

## **Guidance Document for the Calculation of Local Content**

### **1. DEFINITIONS**

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

### **2. GENERAL**

#### **2.1. Introduction**

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

The guideline consists of two parts, namely:

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

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

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

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

**NOTE:**

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

**2.2. What is local content?**

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

**2.3. Categories: Imported and Local Content**

The tenderer must differentiate between imported content and local content.

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

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

**2.3.1. Imported Content**

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

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

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

#### 2.3.1.1. Imported directly by the tenderer:

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

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

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

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

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

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

#### 2.3.1.3. Exempt Imported Content:

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

#### **2.3.2. Local Content**

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

### **3. ANNEXURE C**

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

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

**C1. Tender Number**

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

**C2. Tender description**

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

**C3. Designated products**

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

**C4. Tender Authority**

Supply the name of the tender authority.

**C5. Tendering Entity name**

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

**C6. Tender Exchange Rate**

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

**C7. Specified local content %**

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

**C8. Tender item number**

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

**C9. List of items**

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

**Calculation of local content**

**C10. Tender price**

Provide the unit tender price of each item excluding VAT.

**C11. Exempted imported content**

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

**C12. Tender value net of exempted imported content**

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

**C13. Imported value**

Provide the ZAR value of the items' imported content.

**C14. Local value**

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

**C15. Local content percentage (per item)**

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

**Tender Summary**

**C16. Tender quantity**

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

**C17. Total tender value**

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

**C18. Total exempted imported content**

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

**C19. Total imported content**

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

**C20. Total tender value**

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

**C21. Total exempted imported content**

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

**C22. Total tender value net of exempted imported content**

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

**C23. Total imported content**

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

**C24. Total local content**

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

**C25. Average local content percentage of tender**

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

#### **4. ANNEXURE D**

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

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

**D1. Tender number**

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

**D2. Tender description**

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

**D3. Designated products**

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

**D4. Tender authority**

Supply the name of the tender authority.

**D5. Tendering entity name**

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

**D6. Tender exchange rate**

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

**Table A. Exempted Imported Content**

**D7. Tender item number**

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

**D8. Description of imported content**

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



**D9. Local supplier**

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

**D10. Overseas supplier**

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

**D11. Imported value as per commercial invoice**

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

**D12. Tender exchange rate**

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

**D13. Local value of imports**

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

**D14. Freight costs to port of entry**

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

**D15. All locally incurred landing costs and duties**

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

**D16. Total landed costs excl VAT**

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

**D17. Tender quantity**

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

**D18. Exempted imported value**

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

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

**D19. Total exempted imported value**

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

**Table B. Imported Directly By Tenderer**

**D20. Tender item numbers**

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

**D21. Description of imported content:**

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

**D22. Unit of measure**

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

**D23. Overseas supplier**

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

**D24. Imported value as per commercial Invoice**

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

**D25. Tender rate of exchange**

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

**D26. Local value of imports**

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

**D27. Freight costs to port of entry**

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

**D28. All locally incurred landing costs and duties**

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

**D29. Total landed costs excl VAT**

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

**D30. Tender quantity**

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

**D31. Total imported value**

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

**D32. Total imported value by tenderer**

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

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

**D33. Description of imported content**

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

**D34. Unit of measure**

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

**D35. Local supplier**

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

**D36. Overseas supplier**

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

**D37. Imported value as per commercial invoice**

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

**D38. Tender rate of exchange**

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

**D39. Local value of imports**

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

**D40. Freight costs to port of entry**

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

**D41. All locally incurred landing costs and duties**

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

**D42. Total landed costs excluding VAT**

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

**D43. Quantity imported**

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

**D44. Total imported value**

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

**D45. Total imported value by third party**

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

**Table D. Other Foreign Currency Payments**

**D46. Type of payment**

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

**D47. Local supplier making the payment**

Provide the name of the local supplier making the payment.

**D48. Overseas beneficiary**

Provide the name of the overseas beneficiary.

**D49. Foreign currency value paid**

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

**D50. Tender rate of exchange**

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

**D51. Local value of payments**

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

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

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

**D53. Total of imported content and foreign currency payment**

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

## **5. ANNEXURE E**

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

*The paragraph numbers correspond to the numbers in Annexure E*

#### **E1. Tender number**

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

#### **E2. Tender description**

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

#### **E3. Designated products**

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

#### **E4. Tender authority**

Supply the name of the tender authority.

#### **E5. Tendering entity name**

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

#### **Local Goods, Services and Works**

#### **E6. Description of items purchased**

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

#### **E7. Local supplier**

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

#### **E8. Value**

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

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

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

**E10. Manpower costs:**

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

**E11. Factory overheads:**

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

**E12. Administration overheads and mark-up:**

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

**E13. Total local content:**

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



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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 CIRCULAR NUMBER 10 OF 2019/2020:**

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

## **1. PURPOSE**

1.1 The purpose of this Circular is to:

- 1.1.1. introduce amendments to the instruction for Electrical Cable Products dated 30 June 2016; and
- 1.1.2. provide information to accounting officers (AOs) and accounting authorities (AAs) in terms of which they may procure the aforementioned products which have been designated as a sector for local production and content.

## **2. BACKGROUND**

- 2.1 The Preferential Procurement Regulations, 2017 made in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000), which came into effect on 01 April 2017, make provision for the Department of Trade and Industry (**the dti**) to designate sectors in line with national development and industrial policies for local production.
- 2.2 Regulation 8 (2) of the Preferential Procurement Regulations, 2017 prescribes that in the case of a designated sector, an organ of state must advertise the invitation to tender with a specific condition that only locally produced services or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
- 2.3 To this end, **the dti** has designated and determined the stipulated minimum threshold for the Electrical Cable Products for local production and content.



- 2.4 The designation is applicable to all purchases regardless of the procurement method followed and there is no financial threshold.

### 3. SECTOR DESIGNATION

- 3.1 The stipulated minimum threshold percentages for local production and content for the different types of electrical cables is 90%.
- 3.2 To ensure that local production and content is discharged on manufacturing activities, the following must be included in bid invitations:

Table 2: Power Cables – cables used for power transmission

Cable Products	Stipulated minimum threshold local content
Low Voltage	90%
Low Cost Reticulation	90%
Medium & High Voltage	90%
ACR	90%

Table 3: Telecom Cables – cables used for telecommunications

Cable Products	Stipulated minimum threshold local content
Optical Fibre Cables	90%
Copper Telecom Cables	90%

- 3.3 Excluded in the designation is mainly copper, aluminium, polyvinyl chloride (PVC), cross-linked polyethylene (XLPE), aramid yarn, and optical fibre used for fabrication of cable products. This is to encourage local manufacturers to seek the best global competitive prices for primary materials hence the competitive imported materials used in the manufacture of cables will be deemed to have been sourced locally for the purposes of calculating local content

### 3.4 List of Specific Cables designated under this Circular:

Category	Type
<b>LOW VOLTAGE</b>	Housewire, Flat Twin and Earth, Surface Cable, Rip Cord, Cab Tyre, Bells Cable, 1,5mm <sup>2</sup> – 16mm <sup>2</sup> , 2-37 cores, Fire Retardant, Low Halogen and Low Smoke Zero Halogen (LSOH) <b>Main Cable</b> 25mm <sup>2</sup> – 100mm <sup>2</sup> , 1-4 cores, Fire Retardant, Low Halogen and Low Smoke Zero Halogen (LSOH), Flexible Cables, Aerial Cables, ACSR, Split Concentric & Aerial Bundled Conductor (ABC)

Category	Type
<b>MEDIUM VOLTAGE</b>	3,3kV – 22kV, 1-3 cores, Cross linked Polyethylene (XLPE) and Paper Insulated Lead Covered (PILC), Fire Retardant, Low Halogen and Low Smoke Zero Halogen (LSOH)
<b>HIGH VOLTAGE</b>	132kV, Single Core, Corrugated Seamless Aluminium (CSA) Sheathed

**NOTE:** The local Industry manufactures a vast range of engineered telecommunication, Industrial and Instrumentation copper and fibre optic cables, which are not limited to:

Category	Type
<b>COPPER TELECOMMUNICATION CABLES</b>	Standard and high frequency (ADSL) outside plant copper pair telecoms cables (10pair up to 240 pair), Indoor, PABX and high frequency (DSLAM) copper pair telecoms cables up to 200pair, Category 5e and Category 6 copper data cables.
<b>COPPER INDUSTRIAL CABLES</b>	Railway signalling copper cables, Electrical signalling copper cables, Steel wire armoured copper telecoms cables, UVG copper control cables for electrical utilities, Fire Alarm and control copper cables
<b>COPPER INSTRUMENTATION CABLES</b>	Thermocouple extension wire, Tray and direct buried instrumentation and control copper cables compliant to SABS, UL and BS standards accreditation.
<b>FIBRE OPTIC TELECOMMUNICATION CABLES</b>	Outside plant duct fibre optic cables up to 288 Fibre count, Aerial (short span, medium span and long span) self-support fibre optic cables up to 144 fibre count applications up to 144 fibre count
<b>FIBRE OPTIC INDUSTRIAL CABLES</b>	Metallic armoured instrumentation and control fibre optic cables, Steel wire armoured mineshaft fibre optic cables, Field deployable high durability fibre optic cables, Composite (fibre optic and copper core) cables

#### **4. INVITATION OF BIDS FOR ELECTRICAL CABLES PRODUCTS**

- 4.1 Bids in respect of Cables must contain a specific bidding condition that only locally produced or locally manufactured Cables with a stipulated minimum threshold for local production and content will be considered.
- 4.1.1 If the quantity of materials and/or products required cannot be wholly sourced from South African based manufacturers and/or at the designated local content threshold at any particular time, bidders should obtain written approval from **the dti** to supply the remaining portion at a lower local content threshold. Such requests for approval should be submitted and approval be obtained prior to the closure of the bid(s) concerned. **the dti**, in consultation with the procuring organ of state, will grant such approval on a case-by-case basis and will consider the following:
- a) required volumes in the particular bid;
  - b) available collective South African industry manufacturing capacity at that time;
  - c) delivery times;
  - d) availability of input materials and components;
  - e) technical considerations including operating conditions;
  - f) materials of construction; and
  - g) security of supply and emergencies.
- 4.1.2 Bidders must clearly indicate in their bids the quantities of material and products to be supplied and the level of local content for each product.
- 4.1.3 The turn-around time for processing of authorisation requests is 5 working days from the date of receipt. Therefore, such applications should reach **the dti** at least five days before closing date and time of bid.
- 4.1.4 The approval process that **the dti** follows is that if there is a particular designated product and the minimum threshold for local content cannot be met for various reasons, bidders must apply for approval or authorisation (when the tender is still open, before closing date). After checking with the industry, **the dti** will then decide whether or not to grant an authorisation. This is per bid.
- 4.1.5 The tender information / relevant information must be provided on the tenderer's / supplier's letterhead when requesting an authorisation letter:
- a) Procuring entity/government department/state owned company,
  - b) Tender/bid number,
  - c) Closing date,
  - d) Item(s) for which the approval is being requested,
  - e) Detailed specifications issued by the procuring entity,
  - f) Local content that can be met,
  - g) Reason(s) for the request, and
  - h) Supporting letters from local manufacturers/sub-suppliers.

- 4.1.6 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.
- 4.1.7 For further information, bidders and procuring state organs may contact the Director Electrotechnical Unit within **the dti** at telephone 012 394 3659/3622 or email [localcontent@thedti.gov.za](mailto:localcontent@thedti.gov.za)
- 4.1.8 Bid specifications for the cables referred to above may be done in collaboration with **the dti**.
- 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 the advertisement of the bid.
- 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)
- 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 [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)] are accessible to all potential bidders on **the dti's** official website [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/ip.jsp) at no cost.
- 4.5 For the purpose of paragraphs 4.1, 4.2 and 4.3 above, the 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) applies.
- 4.6 AOs/AAs must stipulate in the bid documentation:
- 4.6.1 that 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;
- 4.6.2 that the rates of exchange quoted by the bidder in paragraph 4.1 of the Declaration Certificate will be verified for accuracy; and
- 4.6.3 all the information relevant to bidders provided in paragraphs 4.1.1 to 4.1.7.

## **5. EVALUATION OF BIDS FOR CABLE PRODUCTS**

- 5.1 An evaluation process in line with Preferential Procurement Regulations, 2017 must be followed.

## **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 Preferential Procurement Regulations, 2017 and paragraph 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 within 30 days of award.
- 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 8 of the Preferential Procurement Regulations, 2017.

## **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:

Chief Director: Industrial Procurement  
Tel: (012) 394 1435  
Fax: (012) 394 1535  
EMAIL: [localcontent@thedti.gov.za](mailto:localcontent@thedti.gov.za)

## **9. APPLICABILITY**

- 9.1 This Circular 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 applies.

## **10. DISSEMINATION OF INFORMATION CONTAINED IN THIS CIRCULAR**

- 10.1 Heads of provincial treasuries are requested to bring the contents of this Circular 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 Circular to the attention of accounting authorities and the supply chain management officials of their departments, 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 Circular 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 Circular 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 Circular will be forwarded to the Auditor-General for notification.

## **12. REPEAL OF INSTRUCTION DATED 30 JUNE 2016**

This Circular repeals the Instruction on invitation and evaluation of bids based on a stipulated minimum threshold for local production and content for electrical cable products dated 30 June 2016 and effective on 27 July 2016.

## **13. AUTHORITY FOR THIS CIRCULAR AND EFFECTIVE DATE**

- 13.1 This circular is issued in terms of regulation 8(3) of the Preferential Procurement Regulations, 2017 and takes effect on the date of issuance.

  
**MR WILLIE MATHEBULA**  
**ACTING CHIEF PROCUREMENT OFFICER**  
**DATE: 19.12.19**





**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.

**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 15 OF 2016/2017: STEEL PRODUCTS AND COMPONENTS FOR CONSTRUCTION**

**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.



**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 15 OF 2016/2017: STEEL PRODUCTS AND COMPONENTS FOR CONSTRUCTION**

- 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**

<b>Steel Construction Materials</b>	<b>Components</b>	<b>Local Content Threshold</b>
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**

<b>Steel Construction Materials</b>	<b>Local Content Threshold</b>
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.

## NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 15 OF 2016/2017: STEEL PRODUCTS AND COMPONENTS FOR CONSTRUCTION

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](mailto:TPhele@thedti.gov.za) and Primary Minerals processing & Construction at telephone 012 394 5157 or email Tapiwa Samanga at [TSamanga@thedti.gov.za](mailto: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:



**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 15 OF 2016/2017: STEEL PRODUCTS AND COMPONENTS FOR CONSTRUCTION**

- 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.

## **NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 15 OF 2016/2017: STEEL PRODUCTS AND COMPONENTS FOR CONSTRUCTION**

### **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**

## **NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 15 OF 2016/2017: STEEL PRODUCTS AND COMPONENTS FOR CONSTRUCTION**

- 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



**NATIONAL TREASURY DESIGNATED SECTORS INSTRUCTION NUMBER 15 OF 2016/2017: STEEL PRODUCTS AND COMPONENTS FOR CONSTRUCTION**

Fax: (012) 394 4927

EMAIL: [TMakube@thedti.gov.za](mailto: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**



**national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**

Private Bag X115, Pretoria, 0001

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 CIRCULAR NUMBER 1 OF 2019/2020:**

**INVITATION AND EVALUATION OF BIDS BASED ON A STIPULATED MINIMUM  
THRESHOLD FOR LOCAL PRODUCTION AND CONTENT FOR PLASTIC PIPES**

**1. PURPOSE**

- 1.1 The purpose of this circular is to provide information to accounting officers (AOs) and accounting authorities (AAs) in terms of which they may procure the Plastic Pipes which have been designated for local production and content.

**2. BACKGROUND**

- 2.1 The Preferential Procurement Regulations, 2017 ('the regulations') made in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000) which came into effect on 01 April 2017 make provision for The Department of Trade and Industry (**the dti**) to designate sectors in line with national development and industrial policies for local production.
- 2.2 Regulation 8 (2) of the regulations prescribes that in the case of a designated sector, an organ of state must advertise the invitation to tender with a specific condition that only locally produced services or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered.
- 2.3 To this end, the dti has designated and determined the stipulated minimum threshold for the Plastic Pipes for local production and content.

**3. SECTOR DESIGNATION**

**3.1 Plastic Conveyance Pipes Definition:**

Pipes are hollow cylinders or tubes used to convey water, gas, oil, or other fluid-like substances. Pipes are made in many materials including ceramic, fiberglass, many metals, concrete and plastic. Plastic pipes have a variety of characteristics such as

flexibility, lightweight, endurance, corrosion-proof, etc. that allow plastic pipe systems to fulfil a wide variety of service requirements. They are therefore used in infrastructure applications, such as drinking water supply and distribution, gas transmission and distribution, land and underground drainage, sewerage disposal and underground cable protection, all of which may be divided as pressure and non-pressure pipelines. Plastic piping networks form an integral, expensive, long term and extremely important part of the infrastructure of this country.

### 3.2 Pipe types and diameters:

There are four (4) classes of pipes with varying diameters that are used in water and sanitation infrastructure. Depending on the raw material used, plastic pipes are classified under the following types:

- Polyvinyl chloride (PVC) pipes;
- High density polyethylene (HDPE) pipes;
- Polypropylene (PP) pipes and
- Glass reinforced plastic (GRP) pipes.

These are further divided into different diameter sizes ranging from **10 mm to 3700 mm**.

3.3 The stipulated minimum threshold percentages for local production and content for the Plastic Pipes is **100%**.

3.4 To ensure that local production and content is discharged on manufacturing activities, the following components must be included in bid invitations:

Product Types	Stipulated minimum threshold local content
Polyvinyl chloride (PVC) pipes	100%
High density polyethylene (HDPE) pipes;	100%
Polypropylene (PP) pipes	100%
Glass reinforced plastic (GRP) pipes	100%

## 4. INVITATION OF BIDS FOR PLASTIC PIPES

4.1 Bids in respect of Plastic Pipes must contain a specific bidding condition that only locally produced or locally manufactured Plastic Pipes with a stipulated minimum threshold for local production and content will be considered.

4.1.1 If the quantity of materials and/or products required cannot be wholly sourced from South African based manufacturers and/or at the designated local content threshold at any particular time, bidders should obtain written approval from **the dti** to supply the remaining portion at a lower local content threshold. Such approval applications should be submitted and approval be



obtained prior to the closure of the bid(s) concerned. **the dti**, in consultation with the procuring organ of state, will grant approval on a case-by-case basis and will consider the following:

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

4.1.2 Bidders must clearly indicate in their bids the quantities of material and products to be supplied and the level of local content for each product.

4.1.3 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.

4.1.4 For further information, bidders and procuring state organs may contact the Plastics Unit within **the dti** at telephone 012 394 1406 or email **Thokozani Masilela**: [TMasilela@thedti.gov.za](mailto:TMasilela@thedti.gov.za)

4.1.5 Bid specifications for Plastic Pipes referred to above may be done in collaboration with **the dti**.

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 the advertisement of the bid.

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)

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 [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)] are accessible to all potential bidders on **the dti's** official website [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/ip.jsp) at no cost.
- 4.5 For the purpose of paragraphs 4.1, 4.2 and 4.3 above, the 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) applies.
- 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 Annex C (Local Content Declaration: Summary Schedule) must be completed, duly signed and submitted by the bidder at the closing date and time of the bid; and
- 4.6.2 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 PLASTIC PIPES**

- 5.1 An evaluation process in line with Preferential Procurement Regulations, 2017 must be followed.

## **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 PPR 2017 and 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 12 (2) of the Preferential Procurement Regulations, 2017.

## **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](mailto:TMakube@thedti.gov.za)

## **9. APPLICABILITY**

- 9.1 This Circular 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 applies.

## **10. DISSEMINATION OF INFORMATION CONTAINED IN THIS CIRCULAR**

- 10.1 Heads of provincial treasuries are requested to bring the contents of this Circular 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 Circular 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 Circular 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 Circular 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 Circular will be forwarded to the Auditor-General for notification.

**12. AUTHORITY FOR THIS CIRCULAR AND EFFECTIVE DATE**

12.1 This Circular is issued in terms of regulation 8(3) of the Preferential Procurement Regulations, 2017 and takes effect on **16 September 2019**.



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**WILLIE MATHEBULA**

**ACTING CHIEF PROCUREMENT OFFICER**

**DATE: 16. 08. 19**

## ANNEXURE H: TECHNICAL COMPLIANCE TO SPECIFICATIONS GUIDELINES

- The first stage of the evaluation process will be an individual paper-based evaluation of the proposed solution. The purpose will be to determine the technical fit of the solution.  
The technical compliance sheet must be completed and submitted as part of the tender proposal for review by the Cross Functional Evaluation Team (CFET).  
**NOTE:** Include the table with specific approach paper requirement for the tender.
- The bidder must submit technical datasheets and system architecture in a form of brochures depicting pictures of equipment proposed as well as its technical data. TFR will use these documents to test conformance to the technical specifications of the bid documents. Proof of compliance is clearly indicated on the technical datasheets of the solutions proposed. The locations of proof shall be clearly marked and indicated by the bidders in the tender document
- Technical Fit Filter = Service Providers must score minimum 100% in order to qualify to the next stage.
- The technical fit will be evaluated based on all the questions posed in the Technical Compliance sheet namely:
  - The technical compliance sheet has 31 clauses that are extracted from the Detailed Technical Specifications.
  - Bidders will complete the Technical compliance sheet and the CFET will evaluate the sheets using the technical data sheets/brochures of system/s proposed to proof compliance to technical specifications.
- The weighted criteria for this stage are illustrated below:

**Technical Fit** - (Filter = Technical Fit 100%)

100%= Maximum Score (31)

**Example:** Total Bidder Technical Fit Weight =  $\frac{\text{Total Bidder Technical Fit Score}}{\text{Total Specification Score}} \times \text{Technical Fit Weight}$

$$\text{Total Bidder Technical Fit Weight} = 31/31 \times \frac{100}{1} = 100\%$$

### Legend:

Total bidder Technical Fit Score = Score of the bidder;

Total Specification score = Number of items on the Technical Compliance Sheet (31). Each item is scored as 1 x point;

Technical Fit weight is 100%. This is used to determine the total or whole amount in percentages

## **ANNEXURE I: TECHNICAL COMPLIANCE SHEET FOR RAPID DEPLOYMENT CCTV SURVEILLANCE SYSTEM**

The solution offered must meet or exceed the technical specifications provided by TFR

The compliance response is to contain ONLY the following statements, “Comply”, or “Do not comply”.

Where “Comply” is inserted, the location of the Technical Information, Brochure, etc. that proves compliance must be indicated.

Where “Do not comply” is inserted, remarks as to the reason for the deviation from the requirement are required.

Bidders are requested to provide full Equipment specification that will proof compliance to specifications and its location thereof on the tender document.

**FAILURE TO COMPLY 100% WITH THE COMPLIANCE TO SPECIFICATION, WILL RENDER THE BID NON-RESPONSIVENESS, THUS LEADING TO DISQUALIFICATION**

Item	Specification Clause No.	Full Description	Compliance Response	Location of proof on the tender document/ Reason for deviation
1	3.1.21.	The bidder will provide a certified standard 2-year warrantee or more on all electronic equipment.		
2	3.25.1	The IP PTZ camera proposed shall have both optical and thermal lenses.		
3	3.25.2	The IP thermal PTZ camera proposed shall have a maximum resolution of 384 x 288 at frames per second (fps) with high sensitivity sensor which supports contract adjustment and shutter adjustment in various modes.		
4	3.25.3	The optical cameras shall have a resolution of at least 1920 x 1080 at 30 frames per second (fps).		
5	3.25.5	The camera shall have a video compression rate of at least H.264/MJPEG.		

6	3.25.6.1	The movement range of the PTZ camera shall be as follows: Pan – 360 degrees continuous rotate		
7	3.25.6.2	The movement range of the PTZ camera shall be as follows: Tilt – from -20 degrees to +90 degrees (auto flip)		
8	3.25.6.3	The movement range of the PTZ camera shall be as follows: Pre-sets – 300		
9	3.25.17	The PTZ camera shall be powered by a star-topology distributed network of Power-Over-Ethernet switches with wireless uplinks to the central control room.		
10	3.26.3	NVR must be preloaded with Multi-Mega Pixel Network Virtual Management Software and (NVMS) configured for maximum performance and reliability.		
11	3.26.4.	The NVR is to record up to 4Mbps continuous recording of image data from up to 4 x camera channels running at 25 frames per second (fps) with full HD 1080p (1920 x 1080p) resolution.		
12	3.26.7.	Each NVR shall have 4 x POE 1Gb LAN ports and must have an internal hard drive capacity which will allow for the recording of at least 31 days of triggered footage. The hard drive capacity will be site specific.		
13	3.26.10	The transmission of live video over IP to the central repository shall be via wireless and cellular networks; audio and GPS support.		

14	3.27.4	The NVMS shall have the capability to manage both audio and video from a broad range of IP cameras.		
15	3.27.6	The NVMS shall consist of server software applications and client software applications.		
16	3.27.7.1	NVMS shall have system admin tool;		
17	3.27.7.2	NVMS shall have client tool;		
18	3.27.7.3	NVMS shall have player;		
19	3.27.7.4	NVMS shall have camera installation tool		
20	3.27.11.	The NVMS shall digitally sign the recorded video and audio using encryption.		
21	3.27.14.	The NVMS shall support the ability to display camera name, location, time stamp, record indicator, motion activity overlays.		
22	3.27.15.	The NVMS shall support forward and reverse playback of recorded video and audio at variable speeds.		
23	3.27.16.	The NVMS shall support the ability to export the recorded audio in WAV format.		
24	3.27.17.	The NVMS shall have the capability to be managed and monitored both locally and remotely.		
25	3.27.18.	The NVMS shall support the ability to export the recorded video in JPEG, PNG, and TIFF		
26	3.28.1.1	Withstand relative humidity of up to 90%.		



27	3.29.4	The unit shall be powered by battery, electricity, and solar.		
28	3.31.4	The UPS system shall enable the entire security system to operate independently of the general facility power supply and shall be capable of providing at least 72 hours of uninterrupted power per individual UPS (not per set) in the case of failure of the facility supply. In the event of a failure of the facility and emergency (standby generator) power sources, the UPS system shall provide visual and audible fault indication and report the appropriate condition to the local and central operator workstations.		
29	3.31.8	The UPS shall operate normally with a $\pm 12\%$ input voltage with annuity power factor, from 0 degree to 40 degree C n a humidity of 0 % to 95 % and shall deliver 200% of rated power for 10 seconds and 125% for 10 minutes. All units shall feed power online and in the event of a loss AC input power, the unit shall continue to provide power to the equipment. Output power shall remain constant during transfer to/from input AC line power of DC source inverter power. In the event of an inverter malfunction the unit will indicate and sound an inverter malfunction alarm and the inverter will shut down. The inverter shall shut down and drive an alarm when the input		

		voltage drops below 12% of rated input voltage.		
30	3.31.9	The batteries shall be sealed lead acid/gel/cell maintenance free type.		
31	3.31.13	The charger shall receive source power from the same AC line circuits as the UPS AC inputs.		

---

**Respondent's Signature**

**Date & Company Stamp**

# MANDATORY AGREEMENT

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

## AGREEMENT WITH MANDATORY

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

## WRITTEN AGREEMENT ENTERED INTO AND BETWEEN

### Transnet SOC Ltd

(Hereinafter referred to as the Employer)

### AND

-----

(Hereinafter referred to as Mandatory (Principal Contractor))

**Compensation Fund Number** :

**Project Name** :

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## PREAMBLE

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

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

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

**NOW THEREFORE the parties agree as follows;**

## 1. DEFINITIONS

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

- 1.1 "Act" means the Occupational Health and Safety Act No 85 of 1993;
- 1.2 "Agreement" means this Mandatory agreement;
- 1.3 "Contractor " means the Mandatory;
- 1.4 "COID Act" means the Compensation for Occupational Injuries and Diseases Act No 130 of 1993.
- 1.5 "Effective Date" means the date of signature of this Agreement by the last party signing hereto;
- 1.6 "Employer" refers to TRANSNET SOC LTD;
- 1.7 "Mandatory" means an agent, Contractor or sub-contractor for work, but without derogating from the status in his own right as an employer or user;
- 1.8 "Parties" means TRANSNET SOC LTD and the Contractor, and "Party" shall mean either one of them, as the context indicates;
- 1.9 "Principal Contract" means the appointed contractor whereby such contractor has to provide goods and or services to TRANSNET SOC LTD.
- 1.10 "Regulations" means regulations promulgated in terms of the relevant legislation.
- 1.11 "Section" means the relevant section of the Occupational Health and Safety Act No 85 of 1993
- 1.12 "Services" means the services to be provided by the Contractor to TRANSNET SOC LTD.
- 1.13 "TRANSNET SOC LTD" means Transnet Group and all its operating divisions and Specialist units with (Registration No. **1990/000900/30**), a public company incorporated in accordance with the company laws of the Republic of South Africa;

## 2. INTERPRETATION

- 2.1 Clause headings in this Agreement are included for ease of reference only and do not form part of this Agreement for the purposes of interpretation or for any other purpose. No provision shall be construed

against or interpreted to the disadvantage of either Party hereto by reason of such Party having or being deemed to have structured or drafted such provision.

