

BID NUMBER: HO/INS/113/10/2022	 prasa PASSENGER RAIL AGENCY OF SOUTH AFRICA

BID NUMBER: HO/INS/113/10/2022
REQUEST FOR PROPOSAL (RFP) FOR THE SHORT-TERM INSURANCE BROKING SERVICES

CLOSING DATE	30 November 2022
CLOSING TIME	12:00
BID DOCUMENTS DELIVERY ADDRESS	PASSENGER RAIL AGENCY OF SOUTH AFRICA 30 WOLMARANS STREET BRAAMFONTEIN JOHANNESBURG
BIDDER NAME	
BID RETURN ADDRESS	

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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.

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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, 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;

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- 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;
- 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.

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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

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.

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SCHEDULE OF BID DOCUMENTS

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STATEMENT OF WORK SUCCESSFULLY CARRIED OUT BY BIDDER	Form E
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1 LIST OF ANNEXURES

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RFP CLARIFICATION FORM	Annexure 2

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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

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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.

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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 “Consortium” means any group of persons or firms jointly submitting a Bid as Bid to this RFP and “Consortia” means more than one Consortium;
- 4.13 “Contractor” the successful Bidders who has signed a Contract with PRASA in terms of this RFP.
- 4.14 “Closing Date” means the closing date for submission of bids/ Proposals by Bidders which is 30 November 2022
- 4.15 “Project” means this project for the **SHORT-TERM INSURANCE BROKING SERVICES**
- 4.16 “RFP” means the Request for Proposals issued by PRASA for this tender; and

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5.1 “Scope of Work” means the scope of work for this project as detailed out in the RFP technical specifications.

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**].

BID DESCRIPTION	SHORT TERM INSURANCE BROKING SERVICES
ISSUE DATE	01 November 2022
NON-COMPULSORY BRIEFING	11 November 2022 at 10:00 via Teams Click here to join the meeting
CLOSING DATE -FOR PROPOSALS	30 November 2022 at 12:00 Bidders must ensure that bids are delivered timeously to the correct address. As a rule, if a bid is late or delivered to the incorrect address, it will not be accepted for consideration.
VALIDITY PERIOD	90 Business Days from Closing Date 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.
CLOSING DATE FOR QUESTIONS	16 November 2022
CLOSING DATE FOR RESPONSES TO QUESTIONS BY PRASA	18 November 2022
CONTACT PERSON	Siphiwe Kubheka skubheka@prasa.com

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

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2 FORMAL BRIEFING

A non-compulsory RFP briefing will be conducted via Microsoft teams on the
the following link: [Click here to join the meeting](#)

The briefing session will start punctually, and information will not be repeated for the benefit of Respondents joining late, but should Respondents have specific queries they should email these to the PRASA employee(s) indicated as contact person above within the stipulated time period

Despite the briefing session being non-compulsory, PRASA nevertheless encourages all Respondents to attend. PRASA will not be held responsible if any Respondent who did not attend the non-compulsory session subsequently feels disadvantaged as a result thereof.

3 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:

Description of Bid SHORT-TERM INSURANCE BROKING SERVICES

Closing date and time: 30 November 2022 at 12:00

Closing address UMJANTSHI HOUSE
30 WOLMARANS
BRAAMFONTEIN
JOHANNESBURG

4 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
BRAAMFONTEIN
JOHANNESBURG

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5 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.

5.1 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 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.

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5.2 SUBCONTRACTING- **N/A**

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 Facilitators¹.

- an EME or QSE;
- an EME or QSE which is at least 51% owned by Black People;
- an EME or QSE which is at least 51% owned by black people who are youth;
- an EME or QSE which is at least 51% owned by black people who are women;
- an EME or QSE which is at least 51% owned by black people with disabilities;
- an EME or QSE which is at least 51% owned by black people living in rural or underdeveloped areas or townships;
- an EME or QSE which is at least 51% owned by black people who are military veterans;
- or
- a cooperative which is at least 51% owned by black people.

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 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.

¹ 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.

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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.

