

## BID NUMBER: HO/SAD/112/11/2021

**REQUEST FOR PROPOSAL (RFP) FOR THE PLANNING, DESIGN, SUPPLY, CONSTRUCTION, INSTALLATION, TESTING, COMMISSIONING AND MAINTENANCE OF A NEW AND EXPANDED FULLY INTEGRATED, FUNCTIONAL, COMPLETE AND FUTURE-PROOFED NATIONAL GLOBAL SYSTEM FOR MOBILE COMMUNICATIONS-RAILWAY (“GSM-R”) REDUNDANCY NETWORK IN PRASA’S GAUTENG (“GP”), KWAZULU-NATAL (“KZN”) AND WESTERN CAPE (“WC”) SERVICE REGIONS (“THE PROJECT”)**

|                                       |   |
|---------------------------------------|---|
| <b>CLOSING DATE</b>                   | 31 March 2022   |
| <b>CLOSING TIME</b>                   | 12:00   |
| <b>BID DOCUMENTS DELIVERY ADDRESS</b> | PASSENGER RAIL AGENCY OF SOUTH AFRICA<br>UMJANTSHI HOUSE<br>30 WOLMARANS STREET<br>BRAAMFONTEIN<br>JOHANNESBURG |
| <b>BIDDER NAME</b>                    | .....   |
| <b>BID RETURN ADDRESS</b>             |   |

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

## Disclaimer

This document is provided solely for the purpose set out in this RFP and is not intended to form any part or basis of any investment decision by Bidders. The recipient should not consider the document as an investment recommendation by PRASA or any of its advisers.

Each person to whom this document (and other later documents) is made available must make his own independent assessment of the Project after making such investigation and taking such professional advice as he/she or it deems necessary. Neither the receipt of this document or any related document by any person, nor any information contained in the documents or distributed with them or previously or subsequently communicated to any Bidder or its advisers, is to be taken as constituting the giving of an investment advice by PRASA or its advisers.


Whilst reasonable care has been taken in preparing this RFP and other documents, they do not purport to be comprehensive or true and correct. Neither PRASA nor any of its advisers accept any liability or responsibility for the adequacy, accuracy or completeness of any of the information or opinions stated in any document.

They acquaint themselves with this RFP and take note that no representation or warranty, express or implied, is or will be given by PRASA, or any of its officers, employees, servants, agents or advisers with respect to the information or opinions contained in any document or on which any document is based. Any liability in respect of such representations or warranties, howsoever arising is hereby expressly disclaimed.

If any recipient, or its employees, advisers or agents make or offers to make any gift to any of the employees of PRASA or consultant to PRASA on the RFP either directly or through an intermediary then such recipient, Bidder will be disqualified forthwith from participating in the RFP.

Each recipient of this RFP agrees to keep confidential any information of a confidential nature which may be contained in the information provided (the "Confidential Information Provided"). The Confidential Information provided may be made available to Bidder's subcontractors, employees and professional advisers who are directly involved in the appraisal of such information (who must be made aware of the obligation of confidentiality) but shall not, either in the whole or in part, be copied, reproduced, distributed or otherwise made available to any other party in any circumstances without the prior written consent of PRASA, nor may it be used for any other purpose than that for which it is intended.

These requirements do not apply to any information, which is or becomes publicly available or is shown to have been made available (otherwise than through a breach of a confidentiality obligation). Bidders,

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

Key Contractors and their constituent members, agents and advisers, may be required to sign confidentiality Contracts/undertakings (in such form as PRASA may require from time to time).


All Confidential Information Provided (including all copies thereof) remains the property of PRASA and must be delivered to PRASA on demand. Further, by receiving this RFP each Bidder and each of its members agrees to maintain its submission in Bid to this RFP confidential from third parties other than PRASA and its officials, officers and advisers who are required to review the same for the purpose of procurement of the RFP.

Any recipient residing outside the Republic of South Africa is urged to familiarise themselves with and to observe any regulatory requirements relevant to the proposed transaction (whether these derive from a regulatory authority within or outside the Republic of South Africa).

Any requirement set out in this RFP regarding the content of a response to the RFP is stipulated for the sole benefit of PRASA, and serves as expressly stated to the contrary, may be waived at its discretion at any stage in the procurement process.

PRASA is not committed to any course of action as a result of its issuance of this RFP and/or its receipt of a Proposal in response to it. Please note that PRASA reserves the right to:

- Modify the RFP's goods / service(s) / works and request Respondents to re-bid on any changes;
- Withdraw, amend the RFP at any time without prior notice and liability to compensate or reimburse any respondent;
- Reject any Proposal which does not conform to instructions and specifications which are detailed herein
- Disqualify Proposals submitted after the stated submission deadline;
- Call a respondent to provide additional documents which PRASA may require which have not been submitted to PRASA.
- Not necessarily accept the lowest priced Proposal or alternative bid;
- Not accept any response to the RFP or appoint a final bidder;
- Reject all proposals if it so decides;
- Withdraw the RFP on good cause shown;
- Award a contract in connection with this Proposal at any time after the RFP's closing date;
- Award a contract for only a portion of the proposed goods/ service/s/ works which are reflected in the scope of this RFP;

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

- Split the award of the contract between more than one Service Provider, should it at PRASA's discretion be more advantageous in terms of, amongst others, cost or development considerations;
- Make no award at all;
- Validate any information submitted by Respondents in response to this bid. This would include, but is not limited to, requesting the Respondents to provide supporting evidence. By submitting a bid, Respondents hereby irrevocably grant the necessary consent to PRASA to do so;
- Request annual financial statements prepared and signed off by a professional accountant or other documentation for the purposes of a due diligence exercise; and/or
- Not accept any changes or purported changes by the Respondent to the bid rates after the closing date and/or after the award of the business, unless the contract specifically provided for it.

To adopt any proposal made by any bidder at any time and to include such proposal in any procurement document which may or may not be made available to other bidders.

All costs and expenses incurred by Bidders in submitting responses to this RFP shall be borne by the Bidders and PRASA shall not be liable for any costs or expenses whatsoever or any claim for reimbursement of such costs or expenses.

Should a contract be awarded on the strength of information furnished by the Respondent, which after conclusion of the contract, is proved to have been incorrect, PRASA reserves the right to cancel the contract and/or place the Respondent on PRASA's list of Restricted Suppliers.

PRASA reserves the right to negotiate market-related price with the bidder scoring the highest points or cancel the bid; if the bidder does not agree to a market related price, negotiate a market related price with the bidder scoring the second highest points or cancel the bid; if the bidder scoring the second highest points does not agree to a market related price, negotiate a market related price with the bidder scoring the third highest points or cancel the bid. If the market related price is not agreed as envisaged in this paragraph, PRASA will cancel the bid.

PRASA reserves the right to negotiations Best and Final Offer (BAFO) with selected Respondents where none of the Proposals meet RFP requirement, are affordable and demonstrate value for money and there is no clear preferred response to the RFP

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

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

## SCHEDULE OF BID DOCUMENTS

| SECTION NO  | PAGE                                 |
|---|--------------------------------------|
| <b>SECTION 1 : NOTICE TO BIDDERS .....</b>  |                                      |
| <b>1 <u>INVITATION TO BID</u> .....</b>   | <b>1ERROR! BOOKMARK NOT DEFINED.</b> |
| <b>2 <u>FORMAL BRIEFING</u> .....</b>   | <b>14</b>                            |
| <b>4 <u>PROPOSAL SUBMISSION</u> .....</b>   | <b>14</b>                            |
| <b>5 <u>DELIVERY INSTRUCTIONS FOR RFP</u> .....</b>   | <b>15</b>                            |
| <b>6 <u>BROAD-BASED BLACK ECONOMIC EMPOWERMENT AND SOCIO-ECONOMIC OBLIGATIONS</u> .....</b> | <b>15</b>                            |
| <b>7 <u>COMMUNICATION</u> .....</b>   | <b>18</b>                            |
| <b>8 <u>CONFIDENTIALITY</u> .....</b>   | <b>18</b>                            |
| <b>9 <u>INSTRUCTIONS FOR COMPLETING THE RFP</u> .....</b>                                   | <b>19</b>                            |
| <b>10 <u>RFP TIMETABLE</u> .....</b>  | <b>21</b>                            |
| <b>11 <u>LEGAL COMPLIANCE</u> .....</b>   | <b>22</b>                            |
| <b>12 <u>NATIONAL TREASURY'S CENTRAL SUPPLIER DATABASE</u> .....</b>                        | <b>22</b>                            |
| <b>13 <u>TAX COMPLIANCE</u> .....</b>   | <b>22</b>                            |
| <b>14 <u>PROTECTION OF PERSONAL DATA</u> .....</b>  | <b>23</b>                            |
| <b><u>SECTION 2 : BACKGROUND, OVERVIEW AND SCOPE OF REQUIREMENTS</u> .....</b>              |                                      |
| <b>1 <u>INTRODUCTION AND BACKGROUND</u> .....</b>   | <b>24</b>                            |
| <b>2 <u>OVERVIEW</u> .....</b>  | <b>24</b>                            |
| <b>3 <u>KEY OBJECTIVES OF THE RFP</u> .....</b>   | <b>25</b>                            |
| <b>4 <u>SCOPE OF WORK</u> .....</b>   | <b>25</b>                            |
| <b>5 <u>EVALUATION METHODOLOGY</u> .....</b>  | <b>26</b>                            |
| <b>6 <u>POST TENDER NEGOTIATIONS (IF APPLICABLE)</u> .....</b>                              | <b>39</b>                            |
| <b>7 <u>BEST AND FINAL OFFER</u> .....</b>  | <b>39</b>                            |
| <b>8 <u>FINAL CONTRACT AWARD</u> .....</b>  | <b>39</b>                            |
| <b>9 <u>FAIRNESS AND TRANSPARENCY</u> .....</b>   | <b>39</b>                            |

|  |           |
|--|-----------|
| <b><u>SECTION 3 : PRICING AND DELIVERY SCHEDULE</u></b>                        | <b>40</b> |
| <b><u>1 PRICING</u></b>  | <b>40</b> |
| <b><u>2 DISCLOSURE OF PRICES QUOTED</u></b>                                    | <b>41</b> |
| <b><u>3 PERFROMANCE AND BID BONDS (WHERE APPLICABLE)</u></b>                   | <b>41</b> |
| <b><u>4 OWNERSHIP OF DESIGN</u></b>  | <b>41</b> |
| <b><u>5 SERVICE LEVELS</u></b>   | <b>41</b> |
| <b><u>6 TOTAL COST OF OWNERSHIP AND CONTINUOUS IMPROVEMENT INITIATIVES</u></b> | <b>42</b> |
| <b><u>7 FINANCIAL STABILITY</u></b>  | <b>43</b> |
| <b><u>8 VALIDITY OF RETURNABLE DOCUMENTS</u></b>                               | <b>44</b> |
| <b><u>9 CERTIFICATE OF ACQUAINTANCE WITH RFP TERMS AND CONDITIONS</u></b>      | <b>45</b> |
| <b><u>10. GENERAL CONDITIONS</u></b>   | <b>47</b> |
| <b><u>11 CONDITIONS OF TENDER</u></b>  | <b>52</b> |

## LIST OF APPENDICES

|   |               |
|---|---------------|
| <b>INVITATION TO BID PART A</b>   | <b>Form A</b> |
| <b>TERMS AND CONDITIONS FOR BIDDING PART B</b>  | <b>Form B</b> |
| <b>TENDER FORM (PRICING SCHEDULE)</b>   | <b>Form C</b> |
| <b>BRIEFING AND SITE INSPECTION ATTENDANCE</b>  | <b>Form D</b> |
| <b>STATEMENT OF WORK SUCCESSFULLY<br/>CARRIED OUT BY BIDDER</b>   | <b>Form E</b> |
| <b>SECURITY SCREENING FORM</b>  | <b>Form F</b> |
| <b>ACKNOWLEDGEMENT</b>  | <b>Form G</b> |
| <b>SBD 4    DECLARATION OF INTERESTS</b>  |               |
| <b>SBD 5    THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME</b>   |               |
| <b>SBD 6.1   PREFERENCE POINTS CLAIM FORM IN TERMS OF THE<br/>              PREFERENTIAL PROCUREMENT REGULATIONS 2017</b> |               |
| <b>SBD 6.2   DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND<br/>              CONTENT FOR DESIGNATED SECTORS</b>        |               |
| <b>SBD 8    DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES</b>  |               |
| <b>SBD 9    CERTIFICATE OF INDEPENDENT BID DETERMINATION</b>  |               |



## 1 LIST OF ANNEXURES

|   |                     |
|---|---------------------|
| Draft Contract  | Annexure 1          |
| RFP CLARIFICATION FORM  | Annexure 2          |
| Local Content Annexures<br>as well as guidance on the calculation of the<br>Local Content SATS 1286; 2011 addition 1) | Annexure C, D and E |

## 2 ACRONYMS

|       |  |
|-------|--|
| BBBEE | Broad Based-Black Economic Empowerment   |
| CIDB  | Construction Industries Development Board  |
| DTiC  | The Department of Trade and Industry and Competition                                   |
| PPPFA | Preferential Procurement Policy Framework Act 5 of 2000 (as amended from time to time) |
| PFMA  | Public Finance Management Act No.1 of 1999 (as amended from time to time)              |
| PRASA | Passenger Rail Agency of South Africa  |
| RFP   | Request for Proposal   |
| SANAS | South African National Accreditation System  |

### 3 INTERPRETATION

In this RFP, unless inconsistent with or otherwise indicated by the context –

- 3.1 headings have been inserted for convenience only and should not be taken into account in interpreting the RFP;
- 3.2 any reference to one gender shall include the other gender;
- 3.3 words in the singular shall include the plural and vice versa;
- 3.4 any reference to natural persons shall include legal persons and vice versa;
- 3.5 words defined in a specific clause have the same meaning in all other clauses of the RFP, unless the contrary is specifically indicated;
- 3.6 any reference to the RFP, schedule or appendix, shall be construed as including a reference to any RFP, schedule or appendix amending or substituting that RFP, schedule or appendix;
- 3.7 the schedules, appendices and Briefing Notes issued pursuant to this RFP, form an indivisible part of the RFP and together with further clarifying and amending information provided by PRASA, constitute the body of RFP documentation which must be complied with by Bidders;
- 3.8 in the event of any inconsistency between this RFP or other earlier information published with regard to the Project, the information in this RFP shall prevail; and
- 3.9 this RFP shall be governed by and applied in accordance with South African law.

## 4 DEFINITIONS

In this RFP and in any other project documents (as defined below) which so provides, the following words and expressions shall have the meaning assigned to them below and cognate expressions shall have a corresponding meaning, unless inconsistent with the context:

- 4.1 “Accounting Authority” means the Board of PRASA;
- 4.2 “Contract” means the Contract to be entered between PRASA and the successful Bidder for the provision of the *services* procured in this RFP.
- 4.3 “Bid” means the Bid to the RFP submitted by Bidders;
- 4.4 “Bidders Briefing Session” means the compulsory briefing session to be held at the offices of PRASA, in order to brief the Bidders about this tender;
- 4.5 “Black Enterprise” means an enterprise that is at least 51% beneficially owned by Black People and in which Black People have substantial Management Control. Such beneficial ownership may be held directly or through other Black Enterprises;
- 4.6 “Black Equity” means the voting equity held by Black People from time to time;
- 4.7 “Black People” means African, Coloured and Indian South African citizens, and “Black Person” means any such citizen ;
- 4.8 “Black Woman” means African, Coloured and Indian South Africa Female citizen;
- 4.9 “Briefing Note” means any correspondence to Bidders issued by the PRASA;
- 4.10 “Business Day” means any day except a Saturday, Sunday or public holiday in South Africa;
- 4.11 “Bidders” means individuals, organisations or consortia that have been submitted responses to the RFP in respect of the tender;
- 4.12 “CFR” means Commercial and Financial Requirements (including all related RFP Annexures and RFP Sub-Annexures) all of which form part of the Scope of Work, Technical Specifications, Conditions of Invitation, Instructions to Bidders, and all other PRASA Requirements;
- 4.13 “Consortium” means any group of persons or firms jointly submitting a Bid as Bid to this RFP and “Consortia” means more than one Consortium;
- 4.14 “Contractor” the successful Bidders who has signed a Contract with PRASA in terms of this RFP.
- 4.15 “Closing Date” means the closing date for submission of bids/ Proposals by Bidders which is **31 March 2022 at 12:00**
- 4.16 “GP” shall mean Gauteng
- 4.17 “GSM-R” shall mean Global System for Mobile Communications-Railway
- 4.18 “GTR” means General Technical Requirements (including all related RFP Annexures and RFP Sub-Annexures) all of which form part of the Scope of Work, Technical Specifications, Conditions of Invitation, Instructions to Bidders, and all other PRASA Requirements;

- 4.19 “KZN” shall mean KwaZulu-Natal
- 4.20 “MTR” means Main Technical References (including all related RFP Annexures and RFP Sub-Annexures) all of which form part of the Scope of Work, Technical Specifications, Conditions of Invitation, Instructions to Bidders, and all other PRASA Requirements;
- 4.21 “Project” means this National GSM-R RN Project whereby a SUITABLE SERVICE PROVIDER SHALL, AT THE DISCRETION OF PRASA, PLAN, DESIGN, SUPPLY, CONSTRUCT, INSTALL, TEST, COMMISSION AND MAINTAIN A NEW AND EXPANDED FULLY INTEGRATED, FUNCTIONAL, COMPLETE AND FUTURE-PROOFED NATIONAL GSM-R RN IN PRASA’S GP, KZN AND WC SERVICE REGIONS;
- 4.22 “PTR” means Particular Technical Requirements (including all related RFP Annexures and RFP Sub-Annexures) all of which form part of the Scope of Work, Technical Specifications, Conditions of Invitation, Instructions to Bidders, and all other PRASA Requirements;
- 4.23 “RFP” means the Request for Proposals issued by PRASA for this tender;
- 4.24 “RN” shall mean Redundancy Network
- 4.25 “Scope of Work / the Works” means the scope of work for this Project as detailed in the Technical Specifications of this RFP;
- 4.26 “Technical Specifications means the Scope of Work/the Works, the related Conditions of Invitation, related Instructions to Bidders, the CFR, the GTR, the MTR, the PTR, and all other PRASA Requirements; and
- 4.27 “WC” shall mean Western Cape.