- 2.2 Any term, word or phrase used in this Agreement, other than those defined under the clause heading "Definitions" shall be given its plain English meaning, and those terms, words, acronyms, and phrases used in this Agreement will be interpreted in accordance with the generally accepted meanings accorded thereto.
- 2.3 A reference to the singular incorporates a reference to the plural and vice versa.
- 2.4 A reference to natural persons incorporates a reference to legal persons and vice versa.
- 2.5 A reference to a particular gender incorporates a reference to the other gender.

### **3. REPORTING**

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

### **4. WARRANTY OF COMPLIANCE**

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

### **5. APPOINTMENTS AND TRAINING**

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

### **6. SUPERVISION, DISCIPLINE AND REPORTING**

- 6.1 The Mandatary shall ensure that all work performed on the Employer's a premise is done under strict supervision and that no unsafe or unhealthy work practices are permitted. Discipline regarding health

and safety matters shall be strictly enforced against any of his employees regarding non-compliance by such employee with any health and safety matters.

- 6.2 The Mandatary shall further ensure that his employees report to him all unsafe or unhealthy work situations immediately after they become aware of such conditions and that he in turn immediately reports these to the Employer and/or his representative.

## **7. ACCESS TO THE OHS ACT**

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

## **8. COOPERATION**

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

## **9. WORK PROCEDURES**

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

## **10. HEALTH AND SAFETY MEETINGS**

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

## **11. COMPENSATION REGISTRATION**

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

## **12. MEDICAL EXAMINATIONS**

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

### **13. INCIDENT REPORTING AND INVESTIGATION**

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

### **14. SUBCONTRACTORS**

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

### **15. SECURITY AND ACCESS**

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

### **16. FIRE PRECAUTIONS AND FACILITIES**

- 16.1 The Mandatary shall ensure that an adequate supply of fire-protection and first-aid facilities are provided for the work to be performed on the Employer's premises, save that the Parties may mutually make arrangements for the provision of such facilities.
- 16.2 The Mandatary shall further ensure that all his employees are familiar with fire precautions at the premises, which includes fire-alarm signals and emergency exits, and that such precautions are adhered to.



## **17. ABLUTION FACILITIES**

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

## **18. HYGIENE AND CLEANLINESS**

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

## **19. NO NUISANCE**

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

## **20. INTOXICATION NOT ALLOWED**

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

## **21. PERSONAL PROTECTIVE EQUIPMENT**

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

## **22. PLANT, MACHINERY AND EQUIPMENT**

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

## **23. NO USAGE OF THE EMPLOYER'S EQUIPMENT**

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

## **24. TRANSPORT**

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

## **25. CLARIFICATION**

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

## **26. DURATION OF AGREEMENT**

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

## **27. NON COMPLIANCE WITH THE AGREEMENT**

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

## **28. HEADINGS**

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

**Thus done and signed**

at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 201\_\_

\_\_\_\_\_  
**For and on behalf of the Employer**

**Witnesses:**

1. \_\_\_\_\_

2. \_\_\_\_\_

at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 201\_\_

\_\_\_\_\_  
**for and on behalf of the Mandatary**

**Witnesses:**

3. \_\_\_\_\_

4. \_\_\_\_\_

## T2.2-xx: Assessment Schedule - Health and Safety Requirements

Submit the following documents as a minimum with your tender:

1. The Tenderers must provide their own project specific health and safety Plan.
2. Health and safety cost breakdown (Bill of Quantities)
3. Safety, Policy signed by the Chief Executive Officer, must include or cover the following five elements –
  - Commitment to Safety, prevention of pollution,
  - Continual improvement,
  - Compliance to legal requirements, appropriate to the nature of contractor's activities,
  - Hold management accountable for development of the safety systems
  - Include objectives and targets.
4. Table or outline the Roles & Responsibilities, such as S16.2 CEO, CR8.1 Construction manager, CR8.2 Assistant Construction manager, CR8.5 Safety officer, CR8.7 Construction Supervisor, CR8.8 Construction assistant supervisor, CR9.1 Risk Assessor, 17.1 SHE Reps, etc. as per the Occupational health and safety Act 85 of 1993
5. List of job categories for project and competencies required per category and develop a training Matrix for all employees who will be working on the project. This matrix must include Management and highlight training planned dates.
6. Overview of the project specific Baseline Risk Assessment (RA), indicating major activities of the project
7. **Three years** synopsis of SHE incidents, description, type and action taken to prevent re-occurrence.
8. Complete and return with tender documentation the Contractor Safety Questionnaire included as an Annexure M.

### Attached submissions to this schedule:

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

## T2.2-XX: Health and Safety Questionnaire

### Health, Safety Questionnaire

<b>1. SAFE WORK PERFORMANCE</b>													
1A. Injury Experience / Historical Performance - Alberta													
Use the previous three years injury and illness records to complete the following:													
Year													
Number of medical treatment cases													
Number of restricted work day cases													
Number of lost time injury cases													
Number of fatal injuries													
Total recordable frequency													
Lost time injury frequency													
Number of worker manhours													
<table border="1"> <tr> <td>1 - Medical Treatment Case</td> <td>Any occupational injury or illness requiring treatment provided by a physician or treatment provided under the direction of a physician</td> </tr> <tr> <td>2 - Restricted Work Day Case</td> <td>Any occupational injury or illness that prevents a worker from performing any of his/her craft jurisdiction duties</td> </tr> <tr> <td>3 - Lost Time injury Cases</td> <td>Any occupational injury that prevents the worker from performing any work for at least one day</td> </tr> <tr> <td>4 - Total Recordable Frequency</td> <td>Total number of Medical Treatment, Restricted Work and Lost Time Injury cases multiplied by 200,000 then divided by total manhours</td> </tr> <tr> <td>5- Lost Time Injury Frequency</td> <td>Total number of Lost Time Injury cases multiplied by 200,000 then divide by total manhours</td> </tr> </table>				1 - Medical Treatment Case	Any occupational injury or illness requiring treatment provided by a physician or treatment provided under the direction of a physician	2 - Restricted Work Day Case	Any occupational injury or illness that prevents a worker from performing any of his/her craft jurisdiction duties	3 - Lost Time injury Cases	Any occupational injury that prevents the worker from performing any work for at least one day	4 - Total Recordable Frequency	Total number of Medical Treatment, Restricted Work and Lost Time Injury cases multiplied by 200,000 then divided by total manhours	5- Lost Time Injury Frequency	Total number of Lost Time Injury cases multiplied by 200,000 then divide by total manhours
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5- Lost Time Injury Frequency	Total number of Lost Time Injury cases multiplied by 200,000 then divide by total manhours												
1B. Workers' Compensation Experience													
Use the previous three years injury and illness records to complete the following (if applicable):													
Industry Code:		Industry Classification:											
Year													
Industry Rate													
Contractor Rate													
% Discount or Surcharge													
Is your Workers' Compensation account in good standing? (Please provide letter of confirmation)		<input type="checkbox"/> Yes <input type="checkbox"/> No											
<b>2. CITATIONS</b>													
2A.	Has your company been cited, charged or prosecuted under Health, Safety and/or Environmental Legislation in the last 5 years? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide details:												
2B.	Has your company been cited, charged or prosecuted under the above Legislation in another Country, Region or State? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide details:												

### 3. CERTIFICATE OF RECOGNITION

Does your company have a Certificate of Recognition?

☐ Yes ☐ No If Yes, what is the Certificate No. \_\_\_\_\_ Issue Date \_\_\_\_\_

### 4. SAFETY PROGRAM

Do you have a written safety program manual? ☐ Yes ☐ No

If Yes, provide a copy for review

Do you have a pocket safety booklet for field distribution? ☐ Yes ☐ No

If Yes, provide a copy for review

Does your safety program contain the following elements:

	YES	NO		YES	NO
CORPORATE SAFETY POLICY	<input type="checkbox"/>	<input type="checkbox"/>	EQUIPMENT MAINTENANCE	<input type="checkbox"/>	<input type="checkbox"/>
INCIDENT NOTIFICATION POLICY	<input type="checkbox"/>	<input type="checkbox"/>	EMERGENCY RESPONSE	<input type="checkbox"/>	<input type="checkbox"/>
RECORDKEEPING & STATISTICS	<input type="checkbox"/>	<input type="checkbox"/>	HAZARD ASSESSMENT	<input type="checkbox"/>	<input type="checkbox"/>
REFERENCE TO LEGISLATION	<input type="checkbox"/>	<input type="checkbox"/>	SAFE WORK PRACTICES	<input type="checkbox"/>	<input type="checkbox"/>
GENERAL RULES & REGULATIONS	<input type="checkbox"/>	<input type="checkbox"/>	SAFE WORK PROCEDURES	<input type="checkbox"/>	<input type="checkbox"/>
PROGRESSIVE DISCIPLINE POLICY	<input type="checkbox"/>	<input type="checkbox"/>	WORKPLACE INSPECTIONS	<input type="checkbox"/>	<input type="checkbox"/>
RESPONSIBILITIES	<input type="checkbox"/>	<input type="checkbox"/>	INVESTIGATION PROCESS	<input type="checkbox"/>	<input type="checkbox"/>
PPE STANDARDS	<input type="checkbox"/>	<input type="checkbox"/>	TRAINING POLICY & PROGRAM	<input type="checkbox"/>	<input type="checkbox"/>
ENVIRONMENTAL STANDARDS	<input type="checkbox"/>	<input type="checkbox"/>	COMMUNICATION PROCESSES	<input type="checkbox"/>	<input type="checkbox"/>
MODIFIED WORK PROGRAM	<input type="checkbox"/>	<input type="checkbox"/>			

### 5. TRAINING PROGRAM

5A. Do you have an orientation program for new hire employees? ☐ Yes ☐ No

If Yes, include a course outline. Does it include any of the following:

	YES	NO		YES	NO
GENERAL RULES & REGULATIONS	<input type="checkbox"/>	<input type="checkbox"/>	CONFINED SPACE ENTRY	<input type="checkbox"/>	<input type="checkbox"/>
EMERGENCY REPORTING	<input type="checkbox"/>	<input type="checkbox"/>	TRENCHING & EXCAVATION	<input type="checkbox"/>	<input type="checkbox"/>
INJURY REPORTING	<input type="checkbox"/>	<input type="checkbox"/>	SIGNS & BARRICADES	<input type="checkbox"/>	<input type="checkbox"/>
LEGISLATION	<input type="checkbox"/>	<input type="checkbox"/>	DANGEROUS HOLES & OPENINGS	<input type="checkbox"/>	<input type="checkbox"/>
RIGHT TO REFUSE WORK	<input type="checkbox"/>	<input type="checkbox"/>	RIGGING & CRANES	<input type="checkbox"/>	<input type="checkbox"/>
PERSONAL PROTECTIVE EQUIPMENT	<input type="checkbox"/>	<input type="checkbox"/>	MOBILE VEHICLES	<input type="checkbox"/>	<input type="checkbox"/>
EMERGENCY PROCEDURES	<input type="checkbox"/>	<input type="checkbox"/>	PREVENTATIVE MAINTENANCE	<input type="checkbox"/>	<input type="checkbox"/>
PROJECT SAFETY COMMITTEE	<input type="checkbox"/>	<input type="checkbox"/>	HAND & POWER TOOLS	<input type="checkbox"/>	<input type="checkbox"/>
HOUSEKEEPING	<input type="checkbox"/>	<input type="checkbox"/>	FIRE PREVENTION & PROTECTION	<input type="checkbox"/>	<input type="checkbox"/>
LADDERS & SCAFFOLDS	<input type="checkbox"/>	<input type="checkbox"/>	ELECTRICAL SAFETY	<input type="checkbox"/>	<input type="checkbox"/>
FALL ARREST STANDARDS	<input type="checkbox"/>	<input type="checkbox"/>	COMPRESSED GAS CYLINDERS	<input type="checkbox"/>	<input type="checkbox"/>
AERIAL WORK PLATFORMS	<input type="checkbox"/>	<input type="checkbox"/>	WEATHER EXTREMES	<input type="checkbox"/>	<input type="checkbox"/>

5B. Do you have a program for training newly hired or promoted supervisors? ☐ Yes ☐ No

(If Yes, submit an outline for evaluation. Does it include instruction on the following:

	Yes	No		Yes	No
EMPLOYER RESPONSIBILITIES	<input type="checkbox"/>	<input type="checkbox"/>	SAFETY COMMUNICATION	<input type="checkbox"/>	<input type="checkbox"/>
EMPLOYEE RESPONSIBILITIES	<input type="checkbox"/>	<input type="checkbox"/>	FIRST AID/MEDICAL PROCEDURES	<input type="checkbox"/>	<input type="checkbox"/>
DUE DILIGENCE	<input type="checkbox"/>	<input type="checkbox"/>	NEW WORKER TRAINING	<input type="checkbox"/>	<input type="checkbox"/>
SAFETY LEADERSHIP	<input type="checkbox"/>	<input type="checkbox"/>	ENVIRONMENTAL REQUIREMENTS	<input type="checkbox"/>	<input type="checkbox"/>
WORK REFUSALS	<input type="checkbox"/>	<input type="checkbox"/>	HAZARD ASSESSMENT	<input type="checkbox"/>	<input type="checkbox"/>
INSPECTION PROCESSES	<input type="checkbox"/>	<input type="checkbox"/>	PRE-JOB SAFETY INSTRUCTION	<input type="checkbox"/>	<input type="checkbox"/>
EMERGENCY PROCEDURES	<input type="checkbox"/>	<input type="checkbox"/>	DRUG & ALCOHOL POLICY	<input type="checkbox"/>	<input type="checkbox"/>
INCIDENT INVESTIGATION	<input type="checkbox"/>	<input type="checkbox"/>	PROGRESSIVE DISCIPLINARY POLICY	<input type="checkbox"/>	<input type="checkbox"/>
SAFE WORK PROCEDURES	<input type="checkbox"/>	<input type="checkbox"/>	SAFE WORK PRACTICES	<input type="checkbox"/>	<input type="checkbox"/>
SAFETY MEETINGS	<input type="checkbox"/>	<input type="checkbox"/>	NOTIFICATION REQUIREMENTS	<input type="checkbox"/>	<input type="checkbox"/>

## 6. SAFETY ACTIVITIES

Do you conduct safety inspections?

