REQUEST FOR PROPOSALS

FOR DEVELOPMENT OF A NEW MANGANESE EXPORT TERMINAL AT THE PORT OF NGQURA

Contract No. CDC/370/21

The Coega Development Corporation's (CDC's) strategic intent is to drive and support socio-economic development through its activities as the developer and operator of the Coega Special Economic Zone (SEZ) and in providing Implementing Agency (IA) Services to National, Provincial and Local Government Departments and State-owned Entities. Its appointment by the Transnet SOC LTD to provide IA Services on the development of the New Manganese Export Terminal at the Port of Ngqura is in line with this strategic intent.

INVITATION TO TENDER

The Coega Development Corporation (CDC) is inviting capable and competent Service Providers with proven experience and track-record to submit their Proposals for the Development of a new Manganese Export Terminal at Port of Ngqura, in Gqeberha (Port Elizabeth), in the Eastern Cape Province.

This is a two-stage Procurement Process where this Request for Proposal (RFP) process is the first stage (i.e., Stage 1). The documentation for this RFP Process can be downloaded from the CDC's website: www.coega.com from 10h00 on 08 October 2021. The documentation for Stage 2 will be issued only to entities who will be successful in Stage 1. No hard copies of the RFP Document will be made available by the CDC to the Prospective Bidders.

SCOPE OF WORK

(a) This is a Design, Build, Proof-of-Solution Operations, Maintain, Train and Transfer Contract. The aim is to ensure guaranteed and quality-assured product by the Service Provider.

(b) The CDC, through this RFP, is looking for a suitably qualified, experienced, knowledgeable, capable and competent entity that will provide a proposal on the technical solution for the new Manganese Export Terminal at the Port of Ngqura. In summary, this entails:

   (i) Determining the best technical solution that covers the full scope of the NMET Project;

   (ii) The required technical solution is for a covered or enclosed Stockyard;

(iii) An Open Stockyard solution is not an option to be considered therefore eliminated as a potential solution;

(iv) The Bidder must propose the best technical arrangement for all the components of the NMET Project, that would ensure efficient operations;

(v) The Bidder must prove beyond reasonable doubt that the proposed technical solution has been or can be used for handling manganese. Untried and untested technical solution will not be acceptable. However, this does not negate or preclude innovation and engineering prowess

(vi) The Bidder must indicate how the Mn Export Terminal would be scalable from 16 mtpa to 22 mtpa in the future; and

(vii) The Bidder must take into consideration all the requirements of this RFP when putting together its Proposal.

(c) The successful Bidders from the Stage 1 of this procurement process will be invited to proceed to Stage 2 of the procurement process where they will be required to carry out any detailed site investigations they might require, carry out simulations and preliminary designs and submit refined Proposals to the CDC.

(d) The environmental approval for the NMET Project will be obtained by the CDC from the relevant authorities and will be conducted on the basis of the preliminary designs proposed by the Service Provider. The EIA process will run concurrently with Stage 2 of the procurement process.

(e) The successful Bidder from Stage 2 of this Procurement will carry out detailed designs for the NMET Project and proceed with the construction activities of the NMET Project, covering all the defined Project Scope. This will include purchasing all the identified equipment, machinery and instrumentation required for the NMET Project, per the specifications that would have been developed by the Service Provider and approved by the CDC. This approval would not exonerate the Service Provider from taking full responsibility for any malfunctioning components or early breakages.

(f) It is incumbent upon the Bidder to identify and confirm all the Scope of Work for its proposed technical solution that would enable the NMET to be complete and fully operational. This should be realised during this RFP Process and during the Preliminary Design Phase. Omission, elimination, exclusion or oversight on any component of the project making up the full Scope of Works shall be at successful Bidder's cost as no variations will be allowable for such. The only Project Scope Variations that would be allowed are those introduced by the Client, where such would be in writing and in accordance with provisions of FIDIC 2008 ("Gold Book").

(g) As part of guaranteeing its product, Proof-of-Solution Operations will be embarked upon where the Service Provider will be required to Operate and Maintain the Mn Export Terminal over a period of three (3) years, meeting the specified Performance Specifications/Standards. The intentions are to enable the Service Provider to prove beyond reasonable doubt that its Solution works and that there would be no undue early breakages or maintenance-related problems. Where such are experienced, they will be replaced by the Service Provider at its own costs.