## SECTION 1


### NOTICE TO BIDDERS

#### 1 INVITATION TO BID

You are hereby invited to submit a bid to meet the requirements of the Passenger Rail Agency of South Africa. Responses to this RFP [hereinafter referred to as a **Bid** or a **Proposal**] are requested from persons, companies, close corporations, or enterprises [hereinafter referred to as an **entity**, **Bidder**].

|                        |   |
|------------------------|---|
| <b>BID DESCRIPTION</b> | <b>THE PLANNING, DESIGN, SUPPLY, CONSTRUCTION, INSTALLATION, TESTING, COMMISSIONING AND MAINTENANCE OF A NEW AND EXPANDED FULLY INTEGRATED, FUNCTIONAL, COMPLETE AND FUTURE-PROOFED NATIONAL GLOBAL SYSTEM FOR MOBILE COMMUNICATIONS-RAILWAY (“GSM-</b> |
|------------------------|---|

|                                    |  |
|------------------------------------|--|
|                                    | <b>R”) REDUNDANCY NETWORK IN PRASA’S GAUTENG (“GP”), KWAZULU-NATAL (“KZN”) AND WESTERN CAPE (“WC”) SERVICE REGIONS (“THE PROJECT”)</b>   |
| <b>BID ADVERT</b>                  | This RFP may be downloaded directly from National Treasury’s e-Tender Publication Portal at <a href="http://www.etenders.gov.za">www.etenders.gov.za</a> free of charge. With effect from 08 November 2021   |
| <b>ISSUE DATE</b>                  | <b>08 November 2021</b>  |
| <b>COMPULSORY BRIEFING SESSION</b> | <p>30 November 2021 at the following address</p> <p>PRASA HOUSE<br/>1040 Burnett Street<br/>HATFIELD<br/>PRETORIA</p> <p>1st slot starts from 10:00-12:00</p> <p>2nd slot starts from 13:00-15:00</p> <p>Bidders to send an email confirming their attendance of briefing and the preferred time to: <a href="mailto:skubheka@prasa.com">skubheka@prasa.com</a> not later than the 29th of November 2021 @ 15:00.</p> <p>Only 2 (two) representatives per company will be allowed to attend the briefing session</p> |
| <b>CLOSING DATE</b>                | <p>31 March 2022</p> <p>Bidders must ensure that bids are delivered timeously to the correct address.</p> <p>As a general rule, if a bid is late or delivered to the incorrect address, it will not be accepted for consideration.</p>   |
| <b>VALIDITY PERIOD</b>             | <p><b>90 Business Days from Closing Date</b></p> <p>Bidders are to note that they may be requested to extend the validity period of their bid, at the same terms and conditions, if the internal evaluation process has not been finalised within the validity period.</p>   |
| <b>CLOSING DATE FOR QUESTIONS</b>  | 11 February 2022   |
| <b>CLOSING DATE FOR RESPONSES</b>  | 04 March 2022  |
| <b>CONTACT PERSON</b>              | <p>Siphiwe Kubheka<br/><a href="mailto:skubheka@prasa.com">skubheka@prasa.com</a></p>  |

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

Any additional information or clarification will be emailed to all Respondents, if necessary.

## 2 FORMAL BRIEFING

A compulsory pre-proposal RFP briefing will be held on the 30 November 2021 at the following address:

PRASA HOUSE  
1040 Burnett Street  
HATFIELD  
PRETORIA

## 3 BRIEFING SESSION MINUTES AND NOTES

- 3.1 PRASA will issue briefing session minutes or notes together with the response to the clarification questions within 7(seven) days from the date of the briefing session.
- 3.2 Clarifications will be issued to all Respondents to this RFP utilizing the contact details provided at receipt of the responses to the RFP documentation, after submission to the authorised representative.
- 3.3 Bidders / Respondents are requested to promptly confirm receipt of any clarifications sent to them.
- 3.4 Bidders / Respondents must ensure responses to the clarifications are received on or before the deadline date stated.

## 4 PROPOSAL SUBMISSION OF RFP RESPONSE

Proposal Responses must be submitted to PRASA in a sealed envelope addressed as follows:

The Secretariat / Tender Office

|                    |   |
|--------------------|---|
| RFP No:            | HO/SAD/112/11/2021 .....  |
| Description of Bid | THE PLANNING, DESIGN, SUPPLY, CONSTRUCTION, INSTALLATION, TESTING, COMMISSIONING AND MAINTENANCE OF A NEW AND EXPANDED FULLY INTEGRATED, FUNCTIONAL, COMPLETE AND FUTURE-PROOFED NATIONAL GLOBAL SYSTEM FOR MOBILE COMMUNICATIONS-RAILWAY ("GSM-R") REDUNDANCY NETWORK IN PRASA'S GAUTENG ("GP"), KWAZULU-NATAL ("KZN") AND WESTERN CAPE ("WC") SERVICE REGIONS ("THE PROJECT") |

|                        |                        |
|------------------------|------------------------|
| Closing date and time: | 31 March 2022 at 12:00 |
| Closing address        | Umjantshi House        |

30 Wolmaraans Street  
Braamfontein  
JOHANNESBURG  
0001

## 5 DELIVERY INSTRUCTION FOR RFP

### Delivery of Bid

The Bid envelopes must be deposited in the PRASA tender box which is located at the main entrance of the PRASA HOUSE and must be addressed as follows:

THE SECRETARIAT / TENDER OFFICE  
UMJANTSHI HOUSE  
30 WOLMARANS STREET  
BRAAMFONTEIN  
2017

## 6 BROAD-BASED BLACK ECONOMIC EMPOWERMENT AND SOCIO-ECONOMIC OBLIGATIONS


As explained in more detail in the attached SBD 6.1 (BBBEE Preference Points Claim Form) in and as prescribed in terms of the Preferential Procurement Policy Framework Act (PPPFA), Act 5 of 2000 and its Regulations, Respondents are to note that PRASA will award “preference points” to companies who provide valid proof of their B-BBEE status using either the latest version of the generic Codes of Good Practice or Sector Specific codes (if applicable).

**Note: Failure to submit valid and original (or a certified copy of) proof of the Respondent’s compliance with the B-BBEE requirements stipulated in this RFP (the B-BBEE Preference Points Claim Form) at the Closing Date of this RFP, will result in a score of zero being allocated for B-BBEE.**

### 6.1 B-BBEE Joint Ventures or Consortiums

Respondents who would wish to respond to this RFP as a Joint Venture [JV] or consortium with B-BBEE entities, must state their intention to do so in their RFP submission. Such Respondents must also submit a signed JV or consortium agreement between the parties clearly stating the percentage [%] split of business and the associated responsibilities of each party. If such a JV or consortium agreement is unavailable, the partners must submit confirmation in writing of their



|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

intention to enter into a JV or consortium agreement should they be awarded business by PRASA through this RFP process. This written confirmation must clearly indicate the percentage [%] split of business and the responsibilities of each party. In such cases, award of business will only take place once a signed copy of a JV or consortium agreement is submitted to PRASA.

Respondents are to note the requirements for B-BBEE compliance of JVs or consortiums as required by SBD 6.1 [the B-BBEE Preference Point Claim Form] and submit it together with proof of their B-BBEE Status as stipulated in the Claim Form in order to obtain preference points for their B-BBEE status.

**Note: Failure to submit a valid and original B-BBEE certificate for the JV or a certified copy thereof at the Closing Date of this RFP will result in a score of zero being allocated for B-BBEE.**


## 6.2 Subcontracting

As an organ of state, PRASA fully endorses Government's transformation and empowerment objectives and when contemplating subcontracting Respondents are requested to give preference to companies which are Black Owned, Black Women Owned, Black Youth Owned, owned by Black People with Disabilities, EMEs and QSEs including any companies designated as B-BBEE Facilitators<sup>1</sup>.

- a) An Exempted Micro Enterprise ("EME") or Qualifying Small Enterprises ("QSE")
- b) an EME or QSE which is at least 51% owned by black people;
- c) an EME or QSE which is at least 51% owned by black people who are youth;
- d) an EME or QSE which is at least 51% owned by black people who are women;
- e) an EME or QSE which is at least 51% owned by black people with disabilities;
- f) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
- g) a cooperative which is at least 51% owned by black people; or
- h) an EME or QSE which is at least 51% owned by black people who are military veterans.

More than one of the categories referred to in paragraphs (a) to (h)

<sup>1</sup> The Minister of the Department of Trade and Industry has the power to designate certain Organs of State or Public Entities as B-BBEE Facilitators. For example, the South African National Military Veterans' Association (SANMVA) has been designated as a B-BBEE Facilitator. As such they will be treated as having rights of ownership held 100% by Black People, 40% by Black Women and 20% by Black designated groups.

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

A bid that fails to meet this pre-qualifying criteria will be regarded as an unacceptable bid.

Respondents are required to select suppliers to subcontract to from a list that PRASA will make available listing all suppliers registered on the approved database of National Treasury for the required goods/services in respect of the applicable designated groups.

Respondents are required to submit proof of the subcontracting arrangement between themselves and the subcontractor. Proof of the subcontracting arrangement must include a subcontracting agreement.

Respondents are to note that it is their responsibility to select competent subcontractors that meet all requirements of the bid so that their bid is not jeopardised by the subcontractor when evaluated. Respondents are responsible for all due diligence on their subcontractors.

Respondent/s are discouraged from subcontracting with their subsidiary companies as this may be interpreted as subcontracting with themselves and / or using their subsidiaries for fronting. Where a Respondent intends to subcontract with their subsidiary this must be declared in their bid response.


The successful Respondent awarded the contract may only enter into a subcontracting arrangement with PRASA's prior approval. The contract will be concluded between the successful Respondent and PRASA, therefore, the successful Respondent and not the sub-contractor will be held liable for performance in terms of its contractual obligations.

In terms of SBD 6.1 of this RFP [the B-BBEE Preference Point Claim Form] Respondents are required to indicate the percentage of the contract that will be sub-contracted as well as the B-BBEE status of the sub-contractor/s.

## 7 COMMUNICATION

7.1 For specific queries relating to this RFP during the RFP process, bidders are required to adhere strictly to the communication structure requirements. An RFP Clarification Form should be submitted to [skubheka@prasa.com](mailto:skubheka@prasa.com) before 11 February 2022, substantially in the form set out in Annexure 2(Excel spreadsheet) hereto.

7.2 In the interest of fairness and transparency PRASA's response to such a query will be made available to the other Respondents who have attended a compulsory and a non-compulsory

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

briefing session. For this purpose PRASA will communicate with Respondents using the contact details provided at the compulsory and a non-compulsory briefing session.

7.3 After the closing date of the RFP, a Respondent may only communicate in writing with the Bid Secretariat, at telephone number 012-748-7086 email [skubheka@prasa.com](mailto:skubheka@prasa.com) on any matter relating to its RFP Proposal.

7.4 Respondents are to note that changes to its submission will not be considered after the closing date.

7.5 Respondents are warned that a response will be liable for disqualification should any attempt be made by a Respondent either directly or indirectly to canvass any officer(s) or employee of PRASA in respect of this RFP between the closing date and the date of the award of the business. Furthermore, Respondents found to be in collusion with one another will automatically be disqualified and restricted from doing business with PRASA in future.


## 8 CONFIDENTIALITY

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

8.2 Respondents must clearly indicate whether any information submitted or requested from PRASA is confidential or should be treated confidentially by PRASA. In the absence of any such clear indication in writing, PRASA shall deem the response to the RFP to have waived any right to confidentiality and treat such information as public in nature.

## 9 INSTRUCTIONS FOR COMPLETING THE RFP

9.1 All responses to the RFP must be submitted in two sealed envelopes/boxes; the first envelop/box shall have the technical, compliance and BBBEE response and the second envelop/box shall only have the financial response. Bidders must ensure that they do not indicate any financial information in the first envelop/box. PRASA may disqualify Bidders who fail to adhere to this requirement.

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

9.2 Bidders are required to package their response/Bid as follows to avoid disqualification:

**Volume 1 (Envelop 1/Package 1)**

- **Part A:** Compliance Response and B-BBEE Response
- **Part B:** Technical or Functional Response (response to scope of work)


**Volume 2 (Envelop 2/ Package 2)**

- **Part C:** Financial Proposal

**Volume 2** Has to be submitted in a separate sealed envelope. Bidders must make their pricing offer in envelop 2/package 2, no pricing and pricing related information should be included in the Volume 1 envelop 1.

- 9.3 Bidders must submit 1 original response, 1 copy and an electronic version which must be contained in CDs or Memory Cards clearly marked in the Bidders name.
- 9.4 Bidders must ensure that their response to the RFP is in accordance with the structure of this document.
- 9.5 Where Bidders are required to sign forms they are required to do so using a black ink pen.
- 9.6 Any documents forming part of the original responses to RFP but which are not original in nature, must be certified as a true copy by a Commissioner of Oaths.
- 9.7 Each response to RFP must be in English and submitted in A4 format, except other graphic illustrations, which may not exceed A3 format, unless the contrary is specifically allowed for in this RFP. Responses to RFP must be neatly and functionally bound, preferably according to their different sections.
- 9.8 The original responses to RFP must be signed by a person duly authorized by each consortium member and Subcontractor to sign on their behalf, which authorization must form part of the responses to RFP as proof of authorization. By signing the responses to RFP the signatory warrants that all information supplied by it in its responses to RFP is true and correct and that the responses to RFP and each party whom the responses to RFP signatory represents, considers themselves subject to and bound by the terms and conditions of this RFP.
- 9.9 The responses to RFP formulation must be clear and concise and follow a clear methodology which responses to RFP must explain upfront in a concise Executive Summary and follow throughout the responses to RFP.

- 9.10 Responses to RFP must provide sufficient information and detail in order to enable PRASA to evaluate the responses to RFP, but should not provide unnecessary detail which does not add value and detracts from the ability of PRASA to effectively evaluate and understand the responses to RFP. The use of numbered headings, bullet points, sections, appendices and schedules are encouraged.
- 9.11 Information submitted as part of a responses to RFP must as far as possible, be ordered according to the order of the required information requested by PRASA. All pages must be consecutively numbered.
- 9.12 Responses to RFP must ensure that each requirement contained in the RFP is succinctly addressed. Responses to RFP should as far as possible use the terms and definitions applied in this RFP and should clearly indicate its interpretation of any differing terminology applied.
- 9.13 Response to RFP documents are to be submitted to the address specified in paragraph 5 above, and Bidders must ensure that the original and copies (where applicable) are identical in all respects as PRASA will not accept any liability for having disqualified a bidder for failing to provide a mandatory returnable document.
- 9.14 Unless otherwise expressly stated, all Proposals furnished pursuant to this RFP shall be deemed to be offers. Any exceptions to this statement must be clearly and specifically indicated.
- 9.15 Any additional conditions must be embodied in an accompanying letter. Subject only to clause 16 [Alterations made by the Respondent to Bid Prices] of the General Bid Conditions, alterations, additions or deletions must not be made by the Respondent to the actual RFP documents.
- 9.16 Bidders are required to review the Contract. Bidders may further amend and or delete any part of the Draft Contract where they deem fit to do so. Where Bidders have amended and or deleted any part of the Contract, it must be clearly visible by using track changes and must ensure that the disc copy of their bid submission for the Draft Contract is in word version and not password protected. **It must be noted that the marked up Contract will form part of the evaluation.**

|  |  |
|--|--|
|  |  <b>prasa</b><br>PASSENGER RAIL AGENCY<br>OF SOUTH AFRICA |
|  |  |

## 10 RFP TIMETABLE

PRASA may at its sole discretion amend any of the milestone dates indicated in the table below. Bidders will be informed of any amendments to the timeline through the issue of the briefing notes.

| RFP PROCESS  | MILESTONE DATES    |
|--|--------------------|
| Bid issue date   | 08 November 2021   |
| Briefing Session for Bidders   | 30 November 2021   |
| Compulsory Site Visits in GP   | 11-13 January 2022 |
| Compulsory Site Visits in KZN  | 18-20 January 2022 |
| Compulsory Site Visits in WC   | 25-27 January 2022 |
| Closing date for Questions   | 11 February 2022   |
| Closing date for Responses   | 04 March 2022      |
| Closing Date for Submission of final Bid   | 31 March 2022      |
| Evaluation of Proposals (Bidders note that PRASA may call for Presentation of bidders offers at any stage of the evaluation process) | 29 June 2022       |
| Appointment of the successful Bidder   | 30 June 2022       |
| Contract Negotiations  | 31 July 2022       |
| PRASA may at its sole discretion amend any of the milestone dates indicated in the table above.                                      |                    |
| Signing of Contract  | 31 August 2022     |
| Contract Commencement  | 30 September 2022  |

## 11 LEGAL COMPLIANCE

Bidders must ensure that they comply with all the requirements of the RFP and if Bidders fail to submit any of the required documents, such Bids shall, at the sole discretion of PRASA, be disqualified the Bidder. PRASA reserves the right to call a Bidder to provide additional documents which PRASA may require from a Bidder which have not been submitted to PRASA.