Yes No Weekly Monthly Quarterly  
☐ ☐ ☐ ☐ ☐

Describe your safety inspection process (include participation, documentation requirements, follow-up, report distribution).

Who follows up on inspection action items?

Do you hold site safety meetings for field employees? If Yes, how often?

Yes No Daily Weekly Biweekly  
☐ ☐ ☐ ☐ ☐

Do you hold site meetings where safety is addressed with management and field supervisors?

Yes No Weekly Biweekly Monthly  
☐ ☐ ☐ ☐ ☐

Is pre-job safety instruction provided before to each new task? ☐ Yes ☐ No

Is the process documented? ☐ Yes ☐ No

Who leads the discussion?

Do you have a hazard assessment process? ☐ Yes ☐ No

- Are hazard assessments documented? If yes, how are hazard assessments communicated and implemented on each project? Who is responsible for leading the hazard assessment process?

Does your company have policies and procedures for environmental protection, spill clean-up, reporting, waste disposal, and recycling as part of the Health & Safety Program?

☐ Yes ☐ No

How does your company measure its H&S success?

- Attach separate sheet to explain

## 7. SAFETY STEWARDSHIP

7A Are incident reports and report summaries sent to the following and how often?

	Yes	No	Monthly	Quarterly	Annually
Project/Site Manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Safety Director/Manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
/Chief Executive Officer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7B How are incident records and summaries kept? How often are they reported internally?

	Yes	No	Monthly	Quarterly	Annually
Incidents totaled for the entire company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Incidents totaled by project	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Subtotaled by superintendent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Subtotaled by foreman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7C How are the costs of individual incidents kept? How often are they reported internally?

	Yes	No	Monthly	Quarterly	Annually
Costs totaled for the entire company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Costs totaled by project	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Subtotaled by superintendent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
• Subtotaled by foreman/general foreman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7D Does your company track non-injury incidents?

	Yes	No	Monthly	Quarterly	Annually
Near Miss	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fire	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Security	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environmental	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 8 PERSONNEL

List key health and safety officers planned for this project. Attach resume.

Name	Position/Title	Designation

Supply name, address and phone number of your company's corporate health and safety representative. Does this individual have responsibilities other than health, safety and environment?

Name	Address	Telephone Number

Other responsibilities:

## 9 REFERENCES

List the last three company's your form has worked for that could verify the quality and management commitment to your occupational Health & Safety program

Name and Company	Address	Phone Number



## T2.2-XX Health and Safety Cost Breakdown

NB: This Safety Cost breakdown is required to illustrate to Transnet that safety costs have been factored into your tender price, and will not be paid for as a separate expense.

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

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

<b>Total Health and Safety Estimate (R)</b>	
<b>Total Estimate Value (R)</b>	
<b>H&amp;S Cost as % of Tender value</b>	

# TRANSNET FREIGHT RAIL SAFETY HEALTH AND ENVIRONMENTAL (SHE) SPECIFICATIONS FOR CONTRACTORS

<b>CONTRACT NAME:</b>	Special Operations Technology	
<b>CONTRACT NUMBER:</b>		
<b>CONTRACT SCOPE:</b>	Design, supply, installation, commissioning, configuration, integration, training and maintenance of all equipment, software and databases for the Special Operations Technology (Mobile and Rapid Deployment CCTV Surveillance, Covet Cameras, Digital Cameras, and Hand held scanners.	
<b>CONTRACT LOCATION:</b>	Depots Nationally	
<b>CONTRACT DURATION:</b>	12 months (1 Year)	
<b>CONTRACT MANAGER:</b>	Lerothodi Moramang	
<b>TECHNICAL OFFICER:</b>	Lerothodi Moramang	
<b>AGENT:</b>	N/A	
<b>SHE SPECIFICATION APPROVAL</b>		
	<b>NAME:</b>	<b>SIGNATURE:</b>
<b>TFR CONTRACT MANAGER / TECHNICAL OFFICER</b>	Lerothodi Moramang	..... <b>DATE:</b>
<b>RISK / ENVIRONMENTAL SPECIALIST</b>		..... <b>DATE:</b>
<b>SAFETY SPECIALIST / MANAGER</b>	Siphiwo Ngqeza	..... <b>DATE:</b>

Contractor Signature.....

Date.....

## 1. Introduction

- 1.1 This Safety, Health and Environmental (SHE) specification is Transnet Freight Rail (TFR) minimum requirements to be met by contractors when performing work for or on behalf of TFR. They set out the requirements to be followed by the Contractor and other contractors so that the health and safety of all person's potentially at risk may receive the same priority as other facets of the project.
- 1.2 The Contractor shall **develop a SHE plan and prepare a SHE file** based on these requirements, risk assessment as well as all the relevant applicable legislation. The contractor shall remain accountable for the quality and execution of his health and safety programme for his employees and sub-contractor employees. This specification in no way releases the contractors from compliance with the relevant legislation.

## 2 Purpose

- 2.1 The purpose of this specification is to ensure that the Contractor provides and maintains, as far as reasonably practicable a safe working environment for all employees and the public whilst performing work for or on behalf of TFR.
- 2.2 This specification forms an integral part of the contract, and the Contractor shall forward this specification to all subcontractors at the bidding stage so that they can in turn prepare health and safety plans relating to their operations

## 3 Scope and Application

- 3.1 This specification is applicable to all contractors, suppliers and all activities and processes carried out for or on behalf of Transnet Freight Rail. The Specification defines the strategies to manage Health and Safety and is a compliance document drawn up in terms of the Occupational Health and Safety Act 85 of 1993, Construction Regulations, February 2014 and Transnet Contractor Management Procedure.
- 3.2 This specification shall also apply to any subcontractors as employers in their own right. The Contractor shall furnish the Contract Manager/Technical Officer with full particulars of such subcontractors and shall ensure that they comply with the OHS Act and Regulations and Transnet's safety requirements and procedures.
- 3.3 Every effort has been made to ensure that this specification document is accurate and adequate in all respects. Should it however, contain any errors or omissions they may not be considered as grounds for claims under the contract for additional reimbursement or extension of time, or relieve the Contractor from his responsibilities and accountability in respect of the project to which this specification document pertains. Any such inaccuracies, inconsistencies and/or inadequacies must immediately be brought to the attention of the Contract Manager/Technical Officer or Client Agent.

## 4 General

Contractor Signature.....

Date.....

- 4.1 The Contractor and Transnet Freight Rail are individual employers, each in its own right, with their respective duties and obligations set out in the Occupational Health and Safety Act, Act 85 of 1993 (herein referred as the OHS Act) and applicable Regulations.
- 4.2 The Contractor accepts, in terms of the General Conditions of Contract and in terms of the OHS Act, his obligations as an employer in respect of all persons in his employ, other persons on the premises or the Site or place of work or on the work to be executed by him, and under his control. The Contractor shall, before commencement with the execution of the contract work, comply with the provisions set out in the OHS Act, and shall implement and maintain a SHE Plan approved by Transnet Freight Rail, on the Site and place of work for the duration of the contract .
- 4.3 The Contractor accepts his obligation with complying to the OHS Act and applicable Regulations notwithstanding the omission of some of the provisions of the OHS Act and the Regulations from this document.
- 4.4 Transnet Freight Rail accepts, in terms of the OHS Act, its obligations as an employer of its own employees working on or associated with the site or place of work, and the Contractor and Contract Manager/Technical Officer or his deputy shall at all times, co-operate in respect of the health and safety management of the site, and shall agree on the practical arrangements and procedures to be implemented and maintained during execution of the works
- 4.5 In the event of any discrepancies between any legislation and this specification, the applicable legislation will take precedence.

## 5. Section 37(2) Agreements

- 5.1 Transnet Freight Rail and the Contractor shall enter into an agreement in terms of section 37(2) of the Occupational Health and Safety Act to the arrangements and procedures between them to ensure compliance by the Contractor with the provisions of the OHS Act.
- 5.2 The agreement shall be completed and signed by the Contractor mandated representative as soon as possible and returned to the relevant TFR Contract Manager / Project Manager for his/her signature on behalf of TFR.
- 5.3 The Contractor shall enter into a Section 37(2) Agreement with their respective sub-contractors. Signed copy of such agreement must be kept on the Contractor's SHE file.

## 6. Definitions

- 6.1 In this Specification the definitions as listed in the Occupational Health and Safety Act 85 of 1993, Construction Regulations, 2014, Electrical Installation Regulations, Electrical Machinery Regulations and Transnet Contractor Management Procedure shall apply, unless the context otherwise indicates: -
- 6.2 **"construction work"**, which, in terms of the Construction Regulations, 2014 means any work in connection with: -

Contractor Signature..... .

Date.....

- a) the construction, erection, alteration, renovation, repair, demolition or dismantling of or addition to a building or any similar structure; or
- b) the, construction, erection maintenance, demolition or dismantling of any bridge, dam, canal, road, railway, runway, sewer or water reticulation system or the moving of earth, clearing of land, the making of an excavation, piling or any similar civil engineering structure; or any similar type of work.

6.3 **"competent person "**means a person who—

- a) has in respect of the work or task to be performed the required knowledge, training and experience and, where applicable, qualifications, specific to that work or task: Provided that where appropriate qualifications and training are registered in terms of the provisions of the National Qualification Framework Act, 2000 (Act No.67 of 2000), those qualifications and that training must be regarded as the required qualifications and training; and
- b) is familiar with the Act and with the applicable regulations made under the Act;

6.4 **"contractor"** means an employer (organisation) or a person who performs ANY work and has entered into a legal binding business agreement contract to supply a product or provide services to Transnet. This applies to the Suppliers, Vendors, Consultants, Service Providers or Contractors. NB: A contractor is an employer in his/her own right , and includes a Principal Contractor and subcontractor;

6.5 **"Contract Manager"** TFR employee appointed to liaise with the contractor to ensure that the specifications of the contract are met (with special emphasis on safety, technical specifications, inspection of quality and quantity of work). It includes a Technical Officer, Security Depot Manager, Senior Protection Officer, Technical Manager, Leading Protection Officer, Maintenance Supervisor's etc.

6.6 Designer"

6.6 **"electrical contractor"** means a person who undertakes to perform electrical installation work on behalf of any other person, but excludes an employee of such first – mentioned person

6.7 **"fall protection plan "**means a documented plan, which includes and provides for-

- a) all risks relating to working from a fall risk position, considering the nature of work undertaken;
- b) the procedures and methods to be applied in order to eliminate the risk of falling; and
- c) a rescue plan and procedures

6.8 **"fall risk"** means any potential exposure to falling either from, of or into;

Contractor Signature..... .

Date.....

- 6.9 **"Safety, Health and Environmental (SHE) File"** means a file or other record in permanent form, containing the information required to be kept on site in accordance with the OHS Act and applicable Regulations;
- 6.10 **"health and safety (SHE) plan"** means a site, activity or project specific documented plan in accordance with the client's health and safety specification;
- 6.11 **"risk assessment"** means a programme to determine any risk associated with any hazard at a work site, in order to identify the steps needed to be taken to remove, reduce or control such hazard;
- 6.12 **"TFR"** means Transnet Freight Rail, a division of Transnet SOC Ltd (Registration No. 1990/000900/30), a public company incorporated in accordance with the company laws of the Republic of South Africa

## **7. Notification of Construction Work**

- 7.1 The Contractor who intends to carry out any construction work other than work where a Construction Work Permit is required, must at least 7 days before carrying out such work, notify the Provincial Director of the Department of Labour in writing if the construction work:-
- (a) includes excavation work
  - (b) includes working at a height where there is a risk of a person falling;
  - (c) includes the demolition of a structure; or
  - (d) includes the use of explosives to perform construction work,
- 7.2 The notification to the Provincial Director shall be on a form similar to Annexure 2 of the Construction Regulations, 2014. The Contractor shall ensure that a copy of the completed notification form is kept on site for inspection by an inspector, Contract Manager/Technical Officer or employee.

## **8. Letter of Good standing**

- 8.1 The Contractor shall submit proof of registration and Letter of Good Standing with the compensation fund or with a licensed compensation insurer as contemplated in the Compensation for Occupational Diseases Act, 1993 (Act No. 130 of 1993) for his company and each of his sub-contractors'.
- 8.2 No contractor may do any work for TFR without a valid letter of good standing. The Contractor must ensure that the Letter of Good Standing remains valid for the duration of the contract period.
- 8.3 The letter of good standing must reflect the name of the Contractor and/or Sub-contractor, registration number and, expiry date.

Contractor Signature.....

Date.....