(h) The Proof-of-Solution Commissioning will include:

(i) Securing own operating team and incorporating the personnel that is currently operating the Mn Terminal at the Port of Port Elizabeth, train and manage them;

(ii) Operate and maintain the new Mn Export Terminal; and

(iii) Receive monthly operating fees from the CDC.

(i) At the end of the Proof- of-Solution Commissioning Period, transfer the project to Transnet;

(j) The CDC may, at its own discretion, extend the Proof-of-Solution Commissioning Period by additional number of years *(Bidders are only required to note this but should <u>not</u> include this potential extension period in their Proposals, and should <u>not</u> use this as a means of offering reduced fees if longer Proof-of-Solution Operations Period were to be more than the stipulated 3 years. Any Cost Estimate Proposal that is based on it will be disregarded and therefore deemed as null and void)*;

(k) At the end of the Proof-of-Solution Commissioning Period, the Service Provider will transfer all the assets and records of the NMET Project to Transnet at no cost, where there will be no expectations, whether implied or legitimate, that the employees appointed by it, other than the Transnet employees, or downstream contractual arrangements it might have with third parties would be transferred to Transnet.

CONDITIONS

Failure to adhere to the conditions stated hereinunder or to provide evidence where specified, will render the submission non-responsive and the submission will be declared as null and void and will not be considered further.

(a) The CDC's Procurement Policy and Procedures shall apply.

(b) The following legislation shall apply:

(i) Public Finance Management Act (PFMA);

(ii) National Treasury Regulations;

(iii) Preferential Procurement Policy Framework Act, 2000;

(iv) Preferential Procurement Regulations, 2017;

(v) Occupational Health and Safety Act and Regulations, Act (85 of 1993);

(vi) Compensation for Occupational injuries and disease Act (130 of 1993);

(vii) BBBEE Act Number 53 of 2003 (as amended by Act number 46 of 2013); and

(viii) Any other applicable legislation.

(c) Bidders will be evaluated on functionality and are expected to meet the minimum of 60% threshold in order to be evaluated further. The evaluation criteria for assessing functionality and weight of each criterion are provided under **Section 12** of this document.

(d) Following Stage 2, the successful bidder will be required to comply with the Occupational Health and Safety Act and Regulations, Act (85 of 1993) and Compensation for Occupational injuries and disease Act, Act (130 of 1993) and all relevant and applicable legislations. Upon appointment of the successful bidder, it will be required to develop Occupational Health, Safety and Environmental Management Systems to comply with the SANS Norms and Standards. CDC SHEQ Unit will monitor compliance and implementation of Occupation Health and Safety, Environmental and Quality requirements for the duration of the contract.

(e) At the end of Stage 2, a successful Bidder will be required to provide valid proof of registered Construction Health and Safety Manager (CHSM) with SACPCMP or similar/equivalent, upon award. No Candidate Registration will be accepted. The CHSM must have proven record of minimum of eight (8) years' experience or more.

(f) In Stage 2 of the procurement process, as per amended construction codes, companies with less than 51% black shareholding (QSEs & Generics) are to submit a valid SANAS Accredited B-BBEE Verification Certificate (with the full applicable B-BBEE elements) QSEs with at least 51% or 100% black shareholding and EMEs with an annual turnover of R3,0 million or more are required to submit a B-BBEE verification certificate from a SANAS accredited verification agency as they have to comply with the 40% sub-minimum requirement on the QSE Skills Scorecard to avoid being discounted a level. EMEs with a turnover of less than R3,0 million are exempt from complying with the subminimum requirement and may submit an affidavit or a certificate issued by CIPC, confirming their ownership and annual turnover. In case of a Joint Venture (JV) / Consortium, a consolidated B-BBEE certificate would be required and it must be accompanied by individual B-BBEE Certificates/affidavits of their entities to confirm the type of enterprise.

(g) Bidders and all its Consortium/Joint Venture (JV) members, if any, must confirm their company registration with Companies and Intellectual Property Commission (CIPC) (formerly CIPRO) as CDC will not award any bid to any business that appears on the CIPC List of de-registered businesses.

(h) All Bidders must be Value Added Tax (VAT) Vendors and the Cost Estimate Proposal **/ Schedule of Cost** must include VAT.

(i) Bidders (all the members in the Bidding Team in the case of Consortia or Joint Ventures) must provide proof of registration on the National Treasury's Central Supplier Database (CSD) or provide a Treasury CSD registration number e.g. MAAA0.