Respondents must ensure that they comply with all the requirements of the RFP and if Bidders fail to submit any of the required documents, such Bids shall, at the sole discretion of PRASA, be disqualified.

The successful Bidder [hereinafter referred to as the **Service Provider**] shall be in full and complete compliance with any and all applicable laws and regulations.

## 12 NATIONAL TREASURY'S CENTRAL SUPPLIER DATABASE

Respondents are required to self-register on National Treasury's Central Supplier Database (CSD) which has been established to centrally administer supplier information for all organs of state and facilitate the verification of certain key supplier information. Only foreign suppliers with no local registered entity need not register on the CSD. The CSD can be accessed at <https://secure.csd.gov.za>. Respondents are required to provide the following to PRASA in order to enable it to verify information on the CSD:

**Supplier Number:** \_\_\_\_\_ **Unique registration reference number:** \_\_\_\_\_.

## 13 TAX COMPLIANCE

Respondents must be compliant when submitting a proposal to PRASA and remain compliant for the entire contract term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991).

It is a condition of this RFP that the tax matters of the successful bidder be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

The Tax Compliance status requirements are also applicable to foreign Respondents/ individuals who wish to submit bids.


Respondents are required to be registered on the Central Supplier Database (CSD) as indicated in paragraph 16 and the National Treasury shall verify the Respondent's tax compliance status through the Central Supplier Database (CSD).

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

**For this purpose, the attached SBD 1 marked Annexure..... must be completed and submitted as an essential returnable document by the closing date and time of the bid.**

New Tax Compliance Status (TCS) System

SARS has implemented a new Tax Compliance Status (TCS) system in terms of which a taxpayer is now able to authorise any 3rd party to verify its compliance status in one of two ways: either

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

through the use of an electronic access PIN, or through the use of a Tax Clearance Certificate obtained from the new TCS system.

Respondents are required to provide the following to PRASA in order to enable it to verify their tax compliance status:

**Tax Compliance Status (TCS) Pin:**\_\_\_\_\_.

## 14 PROTECTION OF PERSONAL DATA

In responding to this bid, PRASA acknowledges that it may obtain and have access to personal data of the Respondents. PRASA agrees that it shall only process the information disclosed by Respondents in their response to this bid for the purpose of evaluating and subsequent award of business and in accordance with any applicable law. Furthermore, PRASA will not otherwise modify, amend or alter any personal data submitted by Respondents or disclose or permit the disclosure of any personal data to any Third Party without the prior written consent from the Respondents. Similarly, PRASA requires Respondents to process any personal information disclosed by PRASA in the bidding process in the same manner.

## SECTION 2

### BACKGROUND OVERVIEW AND SCOPE REQUIREMENTS

#### 1 INTRODUCTION

Passenger Rail Agency of South Africa ("PRASA") has identified the need to appoint a service provider for the Planning, Design, Supply, Construction, Installation, Testing, Commissioning and Maintenance of a new and expanded fully integrated, functional, complete and future-proofed National Global System for Mobile Communications-Railway ("GSM-R") Redundancy Network In PRASA'S Gauteng ("GP"), Kwazulu-Natal ("KZN") and Western Cape ("WC") Service Regions ("The Project")

#### 2 OVERVIEW/BACKGROUND INFORMATION

- Status Quo:
- PRASA awarded a contract in 2013 to a local consortium to design and build a digital wireless communication system for commuter railways services. All GSM-R site installation where accepted and handed over to PRASA since 2014 to 2016. PRASA has been expected to take



responsibility in monitoring and maintaining all sites that have been handed over while awaiting the whole Network to be commissioned. PRASA hasn't managed to commission the complete GSM-R Network due to external faults, theft and vandalism experienced.

- The current extended contract of the local consortium has a maintenance service level agreement that does not cater for any external faults (fibre cables and power source) and vandalized sites. It is therefore highly recommended that the anticipated maintenance service level agreement includes external faults repairs and the refurbishment of vandalized sites.
- The digital radio Network implemented is based on GSM-R (Global System for Mobile Communications – Rail) Network throughout its operating tunnels with full radio coverage. The GSM-R system has been installed to be used for critical train operation voice and data communication medium
- The GSM-R core Network was built separately in three regions, i.e. GP, KZN and WC, with intentions to integrate the three regions after commissioning. The installed and commissioned GSM-R networks cover over 800km, with 159 radio base stations across the country
- The PRASA GSM-R Network is a critical system used for train movements to enhance railway operation efficiency in running trains safely and on time. The UIC (International Union of Railways) has projected the GSM-R lifespan to be maintainable until 2030 and the anticipation of RTMS to be manageable until 2050. The TCS application is a proven signalling critical system, which requires reliable, error free communication networks to guarantee point to point data messages.
- PRASA installed and commissioned GSM-R system with the following railway functionality to complement the train operations services:
  - Point-point, broadcast and group call voice services
  - General Packet Radio Service ("GPRS") enhancement
  - Emergency calls
  - Shunting mode
  - Link assurance signal
  - Caller Identification
  - Train Number Functionality
- The PRASA allocated GSM-R frequency pairs (876 – 880 MHz // 921 – 925 MHz) have very limited number of frequency channels (Bandwidth = 2\*4 MHz), resulting in limitations to multiple traffic that can be used in the GSM-R circuit switched data. The use of packet switched data (GPRS) increases communication throughput by using one channel for multiple users based on packet data communication networks.

- The current design of the PRASA GSM-R system is implemented in such a way that it can be upgraded to provide more capacity at a given Base Transmission Sites (BTS) site when required. The allocation of slots for the RTMS, voice communication or GPRS is flexible and can be configured dynamically as required along the railway line. The PRASA new trains supplied by Alstom - GIBELA are equipped with a TCS system, which is circuit switched based, upgradable to packet switched.
- GSM-R system's configuration is based on three independent networks provided in the three metropolitan areas of WC, KZN and GP
- Each PRASA region is treated as an island with independent GSM-R Radio BTS installed

| FIBRE OPTIC TRANSMISSION   |                                  | GAUTEN<br>G QTY | KZN<br>QTY | W. CAPE<br>QTY |
|--|----------------------------------|-----------------|------------|----------------|
| <b>OSN2500 – Core Site</b>   |                                  |                 |            |                |
| <ul style="list-style-type: none"> <li>• Installed in the Core Site connecting the BSC equipment</li> <li>• Used to aggregate all the BTS E1 services from the OSN550</li> </ul> |                                  | 1               | 1          | 1              |
| <b>OSN 2500 TOTAL E1 Physical Interface = 63, the following is used</b>  |                                  | 64              | 32         | 32             |
| <b>OSN 500 TOTAL E1 Physical Interface = 42, the following is used / site</b>  |                                  | 2               | 2          | 2              |
| <b>OSN550 – BTS Site</b>   | Total Capacity per sites = STM-4 | 40              | 28         | 28             |
|  | STM 4 = 252 Channels             |                 |            |                |
|  | 252 Channels = 622.080 Mbit/s    |                 |            |                |
|  | 1 Channel = VC – 12              |                 |            |                |
|  | VC - 12 = E1 (Used)              |                 |            |                |
| <b>Base Stations Controller - BSC (TRX Total = Capacity 256)</b>   |                                  | 96              | 64         | 64             |
| E1 over SDH - Transmission Connections between BSC - MSC   |                                  | 32              | 32         | 32             |
| E1 over SDH - Transmission Connections between BSC - BTS   |                                  | 40              | 30         | 30             |

- The BTS site scenarios are different based on location where power cabinet is either indoor type installed in telecoms equipment rooms or pole mounted installed 100m away from the tower as shown in Figure 2
- The radio coverage meets the minimum requirements imposed by EIRENE standard - 95 dBm
- The site environmental monitoring system uses Net-Eco solution to manage the site power and environmental system as shown in Figure 3. The advantage of this solution

is that it does not need additional transmission link and it uses the existing BSS transmission system

- The following fibre transmission Network has been deployed:
  - OSN 2500 with E1 over SDH technology deployed in the core site for aggregating services between various BTS sites and the BSC at the core site
  - The OSN 550 equipment is used at the access layer of the transmission Network and it is installed in the BTS radio sites
  - The BITS V3 clock source installed at the core site connecting to the OSN 2500 equipment for the GSM-R Transmission obtaining clocking and time information from the GPS satellite.
- The transmission Network Element Management (NMS) U2000 shown in Figure 7 is used to uniformly manage and maintain all SDH equipment on a workstation using a GUI interface.