## 9. Management and Supervision

- 9.1 The Contractor and all subcontractors shall submit a SHE organogram outlining the site SHE management structure including the relevant appointments/competent persons or the intended appointments where such appointments have not been made.
- 9.2 The Contractor shall, in accordance with the OHS Act and applicable Regulations, make all the necessary appointments of competent persons in writing. Copies should also be retained on the SHE file.
- 9.3 Subcontractors shall also make the above written appointments and the Contractor shall deliver copies thereof to the Contract Manager/Technical Officer.
- 9.4 The designer of a structure must:
  - 9.4.1 Ensure that the applicable safety standards of the Act are complied with in the design
  - 9.4.2 Take into consideration the health and safety specification submitted by the client;
  - 9.4.3 Before the contract is put out to tender, make available in a report to the client-
    - (i) all relevant health and safety information about the design of the relevant structure that may affect the pricing of the construction work;
    - (ii) the geotechnical-science aspects, where appropriate; and
    - (iii) the loading that the structure is designed to withstand;
  - 9.4.5 Inform the client in writing of any known or anticipated dangers or hazards relating to the construction work, and make available all relevant information required for the safe execution of the work upon being designed or when the design is subsequently altered;
  - 9.4.6 Refrain from including anything in the design of the structure necessitating the use of dangerous procedures or materials hazardous to the health and safety of persons, which can be avoided by modifying the design or by substituting materials;
  - 9.4.7 Take into account the hazards relating to any subsequent maintenance of the relevant structure and must make provision in the design for that work to be performed to minimize the risk;
  - 9.4.8 Carry out the necessary inspections at appropriate stages to verify that the construction of the relevant structure is carried out in accordance with his design
  - 9.4.9 Stop any contractor from executing any construction work which is not in accordance with the relevant design's health and safety aspects
  - 9.4.10 In his or her final inspection of the completed structure in accordance with the National Building Regulations, include the health and safety aspects of the structure as far as reasonably practicable, declare the structure safe for use, and issue a completion certificate to the client and a copy thereof to the contractor; and
  - 9.4.11 During the design stage, take cognizance of ergonomic design principles in order to minimize ergonomic related hazards in all phases of the life cycle of a structure.

Contractor Signature.....

Date.....

## 10. SHE Committee Meetings and SHE Representatives

- 10.1 Where required by legislation, the Contractor and subcontractors shall appoint SHE Representative/s in writing after consultation with employees and ensure that they are trained in performing their duties.
- 10.2 SHE Representatives duties shall include inspections of the workplace, taking part in incident investigations, risk assessments, attending SHE Committee meetings etc. Records of monthly inspections of SHE Representatives must be kept on the SHE file.
- 10.3 The number of SHE Representatives appointed shall be in accordance with the requirements of the Occupational health and Safety Act 85 of 1993.
- 10.4 Where required by legislation, the Contractor must ensure that a project/site SHE Committee meeting is held monthly and minutes of such meeting shall be recorded and records kept on the SHE file. The Contractor representative and appointed SHE representatives shall attend the monthly SHE Committee meeting.
- 10.5 The Contract Manager/Technical Officer or his deputy shall be allowed to attend meetings of the Contractor's health and safety committee as an observer.
- 10.6 Subcontractors appointed by the Contractor shall have their own internal monthly SHE Committee meeting.

## 11. SHE Audits and Contractor Monthly Reports

- 11.1 The Contract Manager/Technical Officer or his deputy shall ensure that the Contractor's SHE Plan is audited at intervals mutually agreed to between them, but at least once every month to ensure that the SHE Plan is implemented and maintained on site.
- 11.2 TFR Safety Officers / Specialists shall at all reasonable times be allowed access to the work sites, the Contractor site offices and tool-sheds to inspect the Contractor's and its subcontractor's tools, equipment, registers and workplace.
- 11.3 Should any non-compliances or contraventions to the TFR safety requirements, legal requirements, this specification or the Contractor's SHE Plan be identified, such non-compliances or contraventions shall be rectified by the contractor at its cost immediately or within a period specified by the Contract Manager/Technical Officer, his deputy, or TFR Safety Officers / Specialists.
- 11.4 Should the Contractor refuse or fail to rectify such non-compliances or contraventions, TFR may take remedial action at the Contractor's cost as it may deem necessary to ensure safety at the TFR sites at all times.
- 11.5 TFR reserves the right to conduct safety audits without prior warning.
- 11.6 The Contractor on all contracts of more than 1 month shall provide a monthly safety performance report as required by TFR.

Contractor Signature.....

Date.....



- 11.7 The Monthly safety performance report shall be compiled in terms of Annexure 1 of this specification or in any format that the Contractor has as long as it includes all items listed in Annexure 1.

## **12. Training, Competence and Awareness**

### **12.1 Induction Training**

- 12.1.1 The Contractor shall ensure that all his employees and subcontractors employees undergo a TFR SHE Induction with regard to the general hazards prevalent on the site, rules and regulations, and other related aspects before commencing work. It is the responsibility of the contractor to inform TFR whenever new employees are appointed after the initial induction was conducted.
- 12.1.2 In addition to the TFR SHE induction, it is the responsibility of the Contractor to develop and implement a site specific SHE Induction programme, a job specific induction programme and a general employee SHE awareness programme, to develop awareness amongst employees on the generic SHE issues associated with the scope of work and the specific environmental issues in question.
- 12.1.3 The Contractor shall ensure that all visitors and suppliers to the site undergo and comply with Contractors' site-specific safety induction requirement prior to being allowed access to site. All visitors and suppliers shall sign the attendance register.
- 12.1.4 All visitors and suppliers shall wear the necessary personal protective equipment whilst on site and shall remain in the care of the host who understand the scope of work and associated risks.
- 12.1.5 The Contractor shall maintain comprehensive attendance records of SHE induction training on the SHE file.

### **12.2 Competency / Training**

- 12.2.1 The Contractor must ensure that all his employees are adequately trained to perform the tasks allocated to them and that there is the requisite amount of supervision at all times to maintain safe work practices and standards.
- 12.2.2 The Contractor shall identify training requirements of employees whose work may have a significant impact on their health and safety or that might create a significant impact upon the environment and ensure that these employees will receive appropriate training. A Training matrix shall be used as a mechanism to manage and control the training of employees.
- 12.2.3 The Contractor shall identify all training needs and incorporate the site specific training into the SHE plan.
- 12.2.4 Each Contractor shall be required to ensure that before an employee commences work on the project that the supervisor in control with responsibility for the employee has informed the employee of his scope of authority and any hazards associated with the

Contractor Signature.....

Date.....

work performed. This will include man-job specifications, the discussion of any standard task procedures or hazardous operational procedures to be performed by the employee

- 12.2.5 The Contractor is to ensure that the supervisor has satisfied himself that the employee is conversant with all hazards associated with any work to be performed by conducting task observations.
- 12.2.6 The Contractor must ensure that certificate/s of competence where applicable is/are provided in the SHE File.

### 12.3 Awareness Training

- 12.3.1 Awareness training required shall be identified for all employees on the project using the SHE Policy, the SHE Plan, the SHE programmes and procedures.
- 12.3.2 The Contractor shall have a daily safety talk. This talk shall include subcontractor employees.
- 12.3.3 The talk must be brief and concise. Subject topics should be applicable to the job at hand, incidents, accidents and up-and-coming work will be discussed along with suggestions and comments. These meetings can be used as a training meeting with the central idea of educating employees.

### 13. Health and Safety Plan (SHE Plan)

- 13.1 Potential Contractor submitting tenders shall submit with their tender, a Health and Safety Plan setting out the practical arrangements and procedures to be implemented by him to ensure compliance by him with the OHS Act and Regulations, this SHE specification and particularly in respect of: -
  - (a) The provision, as far as is reasonably practical, of a working environment that is safe and without risk to the health of his employees and subcontractors in terms of section 8 of the OHS Act;
  - (b) the execution of the contract work in such a manner as to ensure in terms of section 9 of the OHS Act that persons other than those in the Contractor's employment, who may be directly affected by the contract work are not thereby exposed to hazards to their health and safety;
  - (c) ensuring, as far as is reasonably practical, in terms of section 37 of the OHS Act that no employee or subcontractor of the Contractor does or omits to do any act which would be an offence for the Contractor to do or omit to do.
- 13.2 The Contractor's Health and Safety Plan shall be based on a risk assessment in respect of the hazards to health and safety of his employees and other persons under his control that are associated with or directly affected by the Contractor's activities in performing the contract work and shall establish precautionary measures as are reasonable and practical in protecting the safety and health of such employees and persons.
- 13.3 The SHE Plan shall include full particulars in respect of: -

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- (a) Safety Management Structure arrangements i.e. Appointments to be done and how;
- (b) SHE Organisation arrangements i.e. SHE Committees, SHE Audits, Findings and Corrective Actions
- (c) Risk Management i.e. Risk Assessment frequencies, methodology
- (d) Education and Training i.e. safety induction, site / job specific training arrangements
- (e) Emergency Planning
- (f) Health and Safety Communication i.e. Toolbox talks, incident recall
- (g) Safe working methods and procedures to be implemented i.e. safe work procedures, task observation
- (h) Fall Protection Plan i.e. documented plan, training/competency, medical surveillance, rescue plan
- (i) Personal protective Equipment and Clothing
- (j) Project Security i.e. site access control and security
- (k) SHE Costs
- (l) Occupational Health i.e. Medical Surveillance, First Aid, Welfare Facilities, Substance Abuse testing, Noise, Vibration, Manual Handling etc
- (m) Environmental management
- (n) Incident Management i.e. reporting and investigation
- (o) Operational Control
- (p) Review plan of the SHE Plan and
- (q) COVID-19 Requirements

13.5 The Contractor shall submit a final SHE Plan after awarding of the contract which shall be subject to the Contract Manager/Technical Officer's approval and he may, in consultation with the Contractor, order that additional and/or supplementary practical arrangements and procedures be implemented and maintained by the Contractor or that different working methods or safety equipment be used or safety clothes be issued which, in the Contract Manager/Technical Officer's opinion, are necessary to ensure full compliance by the Contractor with his obligations as an employer in terms of the OHS Act and Regulations.

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- 13.6 The Contractor shall approve the SHE Plan of the subcontractor and further take reasonable steps to ensure that each subcontractor's SHE Plan is implemented and maintained on the site: Provided that the steps taken, shall include periodic audits at intervals mutually agreed to between them, but at least once every month.
- 13.7 The Contractor shall stop any subcontractor from executing any construction work, which is not in accordance with the Contractor's, and/or subcontractor's SHE Plan for the site or which poses a threat to the health and safety of persons.
- 13.8 The Contractor shall ensure that a copy of the SHE Plan is available on site for inspection by an inspector, Contract Manager/Technical Officer, agent, subcontractor, employee, registered employee organisation, health and safety representative or any member of the health and safety committee.

#### **14. Hazards Identification and Potential Hazardous Situations**

- 14.1 The Contractor shall ensure a risk assessment is carried out by a competent person, appointed in writing, before commencement of any work and reviewed during the duration of the contract period. The Risk Assessments shall form part of the Health and Safety Plan to be applied on the site and shall include at least the following:
  - (a) The identification of the risks and hazards (including ergonomic risks) that persons may be exposed to;
  - (b) The analysis and evaluation of the hazards identified;
  - (c) A documented plan, including safe work procedures to mitigate, reduce or control the; risks identified; and
  - (d) A monitoring and review plan.
- 14.2 Risk assessments shall be conducted by a competent person and such person shall use a documented method to analyse and evaluate identified risk and hazards.
- 14.3 The Contractor shall consult with the health and safety committee or, if no health and safety committee exists, with a representative group of employees, on the development, monitoring and review of the risk assessment
- 14.4 The risk assessment shall be reviewed when there are changes that affect the design of the structure that may affect the health, safety and environment on site or after an incident.
- 14.5 The Contractor shall ensure that all employees are to be informed, instructed and trained regarding any risks, hazard and related SHE procedures by a competent person as outlined in the risk assessment prior to commencement of work and thereafter at predetermined intervals as outlined in the monitoring plan.
- 14.6 The Contractor shall ensure that all subcontractors are informed regarding any hazard as stipulated in the risk assessment before any work commences, and thereafter at such intervals as may be determined in the risk assessment.

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- 14.7 The risk assessment shall be available on site for review. Where a risk assessment is not readily available or not communicated to contractor employees, the construction activities shall be stopped until such time the contractor complies.
- 14.8 The Contractor and the Contract Manager/Technical Officer shall immediately notify one another of any hazardous or potentially hazardous situations which may arise during performance of the contract or any subcontractor and, in particular, of such hazards as may be caused by the design, execution and/or location and any other aspect pertaining to the contract work.
- 14.9 The Contractor shall be required to analyse his scope of work and define these critical activities. For each activity, a risk assessment shall be required which defines systems and safe work procedures that will be used in order to complete the activity safely.
- 14.10 Copies of all safe work procedures and proof that employees have been trained on those safe work procedures shall be kept on the SHE file.
- 14.11 Preliminary risk and hazard identification shall be conducted by the Contractor prior to work commencement on site. Should the Client's Agent, Contract Manager/Technical Officer or his duly nominated alternative identify hazardous activities performed by the Contractor on the site for which the Contractor has not submitted a risk assessment, the Contractor shall be required to do so before continuing with work.

## **15. Safety, Health and Environmental (SHE) File**

- 15.1 The Contractor shall prepare a SHE file and submit to Contract Manager for approval prior to commencement of work on site. The file shall include all documentation required as per the OHS Act and applicable regulations. ,
- 15.2 The approval time of the SHE file is at least 5 working days
- 15.3 The Contractor shall ensure that a copy of the both his SHE File as well as any subcontractor's SHE File is kept on site and made available to an inspector of the Department of Labour, the Contract Manager/Technical Officer, or subcontractor upon request.
- 15.4 The Contractor shall hand over a consolidated SHE file to the Contract Manager/Technical Officer upon completion of the Construction Work and shall in addition to documentation mentioned in the OHS Act and applicable Regulations include a record of all drawings, designs, materials used and other similar information concerning the completed structure.

## **16. Occupational Health**

### **16.1 Medical Surveillance Programme**

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16.1.1 The Contractor shall ensure that all his and subcontractor employees have a valid medical certificate of fitness issued by an Occupational Health Practitioner.

16.1.2 Medical certificate of fitness must be available and be kept in the SHE file.

## 16.2 Substance Abuse

16.2.1 All Contractors must comply with the Transnet Substance Abuse Policy and Regulation 2A of the General Safety Regulations of the OHS Act.

16.2.2 No Contractor may possess, sell, offer to other person, use, store, manufacture, transport, distribute, or transfer drugs or alcohol during work hours, on or off TFR premises.

16.2.3 TFR will not tolerate substance abuse or use which put at risk the health and safety of its employees or threatens its services to our stakeholders. It is on this basis that a contractor employee will be considered unfit for work if:

- (a) He/she is subjected to alcohol screening and/or alcohol testing and is found to have alcohol in his/her breathe and/or blood;
- (b) Refuses to undergo substance screening and/or testing;
- (c) He /she produces a positive confirmatory test for any other substances, measured by sample analysis at a registered pathological laboratory and authorised by a medical practitioner; and/or
- (d) Through observation by security personnel or Contract Manager, it is evident that the contractor's physical, emotional, mental or behavioural state reflects that they are intoxicated or under the influence.