6 COMMUNICATION

- 6.1** 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 before the 16th of November 2022 substantially in the form set out in Annexure 2 hereto.
- 6.2** 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 briefing session. For this purpose PRASA will communicate with Respondents using the contact details provided at the compulsory and a non-compulsory briefing session.
- 6.3** 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 on any matter relating to its RFP Proposal.
- 6.4** Respondents are to note that changes to its submission will not be considered after the closing date.
- 6.5** 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.

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7 CONFIDENTIALITY

7.1 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.

7.2 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.

8 INSTRUCTIONS FOR COMPLETING THE RFP

8.1 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.

8.2 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.

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- 8.3** 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.
- 8.4** Bidders must ensure that their response to the RFP is in accordance with the structure of this document.
- 8.5** Where Bidders are required to sign forms they are required to do so using a **black** ink pen.
- 8.6** 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.
- 8.7** 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.
- 8.8** 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.
- 8.9** 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.
- 8.10** 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.
- 8.11** 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.
- 8.12** 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

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applied in this RFP and should clearly indicate its interpretation of any differing terminology applied.

- 8.13** 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.
- 8.14** 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.
- 8.15** 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.
- 8.16** 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.**

9 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 Addendum.

RFP PROCESS	MILESTONE DATES
Bid issue date	01 November 2022
Briefing Session for Bidders	11 November 2022 Click here to join the meeting
Closing date for Questions	16 November 2022
Closing date for Responses by Prasa	18 November 2022
Closing Date for Submission of final Bid	30 November 2022 at 12:00

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Evaluation of Proposals (Bidders note that PRASA may call for Presentation of bidders offers at any stage of the evaluation process)	TBC
Appointment of the successful Bidder	TBC
Contract Negotiations	TBC
Signing of Contract	TBC
Contract Commencement	TBC

10 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.

11 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:** _____.

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12 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 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:_____.

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13 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

Section 50 of the Public Finance Management, Act Number 1 of 1999 (“the PFMA”) provides that the Board (Accounting Authority) must exercise the duty of utmost care in ensuring reasonable protection of the assets and records of the public entity. In order to fully protect the assets, employees and commuters, a comprehensive protection plan that includes purchasing insurance cover must be applied.

The request seeks to invite proposals from reputable short-term insurance intermediary service providers who deem themselves duly qualified to undertake the servicing of PRASA’s insurance programme. The purpose of the proposal is to select a service provider (insurance broker) to facilitate the placement of PRASA’s insurance covers.

It is incumbent upon bidders to acquaint themselves with the business, operations and activities of PRASA, including its risks, exposures, insurance and risk management regime ahead of tendering for the business. This is particularly important for the main bidder who will be bearing the responsibility for the insurance and intermediary services

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2. BACKGROUND INFORMATION

a. STATUS QUO

Corporate governance dictates that the organisation goes out to the market at regular intervals in line with PFMA and internal Supply Chain Management guidelines to ensure that a contract for the provision of Short-term Insurance Broking Services is in place.

With PRASA's core business being the provision of rail commuter and related services, as well as an exposure of approximately R120bn worth of assets, it is paramount for the organisation to ensure business continuity in the event of a disaster, in particular those emanating from fire, rail collisions and derailments.

The effectiveness of PRASA's insurance programme is driven by the following imperatives:

- I. Annual review and renewal of the entire insurance programme on 01 April in line with insurance global practice.
- II. Annual risk analysis and benchmarking for identified risks to ensure a value for money and optimal programme that is relevant and adequately covers the enterprise-wide requirements of the organisation.

3 OBJECTIVE OF THE PROPOSED PROJECT

3.1 DESIRED OUTCOMES FOR CARRYING OUT THE PROPOSED PROJECT

To ensure that PRASA has a risk protection plan by way of an Insurance Programme in place to protect the organisation against any risk that might be as a result of the destruction or vandalism of its assets, infrastructure or injury to commuters.