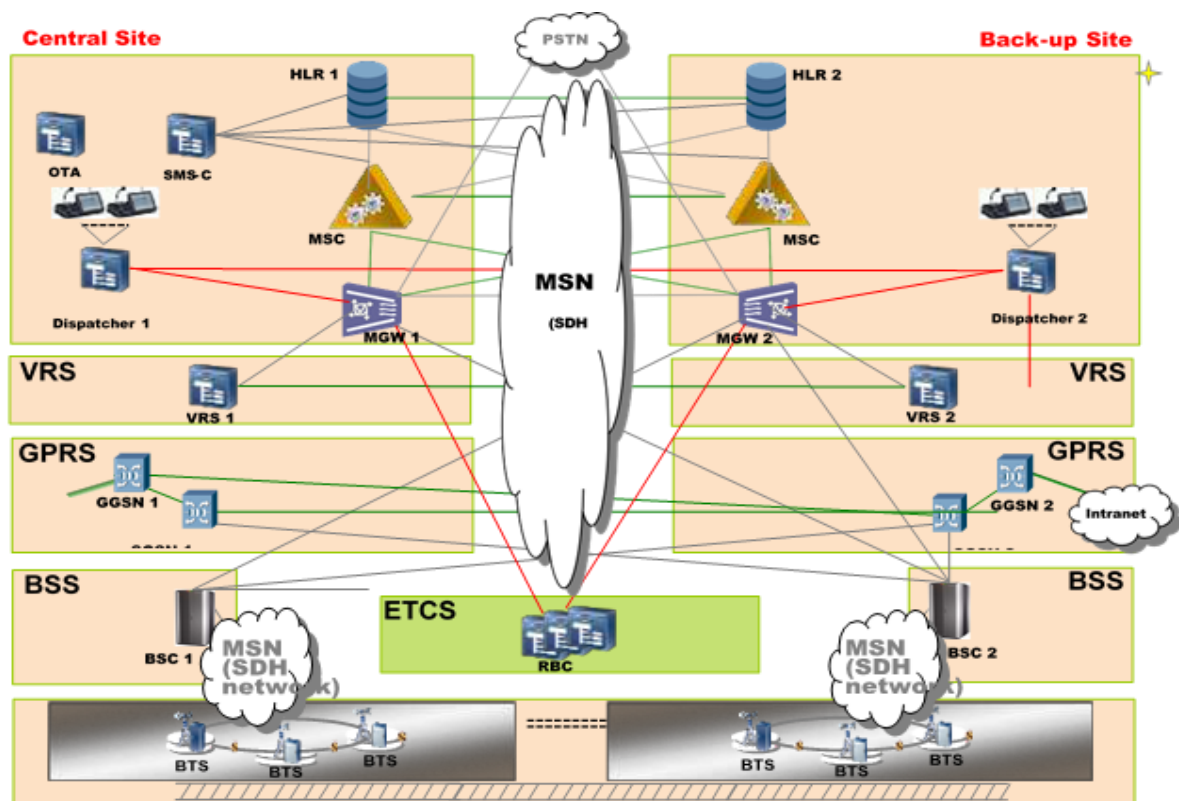


Figure 1: Basic Network architecture for PRASA

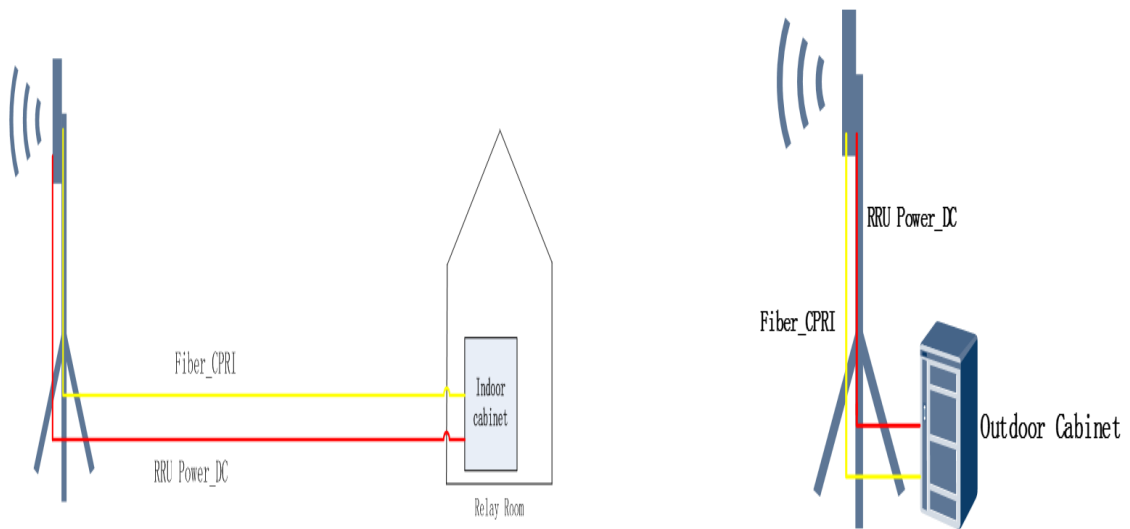


Figure 2: Indoor and Outdoor site scenario

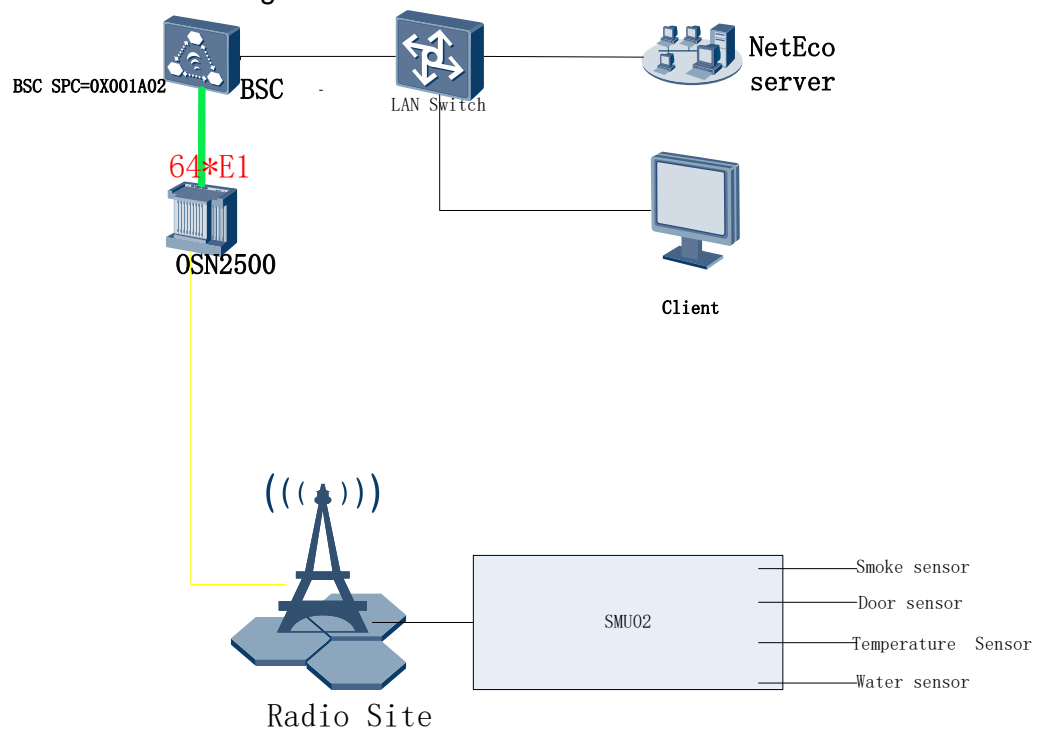


Figure 3: NetEco monitoring system topology



Figure 4: OSN 2500 Equipment



Figure 5: OptiX OSN 550



Figure 6: BITS V3





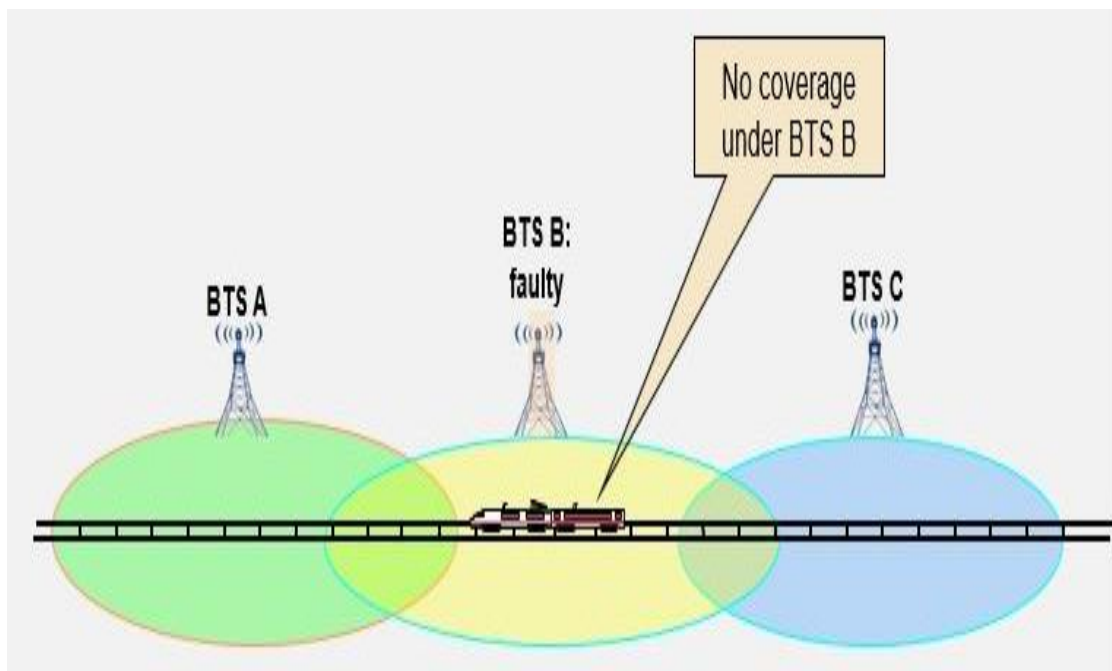


Figure 9: GSM-R Common Single Network

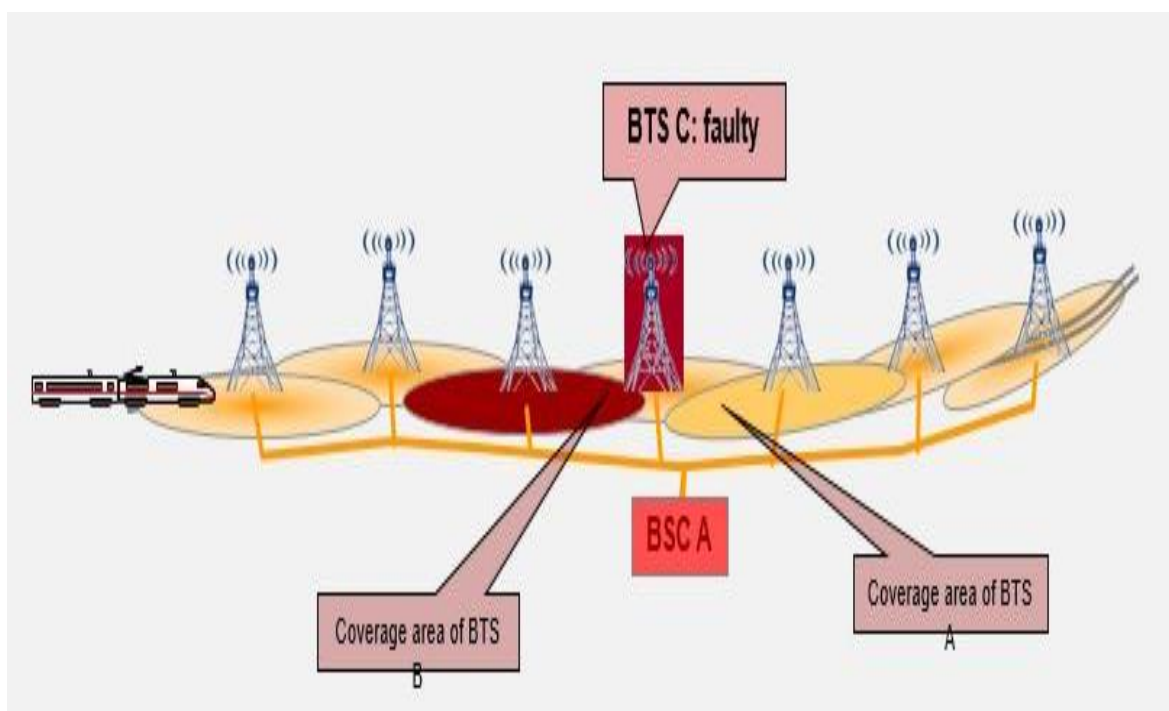


Figure 10: GSM-R Network - Overlapped Redundancy Coverage

| S2 BTS | Channel Number  |                 |                 |                 |                 |                 |                 |                 |
|--------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|        | 0               | 1               | 2               | 3               | 4               | 5               | 6               | 7               |
| TRX 1  | Cell<br>Control | Cell<br>Control | ETCS<br>Data    | ETCS<br>Data    | ETCS<br>Data    | ETCS<br>Data    | Mobile<br>Voice | Mobile<br>Voice |
| TRX 2  | Mobile<br>Voice | Mobile<br>Voice | Mobile<br>Voice | Mobile<br>Voice | Mobile<br>Voice | Mobile<br>Voice | Mobile<br>Voice | GPRS<br>Data    |

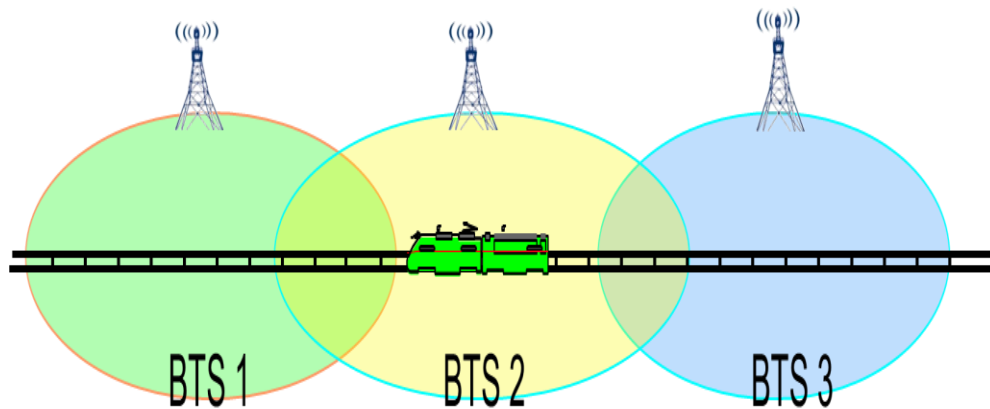


Figure 10: GSM-R Network – Current Capacity configuration

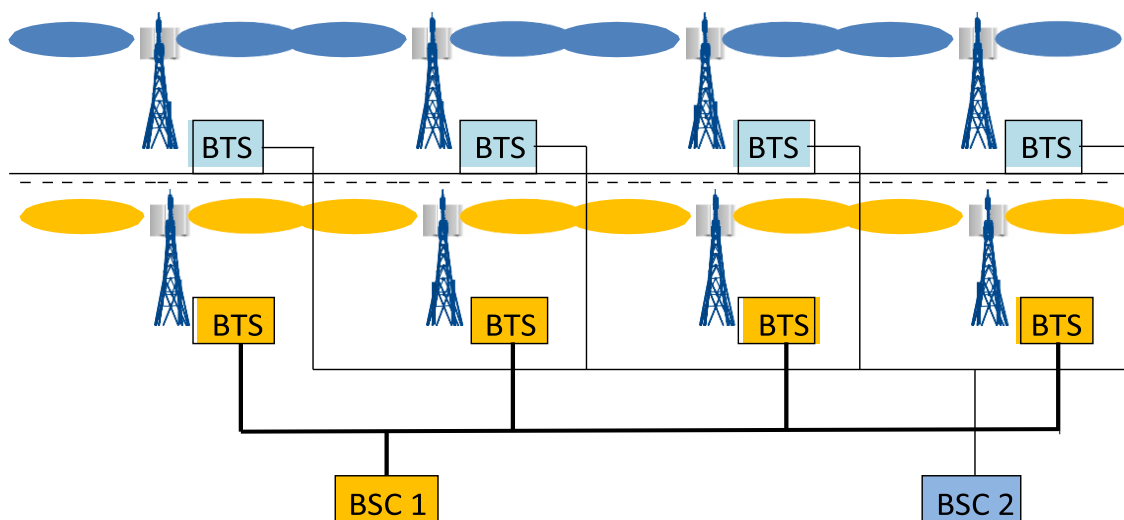


Figure 11: Co-located double coverage

- Problem statement:
  - The current PRASA GSM-R BTS site failures cause a loss of communication in an area of the Network due to power failures, fibre transmission, theft and vandalism



- The repair turnaround time between BTS sites is too long to guarantee service availability as shown in Figure 9: GSM-R Common Single Network scenario
- The current maintenance service level agreement does not cover re-instatement of vandalized sites, power supplies and transmission Network
- Only Gauteng has installed Packet Core data services, KZN and Western Cape still requires to be installed
- The GSM-R BTS equipment currently only provides a single port to the future RBCs (Radio Block Centres) which has no Redundancy to cope with single point of failure for compliance with safety regulation and TCS standards
- The current GSM-R coverage configurations can only accommodate up to four trains in a radio coverage Network
- The required train traffic capacity in big stations should accommodate more than four trains per radio coverage Network
- It should be noted that the SMS server was not installed as a requirement in the initial implementation.

### 3 KEY OBJECTIVES OF THE RFP

This RFP has been prepared for the following purposes:


- 3.1** to set out the rules of participation in the bid process referred to in this RFP.
- 3.2** to disseminate information on the project contemplated in this RFP.
- 3.3** to give guidance to bidders on the preparation of their RFP bids.
- 3.4** to gather information from bidders that is verifiable and can be evaluated for the purposes of appointing a successful bidder.
- 3.5** to enable PRASA to select a successful bidder that is:
  - a) technically qualified and meet the empowerment criteria described in this RFP;
  - b) Carry all the obligations of the Contract.

### 4 OBJECTIVE OF THE PROPOSED PROJECT:

- What is hoped to be achieved by carrying out the proposed project?
  - Establish GSM-R Network Redundancy to improve the GSM-R Network availability
  - Achieve Railway Safety Regulator's (RSR) compliance requirements
  - Improve GSM-R system reliability and flexibility by enhancing the core Network and Radio Access Network (create RAN)

- Establish adequate monitoring and preventative maintenance efficiencies
- Minimize theft and vandalism by improving GSM-R site security solutions
- How will the project benefit PRASA?
  - Increased train operation safety and through provision of a safe traffic system
  - Ensure reliable voice communications between train driver and train controller
  - Ensure compliance to ETCS Levels (L1-L3) radio Network requirements
  - Sustain GSM-R lifecycle cost through preventative maintenance
  - Keep abreast with the international railway technology standards for interoperability
  - Improved reliability, safety, security, availability, affordability and fluency of traffic of the Network thereby improving commuter confidence in service
  - Reduction in PRASA's vulnerability to theft and vandalism by potential removal of most lineside equipment on lines where only fully equipped trains can operate
  - The GSM-R Network Redundancy is required to ensure system availability to comply with the signalling system requirements for network availability of 99.9999%
  - The implementation of the Redundancy will supplement system availability in case of failures and ensure system compliance for the EIRENE specification to operate trains using ETCS Level 2
  - The GSM-R standards has been implemented in developed countries for interoperability to operate trains in between different countries or regions
  - PRASA can benefit from lessons learned in the countries already operating trains by using ETCS Level 2
  - Training and upskilling of local communities in world class technology and practices
  - Local economic development and improvement
  - Implementation of world-class leading technology that will create long-term efficiencies in operations and maintenance
  - Development and training of internal resources on world-class systems and operations thereby increasing internal skills capacity
  - PRASA's efforts will benefit the industry by:
    - Implementing world-class leading technology adapted to local requirements

- Development and training of local resources on world-class systems and operations thereby increasing local skills capacity
  - Job creation
  - Financial stimulus to localized small to medium businesses and communities
  - Exporting of knowledge and equipment to other countries especially in Africa
- PRASA's efforts has the potential to benefit the economy as follows by:
  - Economic prosperity improvement can be achieved through effective and efficient provision of safe, reliable, and high capacity mobility that promotes a more interconnected society
  - Decreased travel time and increased commuter mass can lead to significant growth in productivity thereby assist in alleviating poverty in our struggling economy by providing integrated access to workforces and markets
  - Meaningful capital injection of this magnitude will stimulate development of localised small to medium businesses and community involvement
- Disadvantages to PRASA and End Users If Not Continuing with the Project:
  - PRASA accidents to date can mostly be accredited to human error, speeding and passing signals at danger therefore not continuing with the Project will expose PRASA and commuters to these risks on an ongoing basis
  - An increase in verbal authorisations and increase in potential human errors leading to accidents therefore a potentially unsafe traffic system
  - May lead to cancellation of PRASA's operating licence due to non-compliance RSR safety requirements
  - Regressed headways and flexibility that will not meet PRASA operational requirements
  - Deteriorating levels of reliability and availability of the RSS with subsequent train delays
  - Introduction of abnormal working with the associated impact on safety levels (real possibility of RSR suspending license)
  - Negative effect on other projects dependant on this project (Modernisation Program, New Rolling Stock)
  - Copper theft problem will remain or increase
  - Certain aspects of new technology not aligned with the Train Working Rules (TWR), creating operational confusion and increasing the possibility of human error

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

- The RSR might suspend PRASA license due to elevated level of accidents caused by manual authorization
  - No improved maintenance and life cycle cost replacement management and operations
  - No training and upskilling of PRASA employees and local communities in world class technology and practices
  - No local economic development and improvement
  - No implementation of world-class leading technology that will create long-term efficiencies in operations and maintenance
  - Reduction in capacity and flexibility resulting in decreased revenue
  - No development and training of internal resources on world-class systems and operations thereby increasing internal skills capacity
  - Potential benefits to the industry will not be realised
  - Potential benefits to the economy will not be realised
- Current mechanisms in place to address the problem:
    - Use of Transnet UHF radio Network and cell phones for voice communication.
    - Signalling Interlocking for train authorization, where signalling is not functional manual authorization is being implemented.
    - New trains equipped with TCS and GSM-R radio is currently disabled and operated with train protection deactivated.
    - Intervention contract used to restore vandalized sites.
    - Inadequate preventative maintenance has been done since the acceptance (2014)

## 5 SCOPE OF WORKS AND AREAS OF FOCUS

- The Bidder will uncompromisingly deliver the whole of the Works required for the planning, design, supply, construction, installation, testing, commissioning and maintenance of a new and expanded fully integrated, functional, complete and future-proofed GSM-R Redundancy Network in PRASA's GP, KZN and WC service regions.
- The Works is, at a minimum, summarised as follows:

- Establish a redundant GSM-R Network in each of the three regions.
- Establish a radio solution that fulfils the full overlapping requirement.
- Provision of all required solutions (to be approved by PRASA) and resources (to be approved by PRASA) to deliver and maintain the Works.
- Any other works, activities and resources required to achieve a fully integrated, functional, complete, reliable, available, maintained and secure future-proofed GSM-R Network and meet any other requirements and specifications as requested throughout the RFP or as otherwise instructed in writing by PRASA.
- In addition, PRASA minimum Requirements, Conditions of Invitation and Instructions to Bidders are included in the main RFP document and are, at a minimum, comprised of the following sets of Annexures that will be read in conjunction with the main RFP and each other:
  - The attached General Technical Requirements (“GTR”), which defines overarching requirements, needs, expectations and outputs of the Project which the Bidder will meet and achieve
  - The attached Particular Technical Requirements (“PTR”), which defines specific requirements, needs, expectations and outputs of the Project which the Bidder will meet and achieve
  - The attached Commercial and Financial Requirements (“CFR”), which defines specific requirements needs, expectations and outputs of the Project which the Bidder will meet and achieve

## 6 SPECIFICATIONS OF THE WORK OR PRODUCTS OR SERVICES REQUIRED

- Technical capabilities, constraints, and other specific performance required of the work or product or services to accomplish:
  - All minimum Requirements, Conditions of Invitation, Instructions to Bidders and Specifications are comprised of the following sets of documents that shall be read in conjunction with each other:
    - The attached main RFP
    - The attached main RFP GTR Annexure file named “20210608-National GSM-R Redundancy Network D&C-Annexure1 GTR-(FinalMarket)” and all Sub-annexures which define overarching requirements, needs, expectations and outputs of the Project which the Bidder will meet and achieve
    - The attached main RFP PTR Annexure file named “20210608-National GSM-R Redundancy Network D&C-Annexure2 PTR-(FinalMarket)” and all Sub-annexures which define overarching requirements, needs, expectations and outputs of the Project which the Bidder will meet and achieve

- The attached main RFP CFR Annexure file named “20210608-National GSM-R Redundancy Network D&C-Annexure3 CFR-(FinalMarket)” and all Sub-annexures which define overarching requirements, needs, expectations and outputs of the Project which the Bidder will meet and achieve
- Additional Personnel Professional Registrations Compliance Requirements, to PRASA main RFP standard write-up, as included under document file named “20210608-National GSM-R Redundancy Network D&C-Annexure3 CFR-(FinalMarket)”:
- All personnel deployed on this Project, by the Bidder (including, but not limited to, personnel deployed by; the main Bidder, joint venture partners and/or consortium members and/or subcontractors and/or direct contractors and/or similar), shall be appropriately skilled and experienced (list to be attached for the main functions: Project Manager, Commercial Manager, Controls Manager, Quantity Surveyor, Project Scheduler, Document Controller, Designers, Checkers, Testers, etc.) and shall have the requisite mandatory and professional; qualifications, certifications and registrations as required by all applicable legislation, regulations, bylaws and industry best practice. This is an absolute requirement at the time of bidding and validity of such qualifications, certifications and registrations shall be maintained, on an uninterrupted basis, for the entire duration of the Contract.

Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder)

- PRASA may, solely at PRASA’s discretion and without consequence or liability to PRASA, instruct the Bidder to remove any of the Bidder’s personnel deployed throughout the duration of the Contract for any reason deemed appropriate by PRASA. The Bidder shall immediately comply with this instruction and appoint suitable replacement personnel within 60 calendar days of receiving such an instruction for which such replacement personnel shall first be approved in writing by PRASA.

Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder)

- Additional Company Professional Registrations Compliance Requirements, to PRASA main RFP standard write-up, as included under document file named “20210608-National GSM-R Redundancy Network D&C-Annexure3 CFR-(FinalMarket)”:

- All companies deployed on this Project, by the Bidder (including, but not limited to; the main Bidder, joint venture partners and/or consortium members and/or subcontractors and/or direct contractors and/or similar), shall be appropriately skilled and experienced and shall have the requisite mandatory and professional; qualifications, certifications and registrations as required by all applicable legislation, regulations, bylaws and industry best practice. This is an absolute requirement at the time of bidding and validity of such qualifications, certifications and registrations shall be maintained, on an uninterrupted basis, for the entire duration of the Contract.

Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder)


- PRASA may, solely at PRASA’s discretion and without consequence or liability to PRASA, instruct the Bidder to remove any of the Bidder’s companies deployed throughout the duration of the Contract for any reason deemed appropriate by PRASA. The Bidder shall immediately comply with this instruction and appoint suitable replacement companies within 60 calendar days of receiving such an instruction for which such replacement companies shall first be approved in writing by PRASA.

Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder)

- Additional Tax Compliance Requirements, to PRASA main RFP standard write-up, as included under document file named “20210608-National GSM-R Redundancy Network D&C-Annexure3 CFR-(FinalMarket)”:

- Joint Ventures and Consortium Bidders are eligible to submit Bids provided that:
  - Every member of the joint venture/consortium has a valid Tax Pin issued by SARS.
- Joint Ventures and Consortium Bidders are eligible to get paid provided that:



|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

- A joint venture/consortium VAT number is provided prior to the issuance of the Bidder's first invoice or if agreed to in writing by PRASA then at the latest prior to issuance of the Bidder's fourth invoice

- The Bidder, shall on an uninterrupted basis, maintain, compliant Tax Clearance, a was submitted as part of the Bidder's Bid, for the duration of the Contract. The Bidder shall further provide any proof and supporting documents of compliant Tax Clearance immediately upon receipt of a request from PRASA for the Bidder to do so.

Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder)

- The Bidder shall, on an uninterrupted basis, comply with all South African and International Tax laws, regulations and compliance requirements stated throughout the RFP. The Bidder shall further provide any proof and unredacted supporting documents proving compliance as specified throughout the RFP or immediately upon receipt of a request from PRASA for the Bidder to do so.

Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder)

- Additional B-BBEE Compliance Requirements, to PRASA main RFP standard write-up, as included under document file named "20210608-National GSM-R Redundancy Network D&C-Annexure3 CFR-(FinalMarket)":

- The Bidder, shall on an uninterrupted basis, maintain, the B-BBEE Certification level, that was submitted as part of the Bidder's Bid, for the duration of the Contract. The Bidder shall further provide any proof and supporting documents of the B-BBEE certification level immediately upon receipt of a request from PRASA for the Bidder to do so.

Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder)



- The Bidder shall, on an uninterrupted basis, comply with all B-BBEE laws, regulations and compliance requirements stated throughout the RFP. The Bidder shall further provide any proof and unredacted supporting documents proving compliance as specified throughout the RFP or immediately upon receipt of a request from PRASA for the Bidder to do so.

Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder)

- Additional CSD Compliance Requirements, to PRASA main RFP standard write-up, as included under document file named “20210608-National GSM-R Redundancy Network D&C-Annexure3 CFR-(FinalMarket)”:

- The Bidder shall, on an uninterrupted basis, maintain a compliant “CSD” registration, as was submitted as part of the Bidder’s Bid, for the duration of the Contract. The Bidder shall further provide any proof and supporting documents of compliant “CSD” registration immediately upon receipt of a request from PRASA for the Bidder to do so.


Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder)

- Additional CIDB Compliance Requirements, to PRASA main RFP standard write-up, as included under document file named “20210608-National GSM-R Redundancy Network D&C-Annexure3 CFR-(FinalMarket)”:

- Bidders are advised that it is in their own interest, to obtain their own copies of the following acts, regulations and standards referred to in this document, together with any gazetted amendments thereto, as they are essential for the Bidder getting acquainted with the basics of Construction and management requirements:

- The Construction Industry Development Board (“CIDB”) Act No. 38 of 2000 and the regulations in terms of the CIDB Act 38 of 2000, Government Notice No. 692 of 9 June 2004, as amended

- Only those Bidders who are registered with the CIDB, in a Bidder grading Designation equal to or higher than a Bidder grading Designation of 9EP, are eligible to have their tenders evaluated. Individual bidding entities shall therefore

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

at the time of bidding have, and provide proof of, a valid Bidder grading Designation of 9EP as issued by the CIDB. Joint ventures and consortiums are eligible to submit tenders provided that:

- Every member of the joint venture/consortium has a valid registration with the CIDB as applicable and the lead joint venture partner/consortium member shall therefore at the time of bidding have, and provide proof of, a valid Bidder grading Designation of 9EP as issued by the CIDB
- The combined Bidder grading Designation calculated in accordance with the Construction Industry Development laws and regulations is equal to or higher than a Bidder grading Designation determined in accordance with the sum bidden for a 9EP class of Construction work determined in accordance with Regulation 25 (1B) or 25 (7A) of the Construction Industry Development laws and regulations
- The Bidder shall, on an uninterrupted basis, maintain the Bidder's CIDB grading Designation, that was submitted as part of the Bidder's Bid, and ensure that all the Bidder's sub-contractors each have their requisite CIDB grading for their respective value of Works to be delivered, for the duration of the Contract. The Bidder shall further provide any proof and supporting documents of the CIDB grading Designation immediately upon receipt of a request from PRASA for the Bidder to do so.


Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder)

## 7 EVALUATION METHODOLOGY

The evaluation of Bids will be based on the information contained in Bids received in RFP and, which may be further supplemented by presentations and clarification information provided, if required. All Bids shall be equally evaluated by various committees involved in the evaluation process in accordance with stated Evaluation Criteria. Procurement integrity and fairness, transparency, competitiveness and full accountability will at all times be paramount.

### 7.1 EVALUATION AND SCORING METHODOLOGY

The evaluation of the Bids by the evaluation committees will be conducted at various levels. The following levels will be applied in the evaluation:

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

| LEVEL                            | DESCRIPTION   |
|----------------------------------|---|
| Verify completeness              | The Bid is checked for completeness and whether all required documentation, certificates; verify completeness warranties and other Bid requirements and formalities have been complied with. Incomplete Bids will be disqualified.  |
| Verify compliance                | The Bids are checked to verify that the essential RFP requirements have been met. Non-compliant Bids will be disqualified.  |
| Detailed Evaluation of Technical | Detailed analysis of Bids to determine whether the Bidder is capable of delivering the Project in terms of business and technical requirements.<br><b>The minimum threshold for technical evaluation is [80%], any bidder who fails to meet the minimum requirement will be disqualified and not proceed with the evaluation of Price and B-BBEE.</b> |
| B-BBEE                           | Evaluate B-BBEE   |
| Price Evaluation                 | Bidders will be evaluated on price offered.   |
| Scoring                          | Scoring of Bids using the Evaluation Criteria.  |
| Recommendation                   | Report formulation and recommendation of Preferred and Reserved Bidders   |
| Best and Final Offer             | PRASA may go into the Best and Final Offer process in the instance where no bid meets the requirements of the RFP and/or the Bids are to close in terms of points awarded.  |
| Approval                         | Approval and notification of the final Bidder.  |


## 7.2 EVALUATION CRITERIA

Interested bidders for this project shall be evaluated in terms of their business credentials, financial standing, empowerment, technical capacity and experience. The evaluation committee shall use the following Evaluation Criteria depicted in Table 1 for the selection of the preferred bidder that shall execute construction work for the project.

Details of the stages outlined in table 1 above are presented in the following sections.

**TABLE 1 Summary of the evaluation stages**

| EVALUATION CRITERIA | WEIGHTING               |
|---------------------|-------------------------|
| Stage 1             | Mandatory Compliance    |
| Compliance          | Basic Compliance        |
| Stage 2             | Technical/Functionality |

|  |  |
|--|--|
|  | <br>prasa<br>PASSENGER RAIL AGENCY<br>OF SOUTH AFRICA |
|  |  |

| EVALUATION CRITERIA                  | WEIGHTING        |
|--------------------------------------|------------------|
| Technical/Functionality Requirements | Threshold of 80% |
| Stage 3                              | Price and B-BBEE |
| Price                                | 90               |
| B-BBEE                               | 10               |
| TOTAL                                | 100              |


## 8 STAGE 1: COMPLIANCE REQUIREMENTS

### 6.1 Stage 1A – Mandatory Compliance Requirements

Bidders that do not submit the following documents will have their Bids automatically disqualified:

| NO. | DESCRIPTION OF REQUIREMENT   | TICK |
|-----|--|------|
| a)  | Completion of all RFP documentation (includes all Returnable Documents, Declarations and Commissioner of Oath signatures required) - refer to all PRASA tender returnable forms. |      |
| b)  | Compulsory briefing and site inspection attendance- Form D   |      |
| c)  | Signed Joint Venture, Consortium Agreement or Partnering Agreement (whichever is applicable)   |      |
| d)  | CIDB Certificate(s) as stipulated 9EP  |      |
| e)  | All Declaration documents for Local Content and Production: SBD 6.2, Annexure C, Annexure D and Annexure E<br><br><b>These documents must be in a separate envelope.</b>         |      |

| NO. | DESCRIPTION OF REQUIREMENT   | TICK |
|-----|--|------|
| f)  | <p>The Preferential Procurement Regulations, issued by the Minister of Finance in 2017, were revised to align with certain changes to the Broad-Based Black Economic Empowerment (B-BBEE) legislation. They encourage procurement from Small Enterprises, particularly through subcontracting if a tender is set above the R30 million threshold.</p> <p>In compliance with the Preferential Procurement Regulation requirement of subcontracting the minimum of 30% of the value of the contract, PRASA requires a Memorandum/da Of Understanding from the Bidders to reflect the names of companies that it intends subcontracting to, the nature of the works to be subcontracted and contract % that will be subcontracted to the respective companies and the terms and conditions of the relationship between the Bidder and subcontracting companies."</p> <p><b>Bidders are to search for subcontractors from CSD under reference number:</b></p> <p>Bidder to note that the above mentioned CSD list is not exhaustive. In case where a qualifying subcontractor is not appearing on the provided list on CSD, a bidder can subcontract any company provided that company it intends subcontracting is registered on CSD, is providing the services required in this RFP and falls within the following categories:</p> <ul style="list-style-type: none"> <li>a) An Exempted Micro Enterprise ("EME") or Qualifying Small Enterprises ("QSE")</li> <li>b) An EME or QSE which is at least 51% Black owned</li> <li>c) An EME or QSE which is at least 51% owned by black youth (from ages 14 to 35)</li> <li>d) An EME or QSE which is at least 51% owned by black people who are women</li> <li>e) An EME or QSE which is at least 51% owned by black people with disabilities</li> <li>f) An EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships</li> <li>g) A cooperative which is at least 51% owned by black people</li> <li>h) An EME or QSE which is at least 51% owned by black people who are military veterans</li> </ul> <p>More than one of the categories referred to in paragraphs (a) to (h)</p> |      |
| g)  | Bid Bond/Security of R20,000,000.00 (Twenty Million Rand)  |      |


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

| NO.       | DESCRIPTION OF REQUIREMENT  | TICK |
|-----------|---|------|
| h)        | Performance Bond/Security of 10% of the Total Bid Price/Initial Contract Price.   |      |
| i)        | Personnel Professional Registrations Certificates (certified copies not older than 3 months from Bid/Tender submission date)- (Refer to GTR AND CFR)                                  |      |
| j)        | Company Professional Registrations Certificates (certified copies not older than 3 months from Bid/Tender submission date)- (Refer to GTR AND CFR)                                    |      |
| k)        | Bidder confirmation of unequivocal compliance with all PRASA Requirements, Conditions of Invitation, and Instructions to Bidders in a Statement of Compliance- (Refer to GTR AND CFR) |      |
| * TABLE 2 |   |      |

## 7.1 Stage 1B – Basic Compliance Requirements

If you do not submit the following basic compliance documents and should an award be made, these basic compliance documents must be made available within a specified time.

| NO.       | DESCRIPTION OF REQUIREMENT  | TICK |
|-----------|---|------|
| a)        | Letter of Good Standing: COID   |      |
| b)        | Company Registration documents  |      |
| c)        | Copies of Bidder Company(s) Directors' ID documents   |      |
| d)        | CSD Supplier Registration Number  |      |
| e)        | Valid BBBEE Certificate from a SANAS accredited rating agency (Original or Certified) or affidavit signed by the Commissioner of Oath). Joint Venture BBBEE Certificate (if applicable)<br><br>Failure to submit valid and original (or a certified copy of) proof of the Respondent's compliance with the B-BBEE requirements stipulated in this RFP (the B-BBEE Preference Points Claim Form) at the Closing Date of this RFP, will result in a score of zero being allocated for B-BBEE. |      |
| f)        | A valid and Original Tax Clearance Certificate (valid as at the closing date of the RFP) or supply SARS Pin   |      |
| g)        | Copies of latest Bidder Company(s) Audited Financial Statements for last 3 years (which shall be signed by the Bidder Company(s) Public Officer and Auditors and which copies shall be certified not older than 3 months from Bid/Tender submission date)   |      |
| * TABLE 3 |   |      |

|  |   |
|--|---|
|  | <br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |   |

## 9 STAGE 2: TECHNICAL / FUNCTIONALITY REQUIREMENTS


Interested bidders shall then be evaluated on functionality after meeting all compliance requirements outlined above. The minimum threshold for technical/functionality requirements is 80% as per the standard Evaluation Criteria presented in Table 1 above. Bidders who score below this minimum requirement shall not be considered for further evaluation in stage 3.