16.2.4 Any transgression of this policy will constitute a breach of the relevant contract and may result in the termination of services/contract.

16.2.5 Any contractor employee using medication that has a narcotic effect must declare before work to his / her supervisor.

## 16.3 Occupational Hygiene

16.3.1 The Contractor shall conduct Health Risk Assessments of all the Occupational Hygiene / Environmental stressors (e.g. noise, dust, illumination, HCS, heat & cold stressors, ergonomics, etc.) present in the area where they operate to determine if there is any possible worker exposure. Records of all these assessment should be documented and kept up to date.

16.3.2 The Contractor shall monitor the extent to which their employees are exposed to the occupational hygiene stressors. These assessments shall be conducted by an Approved Inspection Authority as listed on the Department of Labour database. The findings from

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these assessments should be kept on the SHE file, communicated to all affected parties and be reported to relevant authorities.

#### **16.4 Welfare Facilities**

- 16.4.1 The Contractor must ensure that all welfare facilities provided to them by TFR for the use of their employees and subcontractors are kept in a clean, hygienic, safe, whole and leak-free condition, and in a good state of repair.

#### **16.5 First Aid requirements**

- 16.5.1 All Contractors shall ensure that their employees receive prompt first aid treatment in case of injury or emergency. The Contractor must have the necessary equipment and/or facility on site for treatment of injured persons.
- 16.5.2 Contractor shall ensure that the first aid box / boxes are available and accessible. More first aid boxes shall be provided if the risks, distance between work teams, or the working environment requires it.
- 16.5.3 Taking into account the type of injuries that are likely to occur on site, the nature of activities performed and the number of employees on site, the Contractor shall ensure that the first aid box contain suitable first aid equipment which includes at least the minimum contents as listed on Annexure 1 of General Safety Regulation (GSR).
- 16.5.4 The Contractor must ensure that trained / certificated first-aid personnel are appointed and be available on site at all times. The ratio of first aiders to employees shall be 1:50.

#### **16.6 Asbestos Control**

- 16.6.1 The Contractor shall inform the TFR Contract Manager or Contract Manager if during construction work asbestos or suspected asbestos containing material is found. Only Asbestos Approved Contractor can work on asbestos containing material.

#### **16.7 Noise**

- 16.7.1 The Contractor shall ensure that the requirements of the Noise Induced Hearing Loss Regulations are complied with.
- 16.7.2 Contractor shall ensure that machinery and equipment are operated at noise levels not exceeding an equivalent level of 85-dB (A) during normal working conditions.
- 16.7.3 Where the noise levels at the Operator position or to employees working in the vicinity exceed an equivalent level of 85-dB (A) during normal working conditions, the Contractor shall take appropriate measures to reduce such levels to an equivalent level of 85-dB (A). The use of Personal Protective Equipment (PPE) should be the last resort.
- 16.7.4 All employees exposed to noise must be trained on the effects of exposure, precautionary measures to be taken to prevent exposure and the correct use of PPE.
- 16.7.5 Noise zones must be demarcated as such.

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## **16.8 Vibration**

- 16.8.1 Contractors must put measures to reduce the risks associated with hand–arm vibrations, avoid, whenever possible, the need for vibration equipment.
- 16.8.2 Contractor shall develop a good maintenance regime for tools and machinery. This may involve ensuring that tools are regularly sharpened, worn components are replaced or engines are regularly tuned and adjusted.
- 16.8.3 The Contractor must introduce a work pattern that reduces the time exposure to vibrations.
- 16.8.4 The Contractor shall issue employees with gloves and warm clothing. There is a debate as to whether anti-vibration gloves are really effective but it is agreed that warm clothing helps with blood circulation which reduces the risk of vibration white finger. Care must be taken so that the tool does not cool the hand of the operator.

## **16.9 Manual Handling**

- 16.9.1 Contractor must reduce risk of injury due to manual handling by using mechanical assistance involving the use of mechanical aids to assist the manual handling operation. Mechanical aids such as hand-powered hydraulic hoists, specially adapted trolleys, hoist for lifting patients and roller conveyors can be used.
- 16.9.2 Contractor shall ensure all employees involved in manual handling are trained in good lifting techniques.

## **16.10 Dust**

- 16.10.1 The Contractor shall monitor dust caused by their activities, mobile equipment, generators and other equipment during construction.
- 16.10.2 Dust suppression measures must be in place to reduce the dust caused by the activities on site.
- 16.10.3 Appropriate PPE should be provided to exposed employees.
- 16.10.4 Exposure to silica dust is possible when working with ballast. The Contractor must ensure that all necessary precautions are taken to prevent exposure to silica dust when working with ballast.

## **16.11 Weather precautions**

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- 16.11.1 In the event of adverse weather (high winds, flooding, storm surge, lightning etc) or other conditions, the Contractor must institute precautionary measures to protect employees on site.
- 16.11.2 The Contractor shall take steps to prevent heat stroke, dehydration and exhaustion of employees as a result of exposure to excessive heat on site. Such steps may include employees taking regular breaks, consuming enough water, provision of sun brims for their hard hats and sun screen to protect them against sun burn.
- 16.11.3 The Contractor shall take steps to prevent hypothermia or dangerous overcooling of the body as a result of exposure to cold temperatures.

## **17 Incidents/Occurrences**

- 17.1 All incidents referred to in Regulation 9 of General Administration Regulations of the OHS Act involving the contractor and his subcontractor on TFR premises, shall be reported to the Contract Manager and Department of Labour as prescribed by the OHS Act.
- 17.2 TFR must be forwarded with a copy of a report of any investigation, formal inquiry conducted in terms of Section 31 and 32 of the Act into any incident involving the contractor, his subcontractor, any person or machinery under his control on TFR premises.
- 17.3 Contract Manager must be informed of the above incidents/occurrences before the end of shift when the incident/occurrence occurred.
- 17.4 The Contractor shall make available its employees to attend as witnesses when required so by TFR during an investigation into any incident where TFR believes the said contractor employees were witnesses or may assist in the investigation.
- 17.5 The contractor shall make available to TFR any documents required to assist in their investigation.

## **18. SHE Cost**

- 18.1 The Contractor shall ensure that it has made adequate provision for the cost of health and safety measures in the tender offer.
- 18.2 The Contractor shall ensure that it's subcontractors have made adequate provision for the cost of health and safety measures in the tender offer.

## **19. Personal Protective Equipment (PPE)**

- 19.1 The Contractor shall ensure that all employees are provided with appropriate prescribed Personal Protective Equipment (PPE) free of charge (according to General Safety Regulations (2), suitable for the type of activities that the employees will perform.
- 19.2 Such PPE shall be approved by credible institution such as SABS, EN, or AN.

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- 19.3 The Contractor shall manage the issuing of PPE and ensure that PPE is used at all times. Employees shall be trained in the proper use of PPE.

## **20. Emergency Evacuation Plan and Procedure**

- 20.1 The Contractor must establish and implement an emergency evacuation plan to ensure that in the event of fire, explosion structural collapse etc. all staff is able to evacuate the area to a demarcated areas for the purpose.
- 20.2 The area so selected must be demarcated and the relevant "Assembly Point" sign displayed where applicable or use TFR nearest assembly point.
- 20.3 An Emergency Evacuation Procedure must be drawn up; all staff members and contractors shall be given awareness training and participate in regular evacuation drills.
- 20.4 The Contractor and its employees shall collaborate and adhere to TFR evacuation drills and requirements.

## **21. Access Control and Security**

- 21.1 The Contractor shall, before commencing any work, obtain from the Contract Manager/Technical Officer a Site Access Certificate executed and signed by him, permitting and limiting access to the designated site or place of work by the Contractor and any subcontractors under his control.
- 21.2 No Site Access Certificate will be granted to the Contractor who fails to comply with TFR minimum SHE requirements, with the SHE File not approved and without the SHE induction been concluded.
- 21.3 The contractor must assess the security risks and implement appropriate measures. All contractors are to strictly adhere to all security requirements on the premises.
- 21.4 The Contractor in collaboration with the TFR representative will ensure that proper access control is in place and functional at all times onto and out of the site. A form of access control will be issued to contractor employees who have been inducted and submitted copies of ID documents or work permits (where required).
- 21.5 Access Permits should be carried by a contract employee at all time when on site. Access Permits shall be produced at the point of entry / gate.
- 21.6 Contractors shall ascertain from Contract Manager/Technical Officer the correct route along with their employees may proceed when coming on or going off shift and direct their employees accordingly.

## **22. Management of Subcontractors**

- 22.1 The Contractor is directly responsible for the actions of his contractors/sub-contractors.
- 22.2 The Contractor will also be responsible for initiating any remedial action (recovery plan) that may be necessary to ensure that the contractor complies with all requirements.

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- 22.3 The Contractor shall provide any contractor who is making a bid or appointed to perform construction work, with the relevant sections of the documented SHE specification, who would in turn provide a SHE plan for approval.
- 22.4 The Contractor shall carry out inspection/audits on the contractor/subcontractor to ensure that their SHE plan is being implemented and maintained and submit audit report to TFR Representative.
- 22.5 The Contractor shall stop any contractor/subcontractor from executing construction work which poses a threat to the safety and health of persons or the environment.
- 22.6 The Contractor shall ensure that the sub-contractors appointed have the necessary competencies and resources to perform the work safely.
- 22.7 The Contractor will be required to submit 37(2) mandatory agreement between the Contractor and subcontractor to the Contract Manager

### **23. Environmental Management**

- 23.1 The Contractor shall identify, document and comply with all pertinent Environmental laws and associated Regulations, approvals, licenses and permits which are applicable to the Services and activities undertaken.
- 23.2 Before commencement with any of the services to be rendered to TFR, the Contractor shall make available all personnel who will be working on the specified contract to be given environmental induction training. All Contractor employees arriving on the site shall attend such induction.
- 23.3 The Contractor shall adhere to all instructions issued by Contract Manager or his /her delegated person in promotion of environmental management and legal compliance.
- 23.4 The Contractor shall determine the correct positioning of topsoil stockpiling to avoid massive disturbance and prepare the topsoil for reuse during landscaping.
- 23.5 Concrete shall not be mixed directly on the ground or any other permeable surface. Should concrete batching activities occur, these should be located in the designated area on site with low environmental sensitivity levels.
- 23.6 All excess concrete shall be removed from site on completion of plastering or concrete pouring and disposed of in an environmentally acceptable manner.
- 23.7 The Contractor shall ensure that his or her employees are aware of the procedures to be followed when dealing with spills and leaks, which shall include notifying the relevant authorities and TFR as required in terms of National Environmental Management Act (NEMA), 1998 and National Water Act (NWA), 1998. The Contractor shall ensure that all necessary material and equipment required for use during clean – up/rehabilitation of spills and leaks are available on site at all times. Treatment, remediation and/or rehabilitation of contaminated areas shall be undertaken to the reasonable satisfaction of the TFR Environmental Control Officer or relevant Environmental Specialist.

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- 23.8 Contractor shall be solely responsible for the control of dust generated from his or her activities. Excavation, handling and transport of erodible material shall be avoided under aggressive wind conditions or when a visible dust plume is present. If dust damping measures are deemed inadequate, working must cease until the wind speed drops to an acceptable level.
- 23.9 Construction activities generating output levels of 85 db (A) or more shall be confined to the hours 08h00 to 17h00 Mondays to Fridays (close to residential areas).
- 23.10 No on-site burying or dumping of waste material shall occur. Waste must be collected by a licensed waste transporting contractor and disposed of at a licensed disposal site. Disposal certificate must be made available to TFR on request.
- 23.11 Waste bins must be provided in sufficient number and capacity to store solid waste produced on a daily basis. These bins must be kept closed and emptied regularly.
- 23.12 A designated re-fuelling area (s) must be provided. The re-fuelling area must be protected from hydrocarbon spillage to the reasonable satisfaction of the TFR Environmental Control Officer or Relevant Environmental Specialist. As a minimum requirement, re-fuelling and workshop areas shall have a bunded floor surface and storm water collection mechanism. Refuelling shall always be accompanied by the use of drip trays.
- 23.13 The Contractor must notify the Contract Manager immediately of any pollution incident. An incident record system shall be maintained on site for inspection by TFR and relevant authorities.
- 23.14 All vehicles and equipment's shall be kept in good working condition. All leaking equipment's shall be repaired immediately or removed from site. All vehicles and equipment shall be maintained and not emit excessive noise.
- 23.15 In case of major hydrocarbon spill or leakage as a result of equipment failure, Contract Manager must be made aware of such event and the affected area must be fenced off and be cleaned immediately to the reasonable satisfaction of the TFR Environmental Control Officer to prevent contamination of soil and both surface and groundwater.
- 23.16 The Contractor shall ensure that no spillage occurs when toilets are being cleaned or emptied and that the contents are removed from site by a licensed service provider.
- 23.17 The use of borrow pits for the construction of access roads must comply with the provisions of Minerals and Petroleum Resources Development Act of 2004 as amended and should not be located inside the border of any protected area (e.g. Nature Reserve).
- 23.18 All disturbed areas must be rehabilitated to the reasonable satisfaction of TFR Environmental Control Officer or Relevant Environmental Specialist.
- 23.19 Transportation, handling and storage of all substances classified as hazardous must comply with the provisions of the Hazardous Substances Act, 15 of 1973, relevant Regulations and SANS Codes.

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- 23.20 Archaeological remains, artificial features and structures older than 60 years are protected by the Natural Heritage Resources Act, 25 of 1999. Should any archaeological artefact be exposed during construction or any contract work, such work must be stopped immediately. The TFR Environmental Control Officer must be called in for inspection and to recommend the way-forward. Under no circumstances may any artefacts be destroyed or removed from site.
- 23.21 The extraction of water for construction purposes must at all times comply with licensing requirements of Department of Water Affairs, where applicable. Extraction of water from a stream or a river requires approval.
- 23.22 Blasting work that may be required on site shall be carried out entirely within the provisions of the Explosives Act, 26 of 1956 and other relevant engineering and safety standards.
- 23.23 Office and camp sites shall be established, as far as is practicable, outside the flood plain, above the 1:50 flood level mark within the boundaries of the construction area.
- 23.24 No camp or office site shall be located closer than 100 metres from a stream, river, spring, dam or pan.
- 23.25 The area chosen for these purposes shall be the minimum reasonably required and which will involve the least disturbance to vegetation.
- 23.26 Camps and site offices shall be fenced (where necessary) in consultation with the landowner.
- 23.27 The Contract Manager or Contract Manager may, at his or her discretion stop any work, activity or process not in accordance with Environmental laws and associated Regulations, approvals, licenses and permits.
- 23.28 The contractor shall preserve wild life in terms of the NEMA.