3.2 PROJECT BENEFITS TO PRASA

Transfer of risk by purchasing insurance cover in the insurance market

3.3 CURRENT MECHANISMS IN PLACE TO ADDRESS THE PROBLEM

The purchasing of insurance policies is governed by the Financial Sector Conduct Authority (FSCA) through FAIS Compliance legislation which prohibits PRASA from engaging directly with the insurance market.

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PRASA's capacity for renewal is limited to collation of information and compilation of underwriting submission. The actual renewal, which include, but not limited to the purchasing and laying off insurance covers is facilitated by a broker as per Financial and Intermediary Advisory Services regulations.

4. SCOPE OF WORK AND AREAS OF FOCUS

4.1 SCOPE OF THE DESIRED SOLUTION

- I. PRASA insures over R120bn worth of Assets which include key facilities around the country, infrastructure network and most importantly rolling stock (trains), as well as motor fleet and buses. In response to the founding mandate and legislation in respect of safety – (The Legal Succession Act), PRASA has structured an extensive Liability Insurance Programme that covers in the main commuters for injuries sustained in the railway environment or any other third parties for loss and/or damages caused by PRASA.

The Assets All Risks, Motor and Liability programmes form the backbone of the Insurance Portfolio.

- II. Due to the rapid increase in the value of its assets as a result of the New Rolling Stock Acquisition Programme, PRASA is left with no other option but to explore both the local and international insurance markets. The local insurance market does not have enough risk bearing capacity and or appetite to underwrite PRASA's risk at hundred percent as was demonstrated in previous renewals.
- III. PRASA's Liability Programme, which relates to liability resulting from commuter Injury claims, is placed 100% in the international insurance market as there is no appetite to insure this type of risk in the local insurance market

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4.2 DETAILS ON THE PREFERRED SOLUTION

4.2.1 INSURANCE BROKING

Intermediary and advisory services:

- Enabling the collation of data for purposes of underwriting submission.
- Submission of underwriting information to the Insurers.
- Intermediary services between PRASA and the Insurers.
- Placing of PRASA's insurance covers and ensuring that PRASA is adequately insured.
- Performing annual benchmarking exercise for all policies and evaluate the impact of business cycles on the placement of risks.
- Advising PRASA on mechanisms to minimise the total cost of risk.
- Assisting PRASA, its divisions and subsidiaries with ad-hoc insurance requirements.
- Facilitating the issuing of agreements, i.e., policy wordings: and
- Adhering to the Service Level Agreement (SLA).

4.2.2 CLAIMS MANAGEMENT SERVICES

In support of PRASA's strategy of implementing an in-house claims management system, provide details of how your company intend assisting PRASA in building the required capacity and ensuring that policy conditions are adhered to:

- Developing and implementing a **claims administration system**.
- Managing and maintaining a claims administration system.
- Providing and maintaining accurate statistics of all losses and provision of such statistics monthly via bordereaux report.
- Providing technical advice and input in terms of the trends identified to improve the management of risk within PRASA.

4.2.3 RISK FINANCING SERVICES

Please specify the risk finance services which your companies intend providing PRASA. The service outline must include, inter alia, the following services:

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1. Design of risk financing and insurance strategies and placing covers as determined by PRASA as informed by its risk appetite and capacity.
2. Provide advice and guidance on alternative methods of financing both insurable and other risks through insurance markets, contingency policies, captives and capital markets.
3. Providing recommendations in relation to rate level changes, revised excess structure and effectiveness, and revised underwriting criteria.

4.2.4 RISK ENGINEERING SERVICES IN RESPECT OF FIRE DETECTION AND PREVENTION

Please specify the risk engineering services which your company would recommend to PRASA and the rationale behind your recommendations. The service outline must include, inter alia, the following services:

Property loss engineering and fire risks surveys:

- Annual evaluations of physical risk and risk control condition at PRASA key locations.
- Assess the security, fire and associated risks against international standards, make recommendations for improvement, follow-up on the status of recommendations, collate information required for underwriting risks, and identify and quantify MPL and EML scenarios.
- Provide professional engineering design review support in relation to fire risk protection and management; and
- Monitoring of impairments to fire protection installations.