Details of the technical / functional requirements are presented in Table 4 below.

| ITEM  | CRITERIA                       | WEIGHT     |
|---|--------------------------------|------------|
| <b>CATEGORY 1: PERFORMANCE ON GSM-R PROJECTS</b>    |                                |            |
| 1.1   | Magnitude of All Projects      | 15         |
| 1.2   | Mega GSM-R Projects experience | 15         |
| <b>CATEGORY 2: ENVIRONMENT INTERFACE MANAGEMENT</b> |                                |            |
| 2.1   | Anti-theft and vandalism       | 15         |
| <b>CATEGORY 3: PROJECT MANAGEMENT</b>               |                                |            |
| 3.1   | Project Programme/Schedule     | 15         |
| 3.2   | Project Resource Evaluation    | 10         |
| 3.3   | Financial Management Plan      | 15         |
| <b>CATEGORY 4: PROJECT MANAGEMENT</b>               |                                |            |
| 4.1   | Method Statement               | 15         |
| <b>TOTAL</b>  |                                | <b>100</b> |
| <b>* TABLE 4</b>                                    |                                |            |

### 7.1 FUNCTIONAL/TECHNICAL EVALUATION CRITERIA

Details of the scoring methodology presented above are outlined in Table 4 below.

|  |   |
|--|---|
|  | <br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |   |

| CRITERIA  | WEIGHT | SCORING CRITERIA  |
|---|--------|---|
| <b>CATEGORY 1: PERFORMANCE ON GSM-R PROJECTS</b>  |        |   |
| <p>Magnitude (Value) of all GSM-R Projects completed:</p> <ul style="list-style-type: none"> <li>The Bidder will provide a list of GSM-R projects or railway projects with a GSM-R scope completed in the last 15 years, with client contact information for each project (Only contactable projects will be considered).</li> <li>The tender value of the GSM-R scope of the project (in ZAR - calculated at an exchange rate of GBP1=ZAR19 / EUR1=ZAR17 / USD1=ZAR15) will be provided for verification.</li> <li>The Bidder will provide completion/handover certificates for each project as proof of completion.</li> <li>In the case of a joint venture or consortium, each member of the joint venture/consortium will provide an individual list and the highest value project from any member of the joint venture/consortium will be used for scoring.</li> </ul> | 15     | <ul style="list-style-type: none"> <li>5 = GSM-R scope <math>\geq</math> R1.5 billion</li> <li>4 = GSM-R scope <math>\geq</math> R1 billion &lt; R1.5 billion</li> <li>3 = GSM-R scope <math>\geq</math> R750 million &lt; R1 billion</li> <li>2 = GSM-R scope <math>\geq</math> R500 million &lt; R750 million</li> <li>1 = GSM-R scope <math>\geq</math> R250 million &lt; R500 million</li> <li>0 = GSM-R scope &lt; R250 million or no information submitted</li> </ul> |



|   |           |   |
|---|-----------|---|
| <p>GSM-R Projects experience:</p> <ul style="list-style-type: none"> <li>The Bidder will provide a list of GSM-R projects or railway projects with a GSM-R scope completed in the last 15 years, with client contact information for each project (Only contactable projects will be considered), which meets ALL the following criteria: <ul style="list-style-type: none"> <li>GSM-R scope tender value higher than or equal to R500 million.</li> <li>Less than 12 months total delay compared to tender project baseline.</li> <li>Less than 20% Variance at Completion based on the Earned Value Model utilised on each Project</li> </ul> </li> <li>The tender value of the GSM-R scope of the project (in ZAR - calculated at an exchange rate of GBP1=ZAR19 / EUR1=ZAR17 / USD1=ZAR15) will be provided for verification.</li> <li>In the case of a joint venture or consortium, each member of the joint venture/consortium will provide an individual list and the total number of projects, from all members of the joint venture/consortium, will be used for scoring.</li> </ul> | <p>15</p> | <ul style="list-style-type: none"> <li>5: &gt;4 projects completed meeting all the criteria</li> <li>4: 4 projects completed meeting all the criteria</li> <li>3: 3 projects completed meeting all the criteria</li> <li>2: 2 projects completed meeting all the criteria</li> <li>1: 1 project completed meeting all the criteria</li> <li>0: 0 projects completed meeting all the criteria or no information submitted</li> </ul> |
| <p><b>CATEGORY 2: ENVIRONMENT INTERFACE MANAGEMENT</b></p>  |           |   |
| <p>Anti-theft and vandalism measures:</p> <ul style="list-style-type: none"> <li>The Bidder will provide a concept anti-theft and vandalism design for the sample site provided, based on the solution offered by the Bidder, clearly indicating which GSM-R elements will be protected: <ul style="list-style-type: none"> <li>In line with the minimum requirements specified in the RFP; and/or</li> <li>In line with minimum requirements specified in the RFP and through additional measures proposed by the Bidder (Clearly indicating which is additional from the RFP).</li> </ul> </li> </ul> <p>See the following Annexures in the RFP for minimum requirements:</p> <ul style="list-style-type: none"> <li>Annexure 1.1: GTR GSM-R</li> </ul>   | <p>15</p> | <ul style="list-style-type: none"> <li>5 = Compliance and 4+ additional measures</li> <li>4 = Compliance and 3 additional measures</li> <li>3 = Compliance and 2 additional measures</li> <li>2 = Compliance and 1 additional measure</li> <li>1 = Complying to minimum requirements of RFP</li> <li>0 = Not complying to minimum requirements of RFP</li> </ul>  |
| <p><b>CATEGORY 3: PROJECT MANAGEMENT</b></p>  |           |   |

|  |            |   |
|--|------------|---|
| <p>Project Programme/Schedule:</p> <ul style="list-style-type: none"> <li>The Bidder will provide a detailed Bid Programme as stipulated, taking into consideration all stipulated and foreseen constraints and clearly showing the critical path in calendar days (shortest possible time to complete the project)</li> </ul>   | 15         | <ul style="list-style-type: none"> <li>5 = Critical Path &lt; 1100 days</li> <li>4 = Critical Path &lt; 1190 ≥ 1100 days</li> <li>3 = Critical Path &lt; 1280 ≥ 1190 days</li> <li>2 = Critical Path &lt; 1370 ≥ 1280 days</li> <li>1 = Critical Path &lt; 1460 ≥ 1370 days</li> <li>0 = Critical Path ≥ 1460 days or no program submitted</li> </ul>   |
| <p>Project Resource Evaluation:</p> <ul style="list-style-type: none"> <li>The Bidder will provide CVs and qualifications for all key staff as stipulated in the RFP</li> </ul> <p>See the following Annexures in the RFP for minimum requirements:</p> <ul style="list-style-type: none"> <li>Annexure 1: GTR</li> </ul>  | 10         | <ul style="list-style-type: none"> <li>5 = ≥ Compliance and &gt; 15 years additional accumulative years' experience</li> <li>4 = Compliance and &gt; 10 years ≤ 15 additional accumulative years' experience</li> <li>3 = Compliance and &gt; 5 years ≤ 10 additional accumulative years' experience</li> <li>2 = Compliance and &gt; 0 years ≤ 5 additional accumulative years' experience</li> <li>1 = Complying to minimum requirements of RFP</li> <li>0 = Not complying to minimum requirements of RFP</li> </ul>  |
| <p>Financial Management:</p> <ul style="list-style-type: none"> <li>The Bidder will provide a comprehensive and transparent Financial Management Plan detailing how all financial aspects of the Project will be managed and clearly indicating the proposed payment milestones.</li> <li>The Bidder will provide the required average payment (as a percentage) of the total cost of a site, to be made prior to handover of the station (Including cost for enabling works)</li> </ul> | 15         | <ul style="list-style-type: none"> <li>5 = Average total payment before handover ≤ 0%</li> <li>4 = Average total payment before handover &gt; 0% &lt; 10%</li> <li>3 = Average total payment before handover ≥ 10% &lt; 25%</li> <li>2 = Average total payment before handover ≥ 25% &lt; 50%</li> <li>1 = Average total payment before handover ≥ 50% &lt; 75%</li> <li>0 = ≥ 75% average total payment before handover of station or No information submitted</li> </ul>  |
| <b>CATEGORY 4: PROJECT ENGINEERING</b>   |            |   |
| <p>Method Statement:</p> <ul style="list-style-type: none"> <li>The Bidder will provide all stipulated method statements as per the RFP.</li> </ul> <p>See the following Annexures in the RFP for minimum requirements:</p> <ul style="list-style-type: none"> <li>Annexure 1: GTR</li> <li>Annexure 1.1: GTR GSM-R</li> </ul>   | 15         | <ul style="list-style-type: none"> <li>5 = method statement more than adequate (Method statement comply with standards and industry best practices, excellent risk mitigation)</li> <li>4 = adequate method statement (Method statement comply with standards and improve method of working, more than satisfactory risk mitigation)</li> <li>3 = reasonable method statement (Method statement comply with standards, satisfactory risk mitigation)</li> <li>2 = poor method statement (Method statements meets minimum requirements; Methods used high risk)</li> <li>1 = unsatisfactory method statement (Method statements meets minimum requirements; Methods used high risk and labour intensive)</li> <li>0 = Method statements does not comply with specifications or No information submitted</li> </ul> |
| <b>TOTAL</b>   | <b>100</b> |   |

### STAGE 3: PRICING AND B-BBEE

The following formula, stipulated in the approved PRASA conditions of contract, shall be used by the Bid Evaluation Committee to allocate scores to the interested bidders on pricing:

$$P_s = 90 \left[ 1 - \frac{P_t - P_{\min}}{P_{\min}} \right]$$

Where:

$P_s$  = Points scored for the price of tender under consideration;

$P_t$  = Rand value of the tender under consideration;

$P_{\min}$  = Rand value of the lowest acceptable tender.

The minimum qualifying criteria for pricing is 90 points as per the standard Evaluation Criteria presented in Table 1.


The BBBEE component of the evaluation process is weighted at 10 points in Table 1 of the standard Evaluation Criteria outlined above. Bidders will be awarded points based on the level of their BBBEE status in their BBBEE Certificate issued by an approved agency certified by SANAS. Details of the allocation of points by the Evaluation Committee are presented in Table 5

**Table 5: BBBEE Evaluation Criteria**

| B-BBEE STATUS LEVEL OF CONTRIBUTOR | NUMBER OF POINTS( 90/10 SYSTEM) ABOVE R 50 MILLION |
|------------------------------------|--|
| 1                                  | 10   |
| 2                                  | 9  |
| 3                                  | 6  |
| 4                                  | 5  |
| 5                                  | 4  |
| 6                                  | 3  |
| 7                                  | 2  |
| 8                                  | 1  |
| Non-Compliant Contributor          | 0  |

## 10 PREFERENTIAL PROCUREMENT REGULATIONS

The Preferential Procurement Regulations, issued by the Minister of Finance in 2017, were revised to align with certain changes to the Broad-Based Black Economic Empowerment (B-BBEE) legislation. They encourage procurement from Small Enterprises, particularly through sub-contracting if a tender is set above the R30 million threshold.

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

If it is feasible to subcontract for a contract above R30 million, an organ of state must apply subcontracting to advance designated groups.

In compliance with the new regulation, this project will require that a minimum of 30% be subcontracted to one of the following types of enterprises:

- a) An Exempted Micro Enterprise (“EME”) or Qualifying Small Enterprises (“QSE”)
- b) an EME or QSE which is at least 51% owned by black people;
- c) an EME or QSE which is at least 51% owned by black people who are youth;
- d) an EME or QSE which is at least 51% owned by black people who are women;
- e) an EME or QSE which is at least 51% owned by black people with disabilities;
- f) an EME or QSE which is 51% owned by black people living in rural or underdeveloped areas or townships;
- g) a cooperative which is at least 51% owned by black people; or
- h) an EME or QSE which is at least 51% owned by black people who are military veterans.

More than one of the categories referred to in paragraphs (a) to (h)

Before contracting with the successful Bidder, PRASA will insist on being provided with copies of formal signed subcontracting agreements that make up the legislated 30% of the contract value. The subcontractors shall be registered on the National Treasury Central Supplier Database (CSD). All agreements to state that PRASA will not be held responsible or liable should the successful Bidder breach contract with the subcontracted companies.

## Compulsory Sub-contracting

### **New Preferential Procurement Regulations (“PPPF – 2017”)**

This is required for this Project as per PRASA main RFP standard write-up.

Additional PPPF–2017 Compliance Requirements, to PRASA main RFP standard write-up, as included under document named “20210608-National GSM-R Redundancy Network D&C-Annexure3 CFR-(FinalMarket)”:

- a) The Bidder shall, at no additional cost to PRASA, adhere to all related legislation (as amended from time to time) and any further instructions and targets that PRASA may instruct the Bidder to comply with (on behalf of PRASA or on behalf of any other organ of the South African Government) throughout the duration of the Contract.
- b) The Bidder may follow the link <http://www.thedtic.gov.za> (*mutatis mutandis*) and go to the section titled “Sectors and Service” for more information on all minimum requirements related to B-BBEE and New Preferential Procurement laws and regulations that will apply for this Project. PRASA does not accept any liability for provision of this link since the Bidder shall satisfy itself that all information is

attained from the DTIC and any other relevant organ of the South African Government when preparing the Bidder's Bid.

- c) The Bidder shall, on an uninterrupted basis, comply with all Preferential Procurement laws, regulations and compliance requirements stated throughout the RFP. The Bidder shall further provide any proof and unredacted supporting documents proving compliance as specified throughout the RFP or immediately upon receipt of a request from PRASA for the Bidder to do so.

Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder).

- d) The Bidder shall, on an uninterrupted basis, do all legal things necessary and comply with all Local Community Involvement compliance requirements stated throughout the RFP. This shall include taking full responsibility of ensuring all necessary Local Community Involvement initiatives are fulfilled, and targets met, to ensure successful delivery of the Project and the whole of the Works for the entire duration of the Contract. The Bidder shall further provide any proof and unredacted supporting documents proving compliance as specified throughout the RFP or immediately upon receipt of a request from PRASA for the Bidder to do so.

Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder).

## 11 VALIDITY PERIOD

This RFP shall be valid for *[90 days]* calculated from Bid closing date.

## 12 B-BBEE REQUIREMENTS

A Bidder must submit proof of its B-BBEE status level contributor, a Bidder failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE may not be disqualified and will score 0 points out of 10 for B-BBEE.

## 13 LOCAL CONTENT - NATIONAL TREASURY STIPULATED MINIMUM THRESHOLDS FOR LOCAL PRODUCTION

### 13.1 LOCAL CONTENT

- Bids will be subject to local content requirements in terms of Regulation 8(1) of the Preferential Procurement Regulations, 2017.
- Only locally produced or manufactured goods with a stipulated minimum threshold as stated in the table below for local production and content will be considered. Bidders who do not meet the stipulated minimum threshold will be automatically disqualified and not be considered further for evaluation.
- Bidders may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- The exchange rate to be used for the calculation of local content (local content and local production are used interchangeably) must be the exchange rate published by the SARB on the date of the advertisement of the tender.
- The Declaration Certificate for Local Content (SBD 6.2) must be completed and duly signed. **Bidders who do not complete this form will be automatically disqualified.**
- **For further guidance with the above requirements, bidders may refer to DTI website, [www.theDTI.gov.za](http://www.theDTI.gov.za) and National Treasury Designated Sectors Instruction Number 15 of 2016/2017.**

This is required for this Project as per PRASA main RFP standard write-up.


Additional Local Production and Content Compliance Requirements, to PRASA main RFP standard write-up, as included under document named “20210608-National GSM-R Redundancy Network D&C-Annexure3 CFR-(FinalMarket)”:

- a) The DTIC has designated and determined the stipulated minimum threshold for the permanent way, rail signalling systems and associated Components, steel products and Components for construction, electrical cable products, transformer and rail electrification sector for Local Production and Content.
- b) The stipulated minimum threshold percentages for Local Production and Content for the different classes and/or designated sectors of this Project (and which are available at <http://www.thedtic.gov.za/sectors-and-services-2/industrial-development/industrial-procurement/> “*mutatis mutandis*” or as otherwise stated in an Instruction Note issued by the DTIC) are as follows:
  - Rail Signalling Systems and associated Components – 65% local content
  - Steel products and Components for construction – 100% local content
  - Electrical cable products – 90% local content
  - Permanent way – 90% local content

- Rail electrification sector (OHE) – 100% local content (if duly self-designated by PRASA at the time of bidding)
  - Transformers – depending on the class and envisaged replacement of any transformer
  - Two-way Radio Terminals – National Treasury Designated Sectors Instruction Number 1 Of 2016-2017
- c) The Bidder shall, at no additional cost to PRASA, adhere to all related legislation (as amended from time to time) and any further instructions and targets that PRASA may instruct the Bidder to comply with (on behalf of PRASA or on behalf of any other organ of the South African Government) throughout the duration of the Contract.
- d) In addition to the above, the Bidder may follow the link <http://www.thedtic.gov.za> (*mutatis mutandis*) and go to the section titled “Sectors and Service” for all minimum requirements and copies of all instruction notes related to Local Production and Content that will apply for this Project. PRASA does not accept any liability for provision of this link since the Bidder shall satisfy itself that all information is attained from the DTIC and any other relevant organ of the South African Government when preparing the Bidder’s Bid.
- e) The Bidder shall, on an uninterrupted basis, comply with all Local Production and Content laws, regulations and compliance requirements stated throughout the RFP. The Bidder shall further provide any proof and unredacted supporting documents proving compliance as specified throughout the RFP or immediately upon receipt of a request from PRASA for the Bidder to do so.
- Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder).
- f) The Bidder shall, on an uninterrupted basis, do all legal things necessary and comply with all Local Community Involvement compliance requirements stated throughout the RFP. This shall include taking full responsibility of ensuring all necessary Local Community Involvement initiatives are fulfilled, and targets met, to ensure successful delivery of the Project and the whole of the Works for the entire duration of the Contract. The Bidder shall further provide any proof and unredacted supporting documents proving compliance as specified throughout the RFP or immediately upon receipt of a request from PRASA for the Bidder to do so.

Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced



|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder).

## 13.2 EXEMPTION REQUESTS

If the quantity of the components to be used for this work as listed in figure 11. cannot wholly be sourced from South African based manufacturers, bidders should obtain written exemption from the **dti** to supply the remaining portion of the components at a lower content threshold. The **dti**, in consultation with the procuring organ of state, will grant exemption on a case-by-case basis and will consider the following:

- a) Required volumes in the particular tender;
- b) Available collective SA industry manufacturing capacity at that time;
- c) Delivery times;
- d) Availability of input material and components;
- e) Security of supply and emergencies;
- f) Materials of construction;
- g) Technical considerations including operating conditions;
- h) Localisation plans aimed at establishing and / or increasing local manufacturing capacity through ramping-up of capital investments in the initial phase; and
- i) warranties and guarantees.