(j) At the end of Stage 2 of the procurement process, the CDC will only award the Bid to a Successful Bidder who is tax compliant. The tax compliant status of the Bidders (and all the members in the Bidding Team in the case of Consortia or Joint Ventures) will be verified through the CSD and South African Revenue Services (SARS) website.

(k) Public servants are prohibited from conducting any form of business with organs of state, whether in their own capacity as individuals or through companies in which they are directors. Verification will be carried out by the CDC and Bidders will be disqualified should they be found to be in contravention with this requirement.

(l) The Bidders must nominate a person who will be their Overall Project Team Leader. The Overall Project Team Leader:

  (i) Should have delegated authority to sign:

    (1) The Proposal Submissions, both for Stages 1 and 2 of the procurement process;

    (2) All the Returnable Documents that should also be initialled and submitted as part of the Proposal;

(3) Any correspondence with the CDC during the bidding process;

(4) The Agreement to be entered into with the Successful Bidder; and

(5) Any correspondence during the Contract Execution Phase.

(ii) Would be conferred the authority to be the duly Authorised Signatory as would be provided in the **Certificate of Authority of Signatory** that should be included in the Proposal for this RFP Process.

(iii) Will be the sole point of contact between the CDC and the Bidder during this bidding process, and during contract execution (i.e. for the Successful Bidder).

(iv) Would be required to review and sign off all the deliverables to the CDC during the execution of the contract, confirming their quality and professional soundness.

(m) It is incumbent upon and the responsibility of the Prospective Bidders to submit their full and correct contact details when they collect the RFP Documents to enable any communication that the CDC might need to issue to all the Prospective Bidders during the bidding process to be realised. The CDC will not be accountable for any such omission or failure by the Prospective Bidders.

(n) In case of JVs/Consortia, the Bidder must include an **Intent to Enter into a JV/Consortium Agreement**. The actual copy of the JV/Consortium Agreement would be required during Stage 2 of this procurement process.

(o) Entities are not allowed to be a member of more than one (1) JV/Consortium or Bidding Team.

(p) Any misrepresentation of information will lead to immediate disqualification of the Bidder's Submission. It is imperative that the duly authorised person conducts quality control on all the documentation to be submitted to the CDC as part of this RFP and signs the submission as a correct and sound documentation that the CDC could put its reliance on.

(q) Late Submissions will not be accepted.

(r) Incomplete RFP Submissions will be deemed null and void and shall be considered non-responsive.

(s) Tender validity shall be twelve (12) weeks.

(t) **No telephonic or any other form of communication with any other CDC member of staff relating other than the named individual below relating to this RFP will be permitted.**

(u) All **the enquiries regarding this bid must be in writing only, and must be directed to:**

(i) Ms Zine Mtanda, Unit Head: Supply Chain Management.

(ii) E-mail address: tendersCDC37021@coega.co.za

The RFP documents can be downloaded from the CDC website (www.coega.co.za) from **Friday, 08 October 2021** at 10h00;

Due to the outbreak of the COVID-19 Pandemic, leading to restricted movement and a need to heed to safety precautions, there will be a non-compulsory Virtual Briefing Meeting held on **Friday, 15 October 2021**, at 10h00. Information on how to attend the Virtual Briefing Meeting would be found on the CDC's website: www.coega.co.za from **Friday, 08 October 2021**. A non-Compulsory Site Visit will be arranged for **Tuesday, 19 October 2021**, at 10h00 so that entities could familiarize themselves with the site. Details of the Site Visit will be on the CDC's website.

The closing date and time for the receipt of complete bid documents is **12h00, Friday, 03 December 2021**. **One original completed bid document and one flash drive** shall be placed in a sealed envelope clearly marked: "**CDC/370/21** - REQUEST FOR PROPOSALS: DEVELOPMENT OF A NEW MANGANESE EXPORT TERMINAL AT THE PORT OF NGQURA". Bids are to be placed in the tender box at the CDC's Main Office located at the **Coega Business Centre, Cnr Alcyon Rd and Zibuko Street, Zone 1, Coega SEZ, Gqeberha (Port Elizabeth)**. Bids will not be opened in public and no late submissions will be considered.

Failure to provide mandatory information required in this bid will result in the submissions being deemed null and void and shall be considered non-responsive.

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The CDC reserves the right not to accept the lowest proposal in part or in whole or any proposal.