4.2.5 SKILLS TRANSFER AND DEVELOPMENT

Please specify how you will impart skills on PRASA internal staff and support your intent with a proposal on how you will implement your program of skills transfer and development of internal staff geared at capacitating functional output.

5 . TARGETED AREA BY THIS PROJECT

This project will cater for the entire PRASA Group inclusive of all Divisions and Subsidiaries.

5.1 EXTENT AND COVERAGE OF THE PROPOSED PROJECT

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i. INSURANCE COVERS

- a) Assets All Risk
 - Property Damage;
 - Business Interruption;
 - Machinery and Electronic Breakdown.
- b) Motor Fleet
- c) Bus Fleet
- d) Principal Controlled Contractors all Risk (Contractor All Risks)
- e) SASRIA
- f) Public Liability;
- g) Commercial Crime / Fidelity Guarantee;
- h) Directors and Officers Liability;
- i) Employment Practices Liability;
- j) Group Personal Accident; and
- k) Cyber Liability

ii. CURRENT ANNUAL PROGRAMME – 1 APRIL RENEWAL FOR ALL PLACEMENTS

All Categories:

- Monthly/Quarterly meetings with PRASA on the status of claims;
- Quarterly statistical trend analysis;
- Commencement of renewal and renewal strategy meetings, identification of statistics and renewal information, divisional and subsidiaries interaction of anticipated renewal requirements and information;
- Compilation of the underwriting information from all divisions and subsidiaries;
- Conduction of underwriting surveys on key risks;
- Local and international market exercise;
- Placement of covers with underwriters;
- Confirmation of premiums, placements;
- Confirmation of covers;
- Presentations to divisions and subsidiaries on the covers in place;
- Alternative Risk Transfer / Risk Financing.

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NOTES:

The above list is not exhaustive, but it is included as a guideline of certain activities expected by PRASA.

The service level agreement and plan will detail the services, time frames, and penalties for failure to perform in accordance with contractual obligations.

iii. SERVICES TO BE PROVIDED FOR THE PROPOSAL INCLUDE:

- Structuring PRASA's insurance Programme by providing advice and innovative solutions on insurance structures;
- Provide cost-effective insurance covers;
- Technical advice and support on complex claims;
- Insurance broking services – to provide and support Group Insurance in all aspects related to the insurance programme by providing advice, assistance with the design of the insurance programme and risk financing strategies;
- Placing insurance covers as determined by PRASA:
- Interacting with and ensuring compliance to any insurance legislation or requirement for the placing of risks;
- Risk Financing Advice – to provide advice and guidance on alternative methods of financing both PRASA's insurable risks and other risks;
- Risk Management – Provide PRASA with loss reports and a proper control strategy. Assist in the implementation of the loss control program. Perform loss forecast, actuarial and trend analysis.

6 THE SUCCESSFUL SERVICE PROVIDER WILL BE REQUIRED TO UNDERTAKE THE FOLLOWING:

- Insurance placements with both the local and international markets;
- Review of renewal information required by markets;
- Review, collation and printing of renewal information booklet for submission to the insurance markets (underwriting submission);

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- Periodic claims meetings to review strategy and structure for PRASA's complete insurance programme;
- Accompanying Group Insurance on *ad hoc* visits to operations to discuss complex claims, insurance covers and other pertinent issues relating to the Insurance Programme;
- Facilitating the renewal strategy including presenting to PRASA the approach for renewal, as well as the outcome of the renewal exercise, i.e. pre and post; engagements;
- On-going policy wording reviews;
- Claims experience information, trend analysis and outstanding losses review for losses to the markets – not the captives;
- Complete documentation for renewal – Broking slips, cover notes, wordings, agreements, at cetera;
- Premium payment process to markets;
- Produce the insurance and claims procedure manual for Group Insurance and advise on processes and the effective implementation thereof;
- Manage declaration adjustments where required and ensure endorsements detailing changes during the period of insurance are issued timeously;
- Calculations of risk-bearing capacity for PRASA;
- Analysis of claims data, trend identification and recommendations on deductibles, aggregates and limits;
- Benchmarking of similar businesses on covers, limits and deductibles;
- Review and advise on risk finance for generally uninsurable risks;
- Review and advice on changes in the global insurance market;
- Risk rating methodologies – premium allocations; and
- Advice on pure risk-related standards and processes.