Replacement of components on the existing infrastructure in order to honour the

## 13.3 THE PROCESS TO BE FOLLOWED IN REQUESTING EXEMPTIONS

The following tender information must be provided on the bidder's letterhead when requesting an exemption request to the DTI:

- a) Procuring entity;
- b) Tender description;
- c) Bid reference number;
- d) Closing date of bid;
- e) Detailed specifications of items for which the exemption is requested for (kindly attach specifications);
- f) Products / inputs / components to be imported;
- g) Reasons for the request; and



|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

- h) Supporting letters from local bidders' suppliers and manufacturers.

The turnaround time for processing of exemption requests is **10 working days** from the date of receipt.

## 14 THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME

### 14.1 National Industrial Participation Programme (NIPP) requirements:

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on the 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchases / lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

Bidders are therefore required to complete SBD 5 to give effect to the above. **Bidders who do not complete this form will be automatically disqualified.**

This is required for this Project as per PRASA main RFP standard write-up.

Additional NIP Compliance Requirements, to PRASA main RFP standard write-up, as included under document named "20210608-National GSM-R Redundancy Network D&C-Annexure3 CFR-(FinalMarket)":

- a) The Bidder shall, at no additional cost to PRASA, adhere to all related legislation (as amended from time to time) and any further instructions and targets that PRASA may instruct the Bidder to comply with (on behalf of PRASA or on behalf of any other organ of the South African Government) throughout the duration of the Contract.
- b) The Bidder may follow the link <http://www.thedtic.gov.za> (*mutatis mutandis*) and go to the section titled "Sectors and Service" for more information on all minimum requirements related to NIP that will apply for this Project. PRASA does not accept any liability for provision of this link since the Bidder shall satisfy itself that all information is attained from the DTIC and any other relevant organ of the South African Government when preparing the Bidder's Bid.
- c) The Bidder shall, on an uninterrupted basis, comply with all National Industrial Participation ("NIP") Programme and compliance requirements stated throughout the RFP. The Bidder shall further provide any proof and unredacted supporting

documents proving compliance as specified throughout the RFP or immediately upon receipt of a request from PRASA for the Bidder to do so.

Failure of the Bidder to meet any of these requirements at any time throughout the duration of the Contract shall give PRASA an unprejudiced right to immediately apply penalties (as specified throughout the RFP) for each incident (from the date that PRASA decides is the date on which the incident commenced until the date on which PRASA confirms, in writing, that PRASA is completely satisfied that the incident is completely resolved by the Bidder).

## **15 POST TENDER NEGOTIATION (IF APPLICABLE)**

PRASA reserves the right to conduct post tender negotiations with a shortlist of Respondent(s). The shortlist could comprise of one or more Respondents. Should PRASA conduct post tender negotiations, Respondents will be requested to provide their best and final offers to PRASA based on such negotiations. A final evaluation will be conducted in terms of 90/10.

## **16 BEST AND FINAL OFFER**

PRASA reserves the right to embark on the Best and Final Offer (BAFO) Process where:

- a) None of the proposals meet the RFP requirements;
- b) None of the responses to RFP are affordable and demonstrate value for money; and
- c) There is no clear preferred Response to this RFP.

Upon the decision by PRASA to embark on a BAFO process it shall notify the response to RFP.

## **17 FINAL CONTRACT AWARD**

PRASA will negotiate the final terms and condition the contract with the successful Respondent(s). This may include aspects such as Supplier Development, the B-BBEE Improvement Plan, price and delivery. Thereafter the final contract will be awarded to the successful Respondent(s).

## **18 FAIRNESS AND TRANSPARENCY**

PRASA views fairness and transparency during the RFP Process as an absolute on which PRASA will not compromise. PRASA will ensure that all members of evaluation committees declare any conflicting or undue interest in the process and provide confidentiality undertakings to PRASA. The evaluation process will be tightly monitored and controlled by PRASA to assure integrity and transparency throughout, with all processes and decisions taken being approved and auditable.

## SECTION 3

### PRICING AND DELIVERY SCHEDULE

Respondents are required to complete the Pricing Schedule/ BOQ **Annexure:** ..... (Volume 2 /Envelop 2)

#### 1 PRICING

- 1.1. Prices must be quoted in South African Rand, inclusive of VAT.
- 1.2. Price offer is firm and clearly indicate the basis thereof.
- 1.3. Pricing Bill of Quantity is completed in line with schedule if applicable.
- 1.4. Cost breakdown must be indicated.
- 1.5. Price escalation basis and formula must be indicated.
- 1.6. To facilitate like-for like comparison bidders must submit pricing strictly in accordance with this price schedule and not utilise a different format. Deviation from this pricing schedule could result in a bid being declared non-responsive.
- 1.7. Please note that should you have offered a discounted price(s), PRASA will only consider such price discount(s) in the final evaluation stage on an unconditional basis.
- 1.8. Respondents are to note that if price offered by the highest scoring bidder is not market related, PRASA may not award the contract to the Respondent. PRASA may:
  - 1.8.1. negotiate a market-related price with the Respondent scoring the highest points or cancel the RFP;
  - 1.8.2. if that Respondent does not agree to a market-related price, negotiate a market-related price with the Respondent scoring the second highest points or cancel the RFP; and
  - 1.8.3. if the Respondent scoring the second highest points does not agree to a market-related price, negotiate a market-related price with the Respondent scoring the third highest points or cancel the RFP.
  - 1.8.4. If a market-related price is not agreed with the Respondent scoring the third highest points, PRASA must cancel the RFP.

#### 2 DISCLOSURE OF PRICES QUOTED

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

### 3 PERFORMANCE AND BID BONDS (WHERE APPLICABLE)

3.1. The preferred Bidder shall where applicable provide PRASA with a performance bond which shall be 10% of the value of the entire Project price offered and it shall be issued with 30 days of receipt of notice of appointment. The Performance Bond shall be valid for the Contract period. The format of the Performance Bond is attached as **Annexure .....**

*[Bidders are required to submit their Bid with a Bid Bond. The Bid Bond shall be due and payable if a bidder decides not to continue with the RFP process after submission of its Bid. The format of the Bid Bond is attached as Annexure .....(where applicable)]*

### 4 OWNERSHIP OF DESIGN

4.1. The plans and design developed and to be provided by PRASA shall at all times remain the property of PRASA.

### 5 SERVICE LEVELS

5.1. An experienced national account representative(s) is required to work with PRASA's procurement department. [No sales representatives are needed for individual department or locations]. Additionally, there shall be a minimal number of people, fully informed and accountable for this agreement.

5.2. PRASA will have quarterly reviews with the Service provider's account representative on an on-going basis.

5.3. PRASA reserves the right to request that any member of the Service provider's team involved on the PRASA account be replaced if deemed not to be adding value for PRASA.


5.4. The Service provider guarantees that it will achieve a 100% [hundred per cent] service level on the following measures:

- a) Random checks on compliance with quality/quantity/specifications
- b) On time delivery.

5.5. The Service provider must provide a telephone number for customer service calls.

5.6. Failure of the Service provider to comply with stated service level requirements will give PRASA the right to cancel the contract in whole, without penalty to PRASA, giving 30 [thirty] calendar days' notice to the Service provider of its intention to do so.

#### **Acceptance of Service Levels:**

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

|            |  |
|------------|--|
| <b>YES</b> |  |
|------------|--|

## 6 TOTAL COST OF OWNERSHIP (TCO)

- 6.1. PRASA will strive to procure goods, services and works which contribute to its mission. In order to achieve this, PRASA must be committed to working with suppliers who share its goals of continuous improvement in service, quality and reduction of Total Cost of Ownership (TCO).
- 6.2. Respondents shall indicate whether they would be committed, for the duration of any contract which may be awarded through this RFP process, to participate with PRASA in its continuous improvement initiatives to reduce the total cost of ownership [**TCO**], which will reduce the overall cost of transportation services and related logistics provided by PRASA's operating divisions within South Africa to the ultimate benefit of all end-users.

## 7 FINANCIAL STABILITY

Respondents are required to submit their latest financial statements prepared and signed off by a professional accountant for the past ..... years with their Proposal in order to enable PRASA to establish financial stability.

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

SIGNATURE OF WITNESSES

ADDRESS OF WITNESSES

1 \_\_\_\_\_

\_\_\_\_\_

Name \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_

Name \_\_\_\_\_


\_\_\_\_\_

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

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

|  |   |
|--|---|
|  | <br><b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |   |

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

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

## 8 VALIDITY OF RETURNABLE DOCUMENTS

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

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

SIGNATURE OF WITNESSES

ADDRESS OF WITNESSES

1 \_\_\_\_\_

\_\_\_\_\_

Name \_\_\_\_\_

\_\_\_\_\_

2 \_\_\_\_\_

\_\_\_\_\_


Name \_\_\_\_\_

\_\_\_\_\_

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

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

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

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

## 9 CERTIFICATE OF ACQUAINTANCE WITH RFP TERMS & CONDITIONS & APPLICABLE DOCUMENTS

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

|  |
|--|
| 1. PRASA's General Bid Conditions*   |
| 2. Standard RFP Terms and Conditions for the supply of Goods or Services or Works to PRASA |

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

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

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

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

SIGNATURE OF WITNESSES

ADDRESS OF WITNESSES

1 \_\_\_\_\_

Name \_\_\_\_\_



|  |   |
|--|---|
|  | <br><b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |   |


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

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

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

## 10 GENERAL CONDITIONS

### 10.1 ALTERNATIVE BIDS

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

Bidders may submit alternative Bid only if a main Bid, strictly in accordance with all the requirements of the RFP is also submitted. The alternative Bid is submitted with the main Bid together with a schedule that compares the requirements of the RFP with the alternative requirements the Bidders proposes. Bidders must note that in submitting an alternative Bid they accept that PRASA may accept or reject the alternative Bid and shall be evaluated in accordance with the criteria stipulated in this RFP.

## **10.2 PRASA'S TENDER FORMS**

Bidders must sign and complete the PRASA's Bid Forms and attach all the required documents. Failure by Bidders to adhere to this requirement may lead to their disqualification.

## **10.3 PRECEDENT**

In case of any conflict with this RFP and Bidders response, this RFP and its briefing notes shall take precedence.

## **10.4 RESPONSE TO RFP-CONFIDENTIALITY**

Response to RFPs must clearly indicate whether any information conveyed to or requested from PRASA is confidential or should be treated confidentially by PRASA. In the absence of any such clear indication in writing from a response to RFP, PRASA shall deem the response to RFP to have waived any right to confidentiality and treat such information as public in nature.

Where a Bidder at any stage during the RFP Process indicates to PRASA that information or any response to RFP requested from PRASA is or should be treated confidentially, PRASA shall treat such information or response to RFP confidentially, unless PRASA believes that to ensure the transparency and competitiveness of the RFP Process the content of the information or response to RFP should be conveyed to all Bidders, in which event it shall apply the following process:

- PRASA shall confirm with the Bidder whether the raising of confidentiality applies to the entire response to the RFP or only specific elements or sections of the response;
- Where confidentiality is maintained by the Bidder and PRASA is of the opinion that the information or response to RFP if made publicly available would affect the commercial interests of the Bidder or is commercially sensitive information, PRASA shall not release such information to other Bidders if providing such information or response to the RFP would prejudice the competitiveness and transparency of the RFP Process;
- Where PRASA is of the opinion that information provided is not commercially sensitive or would have no impact on the commercial interests of the relevant Bidder if released and fairness and transparency requires that such information be released to all Bidders, PRASA may:

- i. inform the relevant Bidder of the necessity to release such information and/or response to RFP and request the Bidder to consent to the release thereof by PRASA; or
- ii. obtain legal advice regarding the confidentiality of the relevant information and/or response to RFP and the legal ability of PRASA to release such information; or
- iii. refrain from releasing the information and/or response to RFP, in which event PRASA shall not take account of the contents of such information in the evaluation of the relevant response to RFP.

The above procedures regarding confidentiality shall not apply to any information which is already public knowledge or available in the public domain or in the hands of PRASA or is required to be disclosed by any legal or regulatory requirements or order of any competent court, tribunal or forum.

#### **10.5 RESPONSE TO THE RFP – RFP DISQUALIFICATION**

Responses to RFP which do not comply with the RFP requirements, formalities, terms and conditions may be disqualified by PRASA from further participation in the RFP Process.

In particular (but without prejudice to the generality of the foregoing) PRASA may disqualify, at its sole discretion and without prejudice to any other remedy it may have, a Bidder where the Bidder, or any of its consortium members, subcontractors or advisors have committed any act of misrepresentation, bad faith or dishonest conduct in any of its dealings with or information provided to PRASA.

#### **10.6 CORRUPTION, GIFTS AND PAYMENTS**

Neither the Bidders to RFPs, its equity members, the sub-contractors, consortium members nor any of their agents, lenders or advisors shall directly or indirectly offer or give to any person in the employment of PRASA or any other Government official or any of the Advisory Team any gift or consideration of any kind as an inducement or reward for appointing a particular Bidder, or for showing or omitting to show favour or disfavour to any of the Bidders, its equity members or the sub-contractors in relation to the Project.

In the event that any of the prohibited practices contemplated under the above paragraph is committed, PRASA shall be entitled to terminate any Response to RFP's status and to prohibit such Response to RFP, its equity members, its SPV members, its Sub Contractors and their agents, lenders and advisors from participating in any further part of the procurement of the Project.

#### **10.7 INSURANCE**

Unless specifically provided for in this RFP or draft contracts, Bidders will be required to submit with their Bid for services professional indemnity insurance and works insurance to an extent (if any) if insurance provided by PRASA may not be for the full cover required in terms of the relevant category listed in this RFP. The Bidder is advised to seek qualified advice regarding insurance.

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

## 10.8 NO CONTACT POLICY

Bidders may only contact the bid administrator of PRASA as per the terms of the Communication Structure established by this RFP, except in the case of pre-existing commercial relationships, in which case contact may be maintained only with respect thereto and, in making such contact, no party may make reference to the Project or this RFP.

## 10.9 CONFLICT OF INTEREST

No Bidder member, subcontractor or advisor of the response to RFP may be a member of or in any other way participate or be involved, either directly or indirectly in more than one response to RFP or response to RFP during any stage of the Project procurement process, but excluding specialist suppliers of systems and equipment, non-core service providers or financial or commercial institutions whose role is limited purely to lending money or advancing credit to the response to RFP. Bidders are to sign the declaration of interest form. In order to prevent the conflict or potential conflict of interest between Lenders and Bidders to RFP, no advisors or the Contractor/s or Consortium/s to any response to RFP, consortium member or subcontractor may fulfil the role of arranger, underwriter and/or lead bank to the response to RFP. PRASA may disqualify the response to RFP from further participation in the event of a failure to comply with this provision. PRASA views the potential conflict of interest so great as to warrant the reduction of competition for advisory services.

## 10.10 COLLUSION AND CORRUPTION

Any Bidder shall, without prejudice to any other remedy available to PRASA, be disqualified, where the response to RFP –

- communicates to a person other than persons nominated by PRASA a material part of its response to RFP; or
  - Enters into any Contract or arrangement with any other person or entity that it shall refrain from submitting a response to RFP to this RFP or as to any material part of its Response to RFP to this RFP (refer the prohibition contained in Section 4(1)(b)(iii) of the Competition Act 89 of 1998).
- . The Bidders represents that the Bidder has not, directly or indirectly, entered into any agreement, arrangement or understanding or any such like for the purpose of, with the intention to, enter into collusive Bidding or with reasonable appreciation that, collusive any agreement, arrangement or understanding or any such like may result in or have the effect of collusive Bidding. The Bidder undertakes that in the process of the Bid but prior to PRASA awarding the Bid to a preferred bidder become involved in or be aware of or do or caused to be done any agreement, arrangement or understanding or any such like for the purpose of or which may result in or have

the effect of a collusive Bid, the Bidder will notify PRASA of such any agreement, arrangement or understanding or any such like.; or


- offers or agrees to pay or give any sum of money, inducement or valuable consideration directly or indirectly to any person for doing or having done, or causing, or having caused to be done any act or omission in relation to the RFP Process or any proposed response to RFP (provided nothing contained in this paragraph shall prevent a response to RFP from paying any market-related commission or bonus to its employees or contractors within the agreed terms of their employment or contract).

#### **10.11 CONSORTIUM CHANGES**

If exceptional circumstances should arise in which a after the submission to the bid and after closing date of submission of bids, there is change in the composition of the Bidder, either through substitution or omission of any member of the Bidder:

- The Response to RFP must notify PRASA in writing of the proposed changes supported by complete details of the material reasons for the changes, the parties impacted by the changes and the impact on the response to RFP.
- PRASA shall evaluate the reasons advanced by the Bidder for the requested changes to the Bidder structure and where PRASA is not satisfied that the reasons advanced are reasonable or material, refuse to accept the change and disqualify the response to RFP, or notify the Bidder in writing of its non-acceptance of the changes and require the Bidder to propose a suitable alternative to PRASA within 10 (TEN) days of its receipt of the decision of PRASA, upon receipt of which PRASA shall -
  - i. Evaluate the alternative proposed for suitability to PRASA, and where the alternative is accepted by PRASA, inform the Bidder in writing of such acceptance and PRASA shall reassess the response to RFP against the RFP requirements and criteria; or
  - ii. Where the alternative is not accepted by PRASA, inform the Bidder in writing of such non-acceptance as well as its disqualification from the RFP Process.
  - iii. Where PRASA is satisfied that the changes requested under (i) above are reasonable and material, the response to RFP, shall be allowed to effect the required changes and PRASA shall reassess the response to RFP against the RFP requirements and criteria.

