.

10. Contract Award

PetroSA reserves the right to withdraw tenders, reissue tenders and/or divide the scope of supply and award more than one contract.

PetroSA shall not be obliged to accept the lowest or part or all of any Quotation submitted. No agreement between PetroSA and the Tenderer shall come into existence until such time as a written contract signed by PetroSA and the

Tenderer is concluded, or an official purchase order is issued to the Tenderer, and becomes unconditional in accordance with its terms. Tenderer should not and cannot rely on any communication to the Tenderer of a successful tender by PetroSA staff and representatives as no legally binding agreement will come into existence until a formal written and legally binding and enforceable agreement is validly concluded and executed. Please further take note that even if a Tenderer scores the highest points in a tender/auction the award is subject to a due diligence before a purchase order or contract can be concluded with PetroSA.

Comfort Bunting
Group Supply Chain Manager