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

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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:

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. 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-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 for their administrative responsiveness, substantive responsiveness, technical/functional (capacity testing) evaluation and preference points. The evaluation committee shall use the following Evaluation Criteria depicted in table 7.1 below for the selection of the preferred bidder that shall render / deliver the required works, goods and / or services.

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TABLE 1

EVALUATION PROCESS	
Stage 1: Compliance	
1 A	Mandatory (Standard Returnable Documents) Mandatory (Regulatory and Technical Compliance Requirements)
1 B	Basic Compliance Requirements
Stage 2: Technical/Functional Criteria	
Testing of capacity	Minimum threshold of 80%
Stage 3: Preference Points	
Price	80
BBBEE	20
TOTAL	100

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

8 EVALUATION REQUIREMENTS

8.1 COMPLIANCE EVALUATION REQUIREMENTS

STAGE 1 A - Mandatory compliance requirements

If a supplier / bidder does not submit the following documents the Proposal will be disqualified automatically:

Table 2.1

No.	Description of requirement
a)	Completion of ALL RFP documentation (includes ALL declarations, ALL Standard Bidding Documents (SBD) and Commissioner of Oath signatures required)
b)	Company registration documents
c)	The Main Bidder must demonstrate to PRASA its ability to access the UK/international market by submitting any form of certification or reference which will enable PRASA to verify your ability accordingly. Please provide evidence of the type and value of covers placed in the UK/international market over the past 5 to 10 years.

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No.	Description of requirement
	<i>(This requirement pertains to cover for the Liability programme (100%) and a portion of the Assets All Risks programme which are placed in the UK/international market.)</i>

Regulatory and Technical Compliance Requirements (Indicate All Compliance Requirements)
If you do not submit the following documents your Proposal will be disqualified automatically:

Table 2.2

No.	Description of requirement
a)	Financial Sector Conduct Authority License (FSCA)
b)	Financial Intermediaries Association Membership Certificate (FIA)
c)	FAIS Compliance Certificates for Account Executive only
d)	Professional Indemnity Cover (Cover should be in force / active) – R300m
e)	Fidelity Guarantee Cover (Cover should be in force / active) – R300m

8.1.1 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.

Table: 3.

No.	Description of requirement
a)	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)
b)	A valid and Original Tax Clearance Certificate (valid as at the closing date of this RFP) Or supply SARS Pin
c)	CSD supplier registration number
d)	Letter of Good Standing: COID
e)	Copies of Directors' ID documents
f)	Proof of Footprint (i.e. Copies of the Rates and Taxes; Rental Agreements, etc.)

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9. Stage 2: Technical / Functionality Requirements

NOTE: The Technical or Functionality criteria must be guided by the project scope of works and area of focus.

Scoring of Functionality:

Qualifying bidders shall be evaluated on technicality / functionality after meeting all compliance requirements outlined above. The minimum threshold for the technical/functionality requirements is 80%.

Bidders who score below the minimum requirement shall not be considered for further evaluation in stage 3.

Scoring breakdown of the technical/functional requirements are presented in the table 7.2 below.

Details of the technical / functional requirements are presented in Table 5 below

Table 5

ITEM	CRITERIA	WEIGHT
1	Specific qualification and experience of the Account Executive that will service PRASA	30
2	Specific capacity and experience of the Supporting Team that will service PRASA	20
3	Innovation	20
4	Value-add proposition	20
5	Contactable references from companies whose insured assets are over R80bn	10
	TOTAL	100

Details of the scoring methodology presented above are outlined in Table 6 below

Table 6

0 = No information submitted, 1 = Poor information submitted, 2 = Fair/average, 3 = Good, 4 = acceptable or very good and 5 = Excellent.