## **24. Operational Safety**

### **24.1 National Railway Safety Regulator Act / Railway Safety**

- 24.1.1 Where the activities of the Contractor impacts railway safety, the Contractor shall ensure that its equipment, machinery and employees when on TFR premises complies fully with all applicable railway safety requirements and/or regulations of the National Safety Regulator Act 16 of 2002 and the relevant SANS Codes of Practice.
- 24.1.2 The Contractor when engaging subcontractor must review the capability of the proposed contractor to comply with specified railway safety requirements and/or regulations.
- 24.1.3 The Contractor and/or his subcontractors must grant TFR access, during the term of the contract, to review any railway safety related activities, including the coordination of such activities across all parts of the organisation.

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24.1.4 The Contractor shall ensure when working in the yard, or adjacent to railway lines, employees are protected from the risk of being hit by trains.

## **24.2 Special Permits**

24.2.1 Where special work permits are required before work may be carried out such as for e.g. hot work (welding, cutting etc.), isolation, and occupations, the Contractor shall apply to the Contract Manager/Technical Officer or the relevant authority for such permits to be issued. The Contractor shall strictly comply with the conditions and requirements pertaining to the issue of such work permits.

## **24.3 Vehicle Safety**

With respect to vehicles, construction vehicles and mobile plants the Contractor must ensure that:

- 24.3.1 They are of an acceptable design and construction, are maintained in a good working order and are used in accordance with their design and the intention for which they were designed
- 24.3.2 Are operated by a person who has received appropriate training, is certified competent and in possession of proof of competency and is authorised in writing to operate such vehicle and mobile plant;
- 24.3.3 Are operated by a person who has a medical certificate of fitness to operate those vehicle and mobile plant, issued by an occupational health practitioner;
- 24.3.4 Vehicles used to transport employees have seats firmly secured and adequate for the number of employees to be carried. No employees will be allowed to be transported at the back of LDV's / bakkies unless it is provided with a seat and safety belt and further that the risk assessment has indicated it to be a low risk.
- 24.3.5 Construction vehicles are fitted with structures designed to protect the operator from falling material or from being crushed should the vehicle or mobile plant overturn;
- 24.3.6 Construction vehicle must be equipped with an acoustic warning device which can be activated by the operator and an automatic acoustic reversing alarm
- 24.3.7 Construction vehicles must be inspected by the authorised operator or driver on a daily basis using a relevant checklist prior to use and that the findings of such inspection are recorded in a register kept in the construction vehicle or mobile plant.
- 24.3.8 No person rides or is required or permitted to ride on a construction vehicle or mobile plant otherwise than in a safe place provided thereon for that purpose.
- 24.3.9 All construction vehicles or mobile plant when not in use, have buckets, booms or similar appendages, fully lowered or blocked, controls in a neutral position, motors stopped, wheels chocked, brakes set and ignition secured.

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- 24.3.10 Whenever visibility conditions warrant additional lighting, all mobile plant are equipped with at least two headlights and two taillights when in operation
- 24.3.11 Tools, material and equipment are secured and separated by means of a physical barrier in order to prevent movement when transported in the same compartment with employees.
- 24.3.12 Where applicable, also in collaboration with the TFR representative and other appropriate personnel develop a traffic management plan for the site to ensure the safe movement of all construction related mobile plant where applicable
- 24.3.13 This plan is to be reviewed at the allocated SHE meeting to ensure its applicability where applicable. Where applicable the Contractor shall appoint traffic officials to manage the manoeuvre of mobile plant and vehicles on the construction site.
- 24.3.14 Those working or operating on public roads comply with the requirements of the National Road Traffic Act, 1996.

#### **24.4 Housekeeping and general safeguarding on work sites**

- 24.4.1 Contractor must ensure that suitable housekeeping is continuously implemented on each work site
- 24.4.2 The Contractor must ensure proper storage of materials and equipment and the removal of scrap, waste and debris at appropriate intervals.
- 24.4.3 The Contractor must ensure that materials required for use, are not placed on the site so as to obstruct means of access to and egress from workplaces and passageways
- 24.4.4 The Contractor must ensure that materials which are no longer required for use, do not accumulate on and are removed from the site at appropriate intervals.

#### **24.5 Hazardous Chemical Substances (HCS)**

- 24.5.1 The Contractor must ensure that all employees exposed to hazardous chemicals are trained on the potential source of exposure, potential risk to health caused by exposure and measures to be taken by the contractor and employees against any risk of exposure.
- 24.5.2 HCS risk assessment to be conducted and where it indicates that any employee may be exposed, the contractor shall ensure that monitoring is carried out in terms of regulation 6 and 7 of the Hazardous Chemical Substances Regulations.
- 24.5.3 Employees exposed to hazardous substances shall be under medical surveillance
- 24.5.4 Where herbicides are used, the contractor shall comply with all relevant legislative requirements pertaining to the use of herbicides and that work is undertaken under the supervision of a person with a valid certificate in Pest Control.

#### **24.6 Stacking and Storage**

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- 24.6.1 The Contractor shall ensure that a competent person is appointed in writing with the duty of supervising all stacking and storage.
- 24.6.2 Adequate storage areas are provided, demarcated as storage areas and are kept neat and under control.

#### **24.7 Fire Precautions and Fire Safety**

- 24.7.1 The Contractor must ensure that all appropriate measures are taken to avoid the risk of fire. The Contractor shall comply to the fire precautions as stipulated in the Environmental Regulations for Workplaces, 1987 and regulation 29 of the Construction Regulations, 2014
- 24.7.2 Sufficient and suitable storage is provided for flammable liquids, solids and gases.
- 24.7.3 Smoking is prohibited and notices in this regard are prominently displayed in all places containing readily combustible or flammable materials
- 24.7.4 In confined spaces and other places in which flammable gases, vapours or dust can cause danger only suitably protected electrical installations and equipment, including portable lights, are used, there are no flames or similar means of ignition and adequate ventilation is provided.
- 24.7.5 The Contractor shall ensure that the work areas are clear, at all times, of any material, which could fuel a fire and that combustible materials do not accumulate, oily rags, waste and other substances liable to ignite are without delay removed to a safe place.
- 24.7.6 A thorough inspection is made of the work site at the end of any working period to ensure that no material is left at the work site or any situation left in such a manner that a fire or accident could result (all machines to be turned off at main switches, and cylinders to be closed and hoses deflated).
- 24.7.7 Welding, flame cutting and other hot work are done only after appropriate precautions have been taken to reduce the risk of fire.
- 24.7.8 Electric welding, oxy-welding or cutting, or any other fire hazardous equipment is not to be used inside or adjacent to electrical switch room, control room, cable duct, any electrical equipment or cables without the permission of the Contract Manager.
- 24.7.9 Suitable and sufficient fire-extinguishing equipment is placed at strategic locations or as may be recommended by the Fire Chief or local authority concerned and that such equipment is maintained in a good working order.
- 24.7.10 The fire equipment is inspected by a competent person, who has been appointed in writing for that purpose, in the manner indicated by the manufacturer thereof
- 24.7.11 Sufficient number of employees are trained in the use of fire extinguishing equipment and familiarise themselves with locations of fire fighting equipment in the work site.
- 24.7.12 There is an effective evacuation plan providing for all persons to be evacuated speedily without panic, accounted for and a siren is installed and sounded in the event of a fire.

Contractor Signature.....

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24.7.13 Where appropriate, suitable visual signs are provided to clearly indicate the escape routes in the case of a fire and the means of escape is kept clear at all times.

24.7.14 The Contractor must ensure that fire fighting equipment are not to be used for any purpose other than their intended use.

## **24.8 Site Establishment and Demarcation of the site**

24.8.1 It is important that activities of the contractor(s) are conducted within a limited area to facilitate control and to minimize the impact on the existing natural environment and the surroundings landowners.

24.8.2 The Contractor shall demarcate the boundaries of the site in order to restrict construction activities to the site.

24.8.3 The method of demarcation and the location of the demarcated area shall be determined by the Contractor and approved by the Contract Manager prior to any work being undertaken. The Contractor shall ensure that all his plant, labour and materials remain within the boundaries of the site.

24.8.4 Failure to do so may result in the Contractor being required to fence off the boundaries of the site at his own expense to the satisfaction of the TFR .The contractor is responsible for the safeguarding of his/her own equipment and material while on site.

## **24.9 Fall Protection Plan**

24.9.1 In the event of the risk and hazard identification, as required in terms of clause 14 of this Specification, revealing risks relating to working from a fall risk position, the contractor shall cause the designation of a competent person, responsible for the preparation of a fall protection plan;

24.9.2 The Contractor shall implement, maintain and monitor the fall protection plan for the duration of the contract. The Contractor shall also take such steps to ensure the continued adherence to the fall protection plan.

24.9.3 The fall protection plan shall include:-

- (a) a risk assessment of all work carried out from a fall risk position;
- (b) the procedures and methods to address all the identified risks per location;
- (c) the evaluation of the employees physical and psychological fitness necessary to work at elevated positions;
- (d) the training of employees working from a fall risk positions;
- (e) rescue plan; and

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- (f) the procedure addressing the inspection, testing and maintenance of all fall protection equipment

## 24.10 SHE Signage (Symbolic Safety Signs) on plant and in buildings

- 24.10.1 The Contractor's employees shall comply with all SHE signage posted at various locations of TFR sites.
- 24.10.2 The Contractor shall after occupation of the construction site ensure that appropriate SHE signs (Symbolic Safety Signs) are displayed on site

## 24.11 General Machinery, Tools and Equipment

- 24.11.1 The Contractor shall ensure that all machinery, tools and equipment are identified, numbered or tagged, listed on an inventory list.
- 24.11.2 The Contractor shall ensure that all machinery, tools and equipment are safe to be used and is maintained in a good condition.
- 24.11.3 The Contractor shall ensure that all machines driven by means of belts, gear wheels, chains and couplings shall be adequately guarded in such a manner that persons cannot gain inadvertent access to the moving parts.
- 24.11.4 All machinery, tools and equipment to be regularly inspected at least monthly or as required by legislation and risk assessments. Records of such inspections shall be kept on the SHE file.
- 24.11.5 Where applicable machinery, tools and equipment must have the necessary approved test or calibration documentation.
- 24.11.6 The Contractor shall ensure that all machinery, tools and equipment are operated by persons who have been trained to operate such machinery, tools or equipment.

## 24.12 Portable Electrical Tools and Explosive Power Tools

- 24.12.1 The Contractor shall ensure that use and storage of all explosive power tools and portable electrical tools comply with all applicable legislation.
- 24.12.2 The Contractor shall ensure that only trained employees are authorised to use portable electrical tools and explosive power tools
- 24.12.3 The Contractor shall ensure that all portable electrical tools and explosive power tools are kept in a safe working condition.
- 24.12.4 All portable electrical tools and explosive power tools are inspected monthly by a competent person and daily before use by the operator of such tool. Records of such inspections must be kept in the safety file.
- 24.12.5 Safety signs and barriers must be erected before explosive power tools are used.

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24.12.6 Cartridges and explosive power tools to be stored separately

24.12.7 Register for the issue and return of cartridges be kept in the SHE file.

24.12.8 Users / Operators of electrical power tools and explosive power tools should be issued with suitable protective equipment

### **24.13 Lifting Machine, Lifting Tackle and Suspended Loads**

24.13.1 The Contractor shall ensure that lifting machine and tackle comply with Driven Machinery Regulation 18 and all other applicable legislative requirements and standards.

24.13.2 The Contractor shall ensure that lifting machine operators shall be competent to operate a lifting machine. They must be in possession of a valid permit. The training should have been done according to the Code of Practice by a provider registered by the Department of Labour.

24.13.3 A lock out system should be implemented to ensure that only an operator that is competent can draw lifting machines and fork lifts.

24.13.4 The Contractor shall ensure that before using any lifting machines or tackle the operator inspect it. Records of such inspections and examinations shall be kept on the safety file.

24.13.5 All lifting machines shall be examined and subjected to a performance test by an accredited person/company at intervals not exceeding 12 months.

24.13.6 All lifting tackle should be recorded on a register and should be examined by an accredited person/company at intervals not exceeding 3 months.

24.13.7 All hooks shall be fitted with a safety latch/catch.

24.13.8 All lifting tackle should be conspicuously and clearly marked with identification particulars and the maximum mass load which it is designed for.

24.13.9 No person shall be moved or supported by means of a lifting machine unless such a machine is fitted with a cradle approved by an inspector.

24.13.10 Rigging of loads to be done in accordance with acceptable safe work practices

24.13.11 Contractors and their employees shall keep out from under suspended loads, including excavators, and between a load and a solid object where they might be crushed if the load should swing or fall. They shall not pass or work under the boom or any crane or excavator.

24.13.12 Contractors and their employees shall ensure that crane loads are not carried over the heads of any workmen.

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24.13.13 The Contractor shall ensure proper supervision in terms of guiding the load including the use of guide ropes to prevent loads from swinging and a trained person to direct lifting operations and checking the lifting tackle and attachments daily.

#### **24.14 Hand Tools and Pneumatic Tools**

24.14.1 All hand tools (hammers, chisels, spanners, etc) must be recorded on a register and inspected by a competent person on a monthly basis as well as by users prior to use.

24.14.2 All pneumatic tools should be numbered, recorded and inspected at least monthly as well as by users prior to use. And the revolutions per minutes measured in accordance with the manufacturer specifications

24.14.3 Tools with sharp points in tool boxes must be protected with a cover.

24.14.4 All files and similar tools must be fitted with handles.

24.14.5 The Contractor must have a policy on private and make shift tools on site.

24.14.6 No pneumatic tool shall be operated by using a compressed gas cylinder. Pneumatic equipment shall only draw supply from mobile air compressors or from compressed air lines installed within the premises.