#### **10.12 COSTS OF RESPONSE TO THE RFP SUBMISSION**

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

All costs and expenses associated with or incurred by the Bidder in relation to any stage of the Project, shall be borne by the Bidder. PRASA shall not be liable for any such costs or expenses or any claim for reimbursement of such costs or expenses.

To avoid doubt, PRASA shall not be liable for any samples submitted by the Bidder in support of their Responses to RFP and reserves the right not to return to them such samples and to dispose of them at its discretion.


#### **10.13 RESPONSE TO THE RFP WARRANTY**

Bidders must provide a warranty as part of their Responses to RFP that their Responses to RFP are true and correct in all respects, that it does not contain a misrepresentation of any kind and that the taxes of all members of the Bidder company, consortium members and or subcontractors are in order and none of the members are undergoing corruption or any criminal-related investigations or have any past convictions for fraud or corruption.

## **11 CONDITIONS OF TENDER**

### **General**

- |                       |   |   |
|-----------------------|---|---|
| <b>Actions</b>        | 1 | PRASA's <i>Representative</i> and each <i>tenderer</i> submitting a tender shall act as stated in these Conditions of Tender and in a manner which is fair, equitable, transparent, competitive and cost-effective. |
| <b>Interpretation</b> | 2 | Terms shown in <i>italics</i> vary for each tender. The details of each term for this tender are identified in the Request for Tender / Scope of work/  |

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

specification. Terms shown in capital initials are defined terms in the appropriate conditions of contract.

- |  |   |  |
|--|---|--|
|  | 3 | Any additional or amended requirements in the Scope of work/ specification, and additional requirements given in the Schedules in the <i>tender returnables</i> are deemed to be part of these Conditions of Tender.   |
|  | 4 | The Conditions of Tender and the Scope of work/ specification shall form part of any contract arising from this invitation to tender.  |
| <b>Communication</b>                                 | 5 | Each communication between PRASA and a <i>tenderer</i> shall be to or from PRASA's <i>Representative</i> only, and in a form that can be read, copied and recorded. Communication shall be in the English language. PRASA takes no responsibility for non-receipt of communications from or by a <i>tenderer</i> .   |
| <b>PRASA's rights to accept or reject any tender</b> | 6 | PRASA may accept or reject any variation, deviation, tender, or alternative tender, and may cancel the tender process and reject all tenders at any time prior to the formation of a contract. PRASA or PRASA's <i>Representative</i> will not accept or incur any liability to a <i>tenderer</i> for such cancellation and rejection, but will give reasons for the action. PRASA reserves the right to accept the whole or any part of any tender. |
|  | 7 | After the cancellation of the tender process or the rejection of all tenders PRASA may abandon the proposed work and services, have it performed in any other manner, or re-issue a similar invitation to tender at any time.  |

## Tenderer's obligations


The *tenderer* shall comply with the following obligations when submitting a tender and shall:

- |                          |   |   |
|--------------------------|---|---|
| <b>Eligibility</b>       | 1 | Submit a tender only if the <i>tenderer</i> complies with the criteria stated in the Scope of work/ specification.              |
| <b>Cost of tendering</b> | 2 | Accept that PRASA will not compensate the <i>tenderer</i> for any costs incurred in the preparation and submission of a tender. |

- |   |    |   |
|---|----|---|
| <b>Check documents</b>                                    | 3  | Check the <i>tender documents</i> on receipt, including pages within them, and notify PRASA's <i>Representative</i> of any discrepancy or omissions in writing.   |
| <b>Copyright of documents</b>                             | 4  | Use and copy the documents provided by PRASA only for the purpose of preparing and submitting a tender in response to this invitation.  |
| <b>Standardised specifications and other publications</b> | 5  | Obtain, as necessary for submitting a tender, copies of the latest revision of standardised specifications and other publications, which are not attached but which are incorporated into the <i>tender documents</i> by reference.   |
| <b>Acknowledge receipt</b>                                | 6  | Preferably complete the Receipt of invitation to submit a tender form attached to the Letter of Invitation and return it within five days of receipt of the invitation.   |
|   | 7  | Acknowledge receipt of Addenda / Tender Briefing Notes to the <i>tender documents</i> , which PRASA's <i>Representative</i> may issue, and if necessary apply for an extension to the <i>deadline for tender submission</i> , in order to take the Addenda into account.  |
| <b>Site visit and / or clarification meeting</b>          | 8  | Attend a site visit and/or clarification meeting at which <i>tenderers</i> may familiarise themselves with the proposed work, services or supply, location, etc. and raise questions, if provided for in the Scope of work/ specification. Details of the meeting are stated in the RFP document, <i>i-tender</i> website and CIDB website. |
| <b>Seek clarification</b>                                 | 9  | Request clarification of the <i>tender documents</i> , if necessary, by notifying PRASA's <i>Representative</i> earlier than the <i>closing time for clarification of queries</i> .   |
| <b>Insurance</b>  | 10 | Be informed of the risk that needs to be covered by insurance policy. The <i>tenderer</i> is advised to seek qualified advice regarding insurance.  |
| <b>Pricing the tender</b>                                 | 11 | Include in the rates, prices, and the tendered total of the prices (if any) all duties, taxes (except VAT), and other levies payable by the successful <i>tenderer</i> . Such duties, taxes and levies are those applicable 14 days prior to the <i>deadline for tender submission</i> .  |
|   | 12 | Show Value Added Tax (VAT) payable by PRASA separately as an addition to the tendered total of the prices.  |



- |                          |    |   |
|--------------------------|----|---|
|                          | 13 | Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the <i>conditions of contract</i> .  |
|                          | 14 | State the rates and Prices in South African Rand unless instructed otherwise as an additional condition in the Scope of work/ specification. The selected <i>conditions of contract</i> may provide for part payment in other currencies.   |
| Alterations to documents | 15 | Not make any alterations or an addition to the tender documents, except to comply with instructions issued by PRASA's <i>Representative</i> or if necessary to correct errors made by the <i>tenderer</i> . All such alterations shall be initialled by all signatories to the tender. Corrections may not be made using correction fluid, correction tape or the like. |
| Alternative tenders      | 16 | Submit alternative tenders only if a main tender, strictly in accordance with all the requirements of the <i>tender documents</i> is also submitted. The alternative tender is submitted with the main tender together with a schedule that compares the requirements of the <i>tender documents</i> with the alternative requirements the <i>tenderer</i> proposes.    |
|                          | 17 | Accept that an alternative tender may be based only on the criteria stated in the Scope of work/ specification and as acceptable to PRASA.  |
| Submitting a tender      | 18 | Submit a tender for providing the whole of the works, services or supply identified in the Contract Data unless stated otherwise as an additional condition in the Scope of work/ specification.  |
| NOTE:                    | 19 | <b>Return the completed and signed <i>PRASA Tender Forms and SBD forms provided with the tender. <u>Failure to submit all the required documentation will lead to disqualification</u></i></b>  |
|                          | 20 | <b>Submit the <u>tender as an original</u> plus 1 copy and an electronic version which must be contained in CDs or Memory Cards clearly marked in the Bidders name as stated in the RFP and provide an English translation for documentation submitted in a language other than English. Tenders may not be written in pencil but must be completed in ink.</b>         |
|                          | 21 | Sign and initial the original and all copies of the tender where indicated. PRASA will hold the signatory duly authorised and liable on behalf of the <i>tenderer</i> .   |

|  |  |
|--|--|
|  |  <b>prasa</b><br><small>PASSENGER RAIL AGENCY<br/>OF SOUTH AFRICA</small> |
|  |  |

- 22 Seal the original and each copy of the tender as separate packages marking the packages as "ORIGINAL" and "COPY". Each package shall state on the outside PRASA's address and invitation to tender number stated in the Scope of work/ specification, **as well as the tenderer's name and contact address**. Where the tender is based on a two envelop system tenderers must further indicate in the package whether the document is **envelope / box 1 or 2**.
- 23 Seal original and copies together in an outer package that states on the outside only PRASA's address and invitation to tender number as stated in the Scope of work/ specification. The outer package must be marked "CONFIDENTIAL"
- 24 Accept that PRASA will not assume any responsibility for the misplacement or premature opening of the tender if the outer package is not sealed and marked as stated.

**Note:**

PRASA prefers not to receive tenders by post, and takes no responsibility for delays in the postal system or in transit within or between PRASA offices.

PRASA prefers not to receive tenders by fax, PRASA takes no responsibility for difficulties in transmission caused by line or equipment faults.

Where tenders are sent via courier, PRASA takes no responsibility for tenders delivered to any other site than the tender office.

PRASA employees are not permitted to deposit a tender into the PRASA tender box on behalf of a tenderer, except those lodged by post or courier.

**Closing time**

- 25 Ensure that PRASA has received the tender at the stated address with the Scope of work / specification no later than the *deadline for tender submission*. Proof of posting will not be taken by PRASA as proof of delivery. PRASA will not accept a tender submitted telephonically, by Fax, E-mail or by telegraph unless stated otherwise in the Scope of work/ specification.

|  |    |  |
|--|----|--|
|  | 26 | Accept that, if PRASA extends the <i>deadline for tender submission</i> for any reason, the requirements of these Conditions of Tender apply equally to the extended deadline.   |
| Tender validity                          | 27 | Hold the tender(s) valid for acceptance by PRASA at any time within the <i>validity period</i> after the <i>deadline for tender submission</i> .   |
|  | 28 | Extend the <i>validity period</i> for a specified additional period if PRASA requests the <i>tenderer</i> to extend it. A <i>tenderer</i> agreeing to the request will not be required or permitted to modify a tender, except to the extent PRASA may allow for the effects of inflation over the additional period.  |
| Clarification of tender after submission | 29 | Provide clarification of a tender in response to a request to do so from PRASA's <i>Representative</i> during the evaluation of tenders. This may include providing a breakdown of rates or Prices. No change in the total of the Prices or substance of the tender is sought, offered, or permitted except as required by PRASA's <i>Representative</i> to confirm the correction of arithmetical errors discovered in the evaluation of tenders. The total of the Prices stated by the <i>tenderer</i> as corrected by PRASA's <i>Representative</i> with the concurrence of the <i>tenderer</i> , shall be binding upon the <i>tenderer</i> . |
| Submit bonds, policies etc.              | 30 | If instructed by PRASA's <i>Representative</i> (before the formation of a contract), submit for PRASA's acceptance, the bonds, guarantees, policies and certificates of insurance required to be provided by the successful <i>tenderer</i> in terms of the <i>conditions of contract</i> .  |
|  | 31 | Undertake to check the final draft of the contract provided by PRASA's <i>Representative</i> , and sign the Form of Agreement all within the time required.  |
|  | 32 | Where an agent on behalf of a principal submits a tender, an authenticated copy of the authority to act as an agent must be submitted with the tender.   |
| Fulfil BEE requirements                  | 33 | Comply with PRASA's requirements regarding BBBEE Suppliers.  |

## PRASA'S UNDERTAKINGS

PRASA, and PRASA's *Representative*, shall:

|                          |   |  |
|--------------------------|---|--|
| Respond to clarification | 1 | Respond to a request for clarification received earlier than the <i>closing time for clarification of queries</i> . The response is notified to all <i>tenderers</i> . |
|--------------------------|---|--|

|                                |   |   |
|--------------------------------|---|---|
| <b>Issue Addenda</b>           | 2 | If necessary, issue to each <i>tenderer</i> from time to time during the period from the date of the Letter of Invitation until the <i>closing time for clarification of queries</i> , Addenda that may amend, amplify, or add to the <i>tender documents</i> . If a <i>tenderer</i> applies for an extension to the <i>deadline for tender submission</i> , in order to take Addenda into account in preparing a tender, PRASA may grant such an extension and PRASA's <i>Representative</i> shall notify the extension to all <i>tenderers</i> .  |
| <b>Return late tenders</b>     | 3 | Return tenders received after the <i>deadline for tender submission</i> unopened to the <i>tenderer</i> submitting a late tender. Tenders will be deemed late if they are not in the designated tender box at the date and time stipulated as the deadline for tender submission.   |
| <b>Non-disclosure</b>          | 4 | Not disclose to <i>tenderers</i> , or to any other person not officially concerned with such processes, information relating to the evaluation and comparison of tenders and recommendations for the award of a contract.   |
| <b>Grounds for rejection</b>   | 5 | Consider rejecting a tender if there is any effort by a <i>tenderer</i> to influence the processing of tenders or contract award.   |
| <b>Disqualification</b>        | 6 | Instantly disqualify a <i>tenderer</i> (and his tender) if it is established that the <i>tenderer</i> offered an inducement to any person with a view to influencing the placing of a contract arising from this invitation to tender.  |
| <b>Test for responsiveness</b> | 7 | Determine before detailed evaluation, whether each tender properly received <ul style="list-style-type: none"> <li>• meets the requirements of these Conditions of Tender,</li> <li>• has been properly signed, and</li> <li>• is responsive to the requirements of the <i>tender documents</i>.</li> </ul>   |
|                                | 8 | Judge a responsive tender as one which conforms to all the terms, conditions, and specifications of the <i>tender documents</i> without material deviation or qualification. A material deviation or qualification is one which, in PRASA 's opinion would <ul style="list-style-type: none"> <li>• detrimentally affect the scope, quality, or performance of the works, services or supply identified in the Contract Data,</li> <li>• change PRASA's or the <i>tenderer's</i> risks and responsibilities under the contract, or</li> <li>• affect the competitive position of other <i>tenderers</i> presenting responsive tenders, if it were to be rectified.</li> </ul> |

|   |    |  |
|---|----|--|
| <b>Non-responsive tenders</b>           | 10 | Reject a non-responsive tender, and not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.  |
| <b>Arithmetical errors</b>              | 11 | <p>Check responsive tenders for arithmetical errors, correcting them as follows:</p> <ul style="list-style-type: none"> <li>Where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern.</li> <li>If a bill of quantities applies and there is a discrepancy between the rate and the line item total, resulting from multiplying the rate by the quantity, the rate as quoted shall govern. Where there is an obviously gross misplacement of the decimal point in the rate, the line item total as quoted shall govern, and the rate will be corrected.</li> <li>Where there is an error in the total of the Prices, either as a result of other corrections required by this checking process or in the <i>tenderer's</i> addition of prices, the total of the Prices, if any, will be corrected.</li> </ul> |
|   | 12 | Reject a tender if the <i>tenderer</i> does not accept the corrected total of the Prices (if any).   |
| <b>Evaluating the tender</b>            | 13 | Evaluate responsive tenders in accordance with the procedure stated in the RFP / Scope of work/ specification. The evaluated tender price will be disclosed only to the relevant PRASA tender committee and will not be disclosed to <i>tenderers</i> or any other person.   |
| <b>Clarification of a tender</b>        | 14 | Obtain from a <i>tenderer</i> clarification of any matter in the tender which may not be clear or could give rise to ambiguity in a contract arising from this tender if the matter were not to be clarified.  |
| <b>Acceptance of tender</b>             | 15 | Notify PRASA's acceptance to the successful <i>tenderer</i> before the expiry of the <i>validity period</i> , or agreed additional period. Providing the notice of acceptance does not contain any qualifying statements, it will constitute the formation of a contract between PRASA and the successful <i>tenderer</i> .  |
| <b>Notice to unsuccessful tenderers</b> | 16 | After the successful <i>tenderer</i> has acknowledged PRASA's notice of acceptance, notify other <i>tenderers</i> that their tenders have not been accepted, following PRASA's current procedures.   |
| <b>Prepare contract documents</b>       | 17 | <p>Revise the contract documents issued by PRASA as part of the <i>tender documents</i> to take account of</p> <ul style="list-style-type: none"> <li>Addenda issued during the tender period,</li> </ul>  |

- inclusion of some of the *tender returnables*, and
- other revisions agreed between PRASA and the successful *tenderer*, before the issue of PRASA's notice of acceptance (of the tender).

|  |    |  |
|--|----|--|
| <b>Issue final contract</b>            | 18 | Issue the final contract documents to the successful <i>tenderer</i> for acceptance within one week of the date of PRASA's notice of acceptance.   |
| <b>Sign Form of Agreement</b>          | 19 | <b>Arrange for authorised signatories of both parties to complete and sign the original and one copy of the Form of Agreement within two weeks of the date of PRASA's notice of acceptance of the tender. If either party requires the signatories to initial every page of the contract documents, the signatories for the other party shall comply with the request.</b> |
| <b>Provide copies of the contracts</b> | 20 | Provide to the successful <i>tenderer</i> the number of copies stated in the Scope of work/ specification of the signed copy of the contracts within three weeks of the date of PRASA's acceptance of the tender.  |