Item	Criteria	Brief Description	Points Allocated
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1	Specific qualification and experience of the Account Executive that will service PRASA	Qualification for the Account Executive. The below is in addition to the FAIS Compliance Certificate required in Stage 1 A under Regulatory and Technical requirements (d). Proof of certified qualification required. (10) NQF Level 7 = Degree/Advanced Diploma/Post-graduate Certificate = 5 Points 6 = Diploma/Advanced Certificate/Occupational Certificate = 4 Points 5= Higher Cert/Adv National (Vocational) Certificates/ Occupational Certificates = 3 points 4 = National (Vocational) Certificates level 4/ Occupational Certificates = 2 points 3 = Grade 12/National (Vocational) Certificates level 3/ Occupational Certificates = 1 point No proof = 0 Experience in Rail, Aviation or Maritime insurance brokerage industry (20) Brief CV to be provided as part of this sub-section. Over 15 years experience = 5 points 11 – 14 years experience = 4 points 8 – 10 years experience = 3 points 5 - 7 years experience = 2 points Less than 5 years = 1 point No proof = 0 The above should be outlined as follows: 1. Age of the Account Executive (xx) years and ID No & Copy: 2. Year of Matriculation and relevant qualifications. 3. Year of entry into the insurance industry 4. Years of experience to date 5. Name the clients that the Account Executive has serviced in respect of Rail, Aviation or Maritime 6. References and/or referral letters to support the required work experience as outlined above.	30
2	Specific capacity and experience of the Supporting Team that will service PRASA	Detailed organogram for the Servicing and Supporting Team (An organizational chart, or organogram is a diagram that shows how an organization is structured, and how the positions in the organization are related to each other in respect of ranks and positions / jobs.) For this section, our focus is on the Management and Technical Team. We require the organogram to demonstrate the linkage of	20

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		the teams who will be servicing and supporting PRASA in respect of: i. Insurance Brokering ii. Claims Management iii. Risk Financing Services iv. Risk Engineering Services v. Skills Transfer and Development To demonstrate the experience, we require the individual short CV's of the teams(s) with contactable references to adequately ascertain the years of experience as required. 90%+ of team with experience of 10 years and more in all fields = 5 points 70% - 90% of team with experience of 10 years = 4 points 50% - 80% of team with experience of between 6 to 9 years = 3 points Less than 50% of team with experience of between 3 to 5 years = 2 points Less than 30% of team with experience of between 0 to 2 years = 1 point No proof = 0	
3	Innovation	Insurance Brokerage Expertise Provide three Insurance Programme's (Insurance Policies/Covers) wherein you have provided innovative insurance and risk management solutions (preferably to companies within the same industry segment as PRASA - Transport). It is expected that the Bidder will illustrate the innovative solutions that were explored which ultimately resulted in the savings of insurance premiums. Bidders are expected to highlight the critical elements that were essential to achieving the reduction of premium savings. 3 x policies with discounts of over 15% in premiums: = 5 points 2 x policies with discounts of over 15% in premiums: = 4 points 3 x policies with discounts of over 10% in premiums: = 3 points 2 x policies with discounts of over 10% in premiums: = 2 points 1 x policies with evidence of any discount: = 1 point No proof = 0	20
4	Value-add Services	Approach, Methodology Provide PRASA with your organization's take-on approach and methodology that will demonstrate how your firm's technical expertise will assist PRASA's Insurance Programme to reduce the Total Cost of Risk and ultimately reduction in insurance pay way premiums with reference to: <i>1. Enterprise-Wide Risk Management</i>	20