#### **24.15 Excavations, Floor Openings and Trenches**

The Contractor must ensure that:

24.15.1 All excavation work is carried out under the supervision of a competent person who has been appointed in writing for that purpose.

24.15.2 Evaluation of the stability of the ground, as far as is reasonably practicable, before excavation work begins.

24.15.3 Sufficient steps in order to prevent, as far as is reasonably practicable, any person from being buried or trapped by a fall or dislodgement of material in an excavation.

24.15.4 No person is permitted to work in an excavation which has not been adequately shored or braced: Provided that shoring and bracing may not be necessary where the sides of the excavation are sloped to at least the maximum angle of repose measured relative to the horizontal plane; or such an excavation is in stable material: Provided that permission has been given in writing by the appointed competent person upon evaluation by him or her of the site conditions.

24.15.5 Where any uncertainty pertaining to the stability of the soil still exists the decision from a professional engineer or a professional technologist competent in excavations is decisive and such a decision must be noted in writing and signed by both the competent person and the professional engineer or technologist, as the case may be.

24.15.5 The shoring or bracing used is designed and constructed in a manner that renders it strong enough to support the sides of the excavation in question.

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- 24.15.6 No load, material, plant or equipment is placed or moved near the edge of any excavation where it may cause its collapse and consequently endangers the safety of any person, unless precautions such as the provision of sufficient and suitable shoring or bracing are taken to prevent the sides from collapsing;
- 24.15.7 Where the stability of an adjoining building, structure or road is likely to be affected by the making of an excavation, steps are taken to ensure the stability of such building, structure or road and the safety of persons.
- 24.15.8 Convenient and safe means of access to be provided to every excavation in which persons are required to work, and such access may not be further than six meters from the point where any worker within the excavation is working.
- 24.15.9 The location and nature of electricity, water, gas or other similar services which may in any way be affected by the work to be performed, and must before the commencement of excavation work that may affect any such service, take the steps that are necessary to render the circumstances safe for all persons involved.
- 24.15.10 Every excavation, including all bracing and shoring, is inspected by the competent person, daily, prior to the commencement of each shift; after every blasting operation; after an unexpected fall of ground; after damage to supports; and after rain in order to ensure the safety of the excavation and of persons.
- 24.15.11 The results of such inspections must be recorded in a register kept on site and made available on request to an inspector, the client, the client's agent, any other contractor or any employee.
- 24.15.12 Every excavation which is accessible to the public or which is adjacent to public roads or thoroughfares, or whereby the safety of persons may be endangered, to be adequately protected by a barrier or fence of at least one metre in height and as close to the excavation as is practicable; and provided with warning illuminants or any other clearly visible boundary indicators at night or when visibility is poor.
- 24.15.13 All precautionary measures stipulated for confined spaces as determined in the General Safety Regulations, 2003, are complied with by any person entering any excavation.
- 24.15.14 Where the excavation work involves the use of explosives, appoint a competent person in the use of explosives for excavation, and must ensure that a method statement is developed by that person in accordance with the applicable explosives legislation.
- 24.15.15 Warning signs to be positioned next to an excavation within which or where persons are working or carrying out inspections or tests.

## 24.16 Special Operations Technology

The Contractor must ensure that:

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- 24.16.1 All articles and/or equipment supplied is as far as reasonably practicable, safe and without risk to health when properly used and that it complies with all prescribed requirements including relevant SANS Codes.
- 24.16.2 The equipment is installed as far as reasonably practicable that nothing about the manner it is installed makes it unsafe or creates a risk to health when properly used.
- 24.16.3 The equipment is safe and without risk to health when properly used.

## **24.17 Electrical Equipment**

The Contractor must ensure that:

- 24.17.1 Implementation and compliance with Electrical Installation Regulations, Electrical Machinery Regulations and Regulation 24 of the Construction Regulations and OH&S Act.
- 24.17.2 All electrical installations, machinery and electrical work is performed in compliance with TFR Electrical Safety Instructions and TFR E7/1 Specification for Works On, Over, Under or Adjacent to Railway Lines and Near High Voltage Equipment when working on, over, under, or adjacent to railway lines and near high voltage equipment.
- 24.17.3 When working on, over, under, or adjacent to railway lines and near high voltage equipment the Contractor shall ensure that it has the persons with the necessary certificates or/and authorisation to work on, over, under, or adjacent to railway lines and near high voltage equipment (C-Green certificate etc).
- 24.17.4 Connections are not made to any power supply without the prior written approval of the Contract Manager.
- 24.17.5 All electrical machines and appliances provided by the Contractor for his own use on the Site are in a serviceable condition
- 24.17.6 Power tools used on the Site are protected by residual current devices approved by Contract Manager and are double insulated.
- 24.17.7 All extension cords, portable tools and electrical plant supplied at a voltage above 32 volts are inspected, tested and tagged by a Licensed Electrician at regular monthly intervals. Details of inspections and tests are kept in Log Books available for inspection by the Contract Manager or any other authorised Officer of TFR.
- 24.17.8 All electrical installations are inspected by the Contract Manager (or his nominee) to ensure that the installation complies with the Statutory Regulations applicable to the site and TFR Electrical Safety Instructions. Any installations deemed unsatisfactory by the Contract Manager should be removed by the Contractor at his expense.
- 24.17.9 Portable lights have adequate stability and are fitted with a mechanical guard to protect the lamp. Temporary festoon lighting is of the 'double insulated' type and is supported at least 2.5m above the floor, if possible. Hand lamps are of the 'all insulated' type.

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- 24.17.10 All temporary light fittings are supplied from more than one final sub-circuit, with the supply from a residual current device, extra low voltage source or an isolating transformer.
- 24.17.11 The Contractor must obtain approval from the Contract Manager before any of his employees or Sub-contractors commence work within three (3) metres of conductor rails or high tension wires, or where there is a possibility of equipment coming close to and/or touching a power source, and must provide suitable protective insulating barriers. For the erection of scaffolding, the distance is five (5) metres.
- 24.17.12 Only authorised persons may enter Electrical Contactor Houses, Motor Rooms, Switch Rooms, Control Rooms or Cable Ducts. Should the Contractor require entering such places to carry out work, he must first obtain permission from the Contract Manager and obtain a valid Permit to Work.
- 24.17.13 The Contractor's employees required to enter such electrical spaces "authorised persons", with the names entered in the TFR Authorised Persons Register, after receiving approval from the TFR Electrical Officer, or they are accompanied by an authorised person who must supervise the placement of Danger Tags and Out-of-Service Tags, as well as Electrical Isolation Permit.
- 24.17.14 Electrical equipment supply cabling distribution boards, fixed lighting and portable appliances, extension leads, welding machines, compressors, pumps and hand portable tools are inspected on a monthly basis and also by the user daily before use.
- 24.17.15 Such monthly inspection(s) are to be performed by an appropriately qualified Electrician.
- 24.17.16 No person may do electrical installation work as an electrical contractor unless that person has been registered as an electrical contractor in terms of the Electrical Installation Regulations.
- 24.17.17 No person shall authorize, design, install or permit or require the installation of an electrical installation, other than in accordance with a health and safety standard provided that the components within an electrical installation shall comply with the standards and proof of compliance shall be identifiable on the components or certification shall be available from the supplier or manufacturer of the components.
- 24.17.18 Contractor shall provide further that items of an electrical installation not covered by such incorporated safety standard, and the conductors between the point of supply and the point of control, shall be installed in accordance with the by-laws or regulations of the supplier concerned.
- 24.17.19 A registered person shall exercise general control over all electrical installation work being carried out, and no person shall allow such work without such control: Provided that where the voltage exceeds 1kV, the installation shall be designed and supervised by a person deemed competent

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24.17.20 No supplier shall restrict the application of a health and safety standard when an electrical installation is installed, except where the distribution system of the supplier may be adversely affected by the application thereof.

## 24.18 Work in Confined Space

24.18.1 The Contractor shall ensure that a confined space is only entered by an employee or any other person only after the air therein has been tested and evaluated by a person who is competent to pronounce on the safety thereof, and who has certified in writing that the confined space is safe and will remain safe while any person is in the confined space, taking into account the nature and duration of the work to be performed therein.

24.18.2 the Contractor shall take steps to ensure that any confined space in which there exist or is likely to exist a hazardous gas, vapour, dust or fumes, or which has or likely to have, an oxygen content of less than 20 percent by volume, is entered by an employee or other person only when:

- (a) the confined space is purged and ventilated to provide a safe atmosphere therein and measures necessary to maintain a safe atmosphere therein have been taken;
- (b) the confined space is isolated from all pipes, ducts and other communicating openings by means of effective blanking other than the shutting or locking of a valve or a cock, or, if this is not practicable, only when all valves and cocks which are a potential source of danger have been locked and securely fastened by means of chains and padlocks.

24.18.3 The Contractor shall ensure that the provisions of General Safety Regulation 5 are complied with regard to work on confined space

24.18.4 The Contractor must take into consideration that a tunnel is defined as a confined space in terms of the General Safety Regulations and must ensure compliance to the above when working in tunnels.

## 24.19 Scaffolding

24.19.1 The Contractor must ensure that all scaffolding operations are carried out under the supervision of a competent person and that all erectors, team leaders and inspectors are competent to carry out their work.

24.19.2 The Contractor must ensure that scaffolding when used and erected, complies with the safety standards as per SANS 10085-1:2004 Please note that Scaffold also need to comply with CR 12 Temporary Works.

24.19.3 All scaffolding equipment to be inspected and proclaimed safe to use or rectified as to be safe to use after any inclement weather. Signage must be posted to indicate the status of the scaffolding.

## 24.20 COVID 19 Requirements

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- 24.20.1 The Contractor shall complete and submit to the TFR Contract Manager a declaration stating that the contractor is permitted to operate in terms of the provisions of the Disaster Management Act 2002 (Act No 57 of 2002) and Regulations, Transnet COVID-19 Guidelines and COVID-19 Occupational Health and Safety Measures in Workplaces, COVID-19 (C19 OHS), 2020 and have prepared a COVID-19 Workplace Readiness Plan and shall operate within the regulated permissions and restrictions of applicable lockdown level.
- 24.20.2 The Contractor must ensure that all its employees are trained on the health risks and hazards associated with COVID-19 and what precautionary measures they must follow for the protection of their health, including the proper use and maintenance of PPE. They are prepared and informed regarding updated rules, hygiene and behavioural practices, complete a "return to work interview" with their line manager and sign commitment to maintain social distancing.
- 24.20.3 The Contractor shall ensure that every employee reporting for duty is screened to ascertain whether they have any observable symptoms associated with COVID-19 and require such employee to immediately inform the contractor if he/Health and Safety experiences such symptoms
- 24.20.4 Non-essential physical work that requires close contact between workers should be avoided where it is possible to do so.
- 24.20.5 Where it is practicable, every employee must be issued with own tool for use for the duration of the shift. Tools and equipment in stores should be sanitised before issued and on return to the stores.
- 24.20.6 Washing hands facilities must be provided on site, and where it is not available, employees should be provided with hand sanitisers. Employees should be encouraged to regularly wash their hands.
- 24.20.7 Alcohol testing on site should be managed in such a way that no employee is exposed to the virus and contractors must promote personal hygiene. Breathalyzer equipped with disposable mouthpieces shall be used and shall be cleaned and/or disinfected after every use.
- 24.20.8 All non-essential visitors to site are not allowed, only suppliers are allowed. Suppliers must be advised in advance of the COVID-19 site screening tests and required COVID-19 PPE requirements for the site.
- 24.20.9 Where site meetings are held, only absolutely necessary meeting participants should attend. Social distancing should be maintained.
- 24.20.10 The Contractor shall when transporting his employees to TFR premises comply with the regulations which outlines that 70% of the vehicle capacity can be utilised.
- 24.20.11 The Contractor shall inform the TFR Contract Manager when any of its employees working on TFR premises has been diagnosed with COVID-19. The contractor shall investigate the cause and control failure and review its risk assessment to ensure that the necessary controls and PPE requirements are in place.

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## **25. Confidentiality**

- 25.1 The Contractor must, at all times, consider all data or information given to him or that is required in connection with the work of the Company, as confidential and not makes unauthorized use of it.
- 25.2 He/she must ensure that such data or information is not given to any non-employee of the contractor without written consent of the TFR Contract Manager.
- 25.3 The Contractor shall be aware of the confidentiality of the mentioned information and is compelled to treat it accordingly.
- 25.4 The contractor must provide adequate physical protection for any confidential documents, etc, which were obtained from Transnet in connection with the contract work as well as any copies made thereof. If any documents or sketches are lost TFR must be notified immediately.

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## ANNEXURE 1

### CONTRACTOR MONTHLY SHE REPORT

<b>For Month/Year</b>		<b>Name of Contractor</b>		
<b>Name of Project</b>				
<b>Project Number</b>	<b>Date of Commencement</b>	<b>Date of Completion</b>		
<b>Number of employees</b>	<b>Man-hours worked this Month</b>	<b>Cumulative (Project duration man-hours)</b>	<b>Man-hours Since last Lost Time Incident (LTI)</b>	<b>DIFR</b>

#### 1. Details of SHE Incidents

<b>Incident</b>	<b>This Month</b>	<b>Cumulative(Project duration)</b>	<b>Short description of major/ significant incidents and preventative action taken</b>
<b>Number of fatalities</b>			
<b>Number of disabling incidents</b>			
<b>Number of Medical Treatment Cases</b>			
<b>Number of first aid Cases</b>			
<b>Number of near miss incidents</b>			
<b>Motor vehicle incidents</b>			
<b>Number of environmental incidents</b>			
<b>Positive substance abuse incidents</b>			
<b>Substandard Act/ Conditions observed</b>			
<b>Legal violations observed</b>			

#### 2. Details of SHE Meetings

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Date	No of participants	Major SHE Concerns	Action taken

### **3. Details of Audits/Inspections**

Date	Area / Facility	Findings/Recommendations	Action taken

### **5. Details of any SHE Promotional activities for the month**

Date	Activity	Remarks

### **6. Safety Communication**

Month	Number of Safety talks held	Remarks

Attach separate sheets for further or other details

.....  
Name of Contractor Representative

.....  
Signature

.....  
Date

Contractor Signature.....

Date.....