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		2. Business Continuity Management 3. Risk/Underwriting Surveys 4. Alternative Risk Financing 5. Alternative Insurance Markets Bidders will not be scored on theory, but rather on the provision that these will be used as key deliverables at contracting stage. Expertise in 5 areas = 5 points Expertise in 4 areas = 4 points Expertise in 3 areas = 3 points Expertise in 2 areas = 2 points Expertise in 1 area = 1 point No proof = 0 Please use the provided matrix		
	Programme	Approach	Methodology	Capacity
1	Enterprise Wide Risk Management			
2	Business Continuity Management			
3	Risk/Underwriting Surveys			
4	Alternative Risk Financing			
5	Alternative Insurance Markets			
5	Contactable references from companies whose insured assets are over R80bn	Provide a maximum of 3 reference letters from previous and existing customers, which detail the level of your service performance. The letters which must reflect the company’s letterhead, must be dated current and furthermore it must be signed with the designation and contact details of the client/person furnishing the letter as well as state and or confirm that the value of the of the assets insured is over R80bn. 3 x Letters with complete requirements = 5 points 2 x Letters with complete requirements = 3 points 1 x Letters with complete requirements = 1 point No proof = 0	10	
	TOTAL			100

10. 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:

TABLE

$$P_s = 80 \left[1 - \frac{P_t - P_{\min}}{P_{\min}} \right]$$

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Where:

Ps = Points scored for the price of tender under consideration;

Pt = Rand value of the tender under consideration;

Pmin = Rand value of the lowest acceptable tender.

- The minimum qualifying criteria for pricing is 80 points as per the standard Evaluation Criteria presented in Table 1
- The minimum qualifying criterion for pricing is 80 points as per the standard Evaluation Criteria presented in formula above.

Please use the table below to indicate the weighting of your proposed bid price.

Performance Area	Weight (%)
Brokerage	
Claims administration	
Risk Financing Services	
Risk Engineering Services	
Skills Transfer and Development	
Value-add Services	
TOTAL	100%

Bidders may attach their pricing schedule in addition to the table above.

Table 7 BBBEE Evaluation Criteria

The BBBEE component of the evaluation process is weighted at 20 points in **Table 1** of the standard Evaluation Criteria outlined above. Bidders will be awarded points based on the level of the BBBEE status presented in the BBBEE Certificate issued by an approved agency certified by SANAS.

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.

Details of the allocation of points by the Evaluation Committee are presented in **Table7** below.

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B-BBEE STATUS LEVEL OF CONTRIBUTOR	NUMBER OF POINTS (80/20 SYSTEM) FROM R50 MILLION AND BELOW
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-Compliant Contributor	0

Table 4: BBBEE Evaluation Criteria

8 PREFERENTIAL PROCUREMENT REGULATIONS -N/A FOR THIS BID

In compliance with the 2017 Preferential Procurement Regulations, PRASA intends to subcontract in this project a minimum of 30% to one of the following types of enterprises:

- an EME or QSE;
- an EME or QSE which is at least 51% owned by Black People;
- an EME or QSE which is at least 51% owned by black people who are youth;
- an EME or QSE which is at least 51% owned by black people who are women;
- an EME or QSE which is at least 51% owned by black people with disabilities;
- an EME or QSE which is at least 51% owned by black people living in rural or underdeveloped areas or townships;
- an EME or QSE which is at least 51% owned by black people who are military veterans; or
- a cooperative which is at least 51% owned by black people.

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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. All agreements to state that PRASA will not be held responsible or liable should the successful Bidder breach contract with the subcontracted companies.

Bidders will be provided with a Reference Number for a list of companies that must be sub-contracted from the National Treasury Central Supplier Database (CSD).

9 VALIDITY PERIOD

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

10 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 80/20 for B-BBEE.

11 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 80/20

12 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.

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13 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).

14 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/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;

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- 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), as required per National Treasury Instruction Note 01 of 2015/2016.

3 SERVICE LEVELS

- 3.1 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.
- 3.2 PRASA will have quarterly reviews with the Service provider's account representative on an on-going basis.
- 3.3 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.
- 3.4 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.
- 3.5 The Service provider must provide a telephone number for customer service calls.

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3.6 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:

YES	
-----	--

4 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.

5 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 _____

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Name _____

2 _____

Name _____

SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE: _____

NAME: _____

DESIGNATION: _____

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6 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: _____

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7 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 _____

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SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE: _____

NAME: _____

DESIGNATION: _____

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8 GENERAL CONDITIONS

8.1 ALTERNATIVE BIDS-N/A

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.

8.2 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.

8.3 PRECEDENT

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

8.4 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

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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.

8.5 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.

8.6 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

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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.

8.7 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.

8.8 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.

8.9 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.

8.10 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

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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).

8.11 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

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- 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.

8.12 COSTS OF RESPONSE TO THE RFP SUBMISSION

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.

8.13 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.

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9 CONDITIONS OF TENDER

General

- | | | |
|--|---|--|
| Actions | 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. |
| Interpretation | 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/ 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. |
| Communication | 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> . |
| PRASA's rights to accept or reject any tender | 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. |

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Tenderer's obligations

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

- | | | |
|---|---|--|
| Eligibility | 1 | Submit a tender only if the <i>tenderer</i> complies with the criteria stated in the Scope of work/ specification. |
| Cost of tendering | 2 | Accept that PRASA will not compensate the <i>tenderer</i> for any costs incurred in the preparation and submission of a tender. |
| Check documents | 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. |
| Copyright of documents | 4 | Use and copy the documents provided by PRASA only for the purpose of preparing and submitting a tender in response to this invitation. |
| Standardised specifications and other publications | 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. |
| Acknowledge receipt | 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. |
| Site visit and / or clarification meeting | 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</i> -tender website and CIDB website. |
| Seek clarification | 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> . |

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- | | | |
|---------------------------------|----|---|
| Insurance | 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. |
| Pricing the tender | 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. |

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NOTE:

- 19 **Return the completed and signed *PRASA Tender Forms and SBD forms provided with the tender. Failure to submit all the required documentation will lead to disqualification***
- 20 **Submit the tender as an original 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.**
- 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 *tenderer*.
- 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.

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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 | <p>25 Ensure that PRASA has received the tender at the stated address with the Scope of work / specification no later than the <i>deadline for tender submission</i>. 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.</p> <p>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.</p> |
| Tender validity | <p>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>.</p> <p>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.</p> |
| Clarification of tender after submission | <p>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></p> |
| Submit bonds, policies etc. | <p>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>.</p> |

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- 31 Undertake to check the final draft of the contract provided by PRASA's *Representative*, 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.
- 33 Comply with PRASA's requirements regarding BBBEE Suppliers.

Fulfil BEE
requirements

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> . |
| Issue Addenda | 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> . |
| Return late
tenders | 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. |
| Non-disclosure | 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. |
| Grounds for
rejection | 5 | Consider rejecting a tender if there is any effort by a <i>tenderer</i> to influence the processing of tenders or contract award. |
| Disqualification | 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. |

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Test for responsiveness	7	Determine before detailed evaluation, whether each tender properly received - meets the requirements of these Conditions of Tender, - has been properly signed, and - is responsive to the requirements of the <i>tender documents</i>.
	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 - detrimentally affect the scope, quality, or performance of the works, services or supply identified in the Contract Data, - change PRASA's or the <i>tenderer's</i> risks and responsibilities under the contract, or - affect the competitive position of other <i>tenderers</i> presenting responsive tenders, if it were to be rectified.
Non-responsive tenders	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.
Arithmetical errors	11	Check responsive tenders for arithmetical errors, correcting them as follows: - Where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern. - 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. - 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.
	12	Reject a tender if the <i>tenderer</i> does not accept the corrected total of the Prices (if any).
Evaluating the tender	13	Evaluate responsive tenders in accordance with the procedure stated in the RFP / Scope of work/ specification. The evaluated tender price

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will be disclosed only to the relevant PRASA tender committee and will not be disclosed to *tenderers* or any other person.

Clarification of a tender	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.
Acceptance of tender	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> .
Notice to unsuccessful tenderers	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.
Prepare contract documents	17	Revise the contract documents issued by PRASA as part of the <i>tender documents</i> to take account of • Addenda issued during the tender period, • inclusion of some of the <i>tender returnables</i>, and • other revisions agreed between PRASA and the successful <i>tenderer</i>, before the issue of PRASA's notice of acceptance (of the tender).
Issue final contract	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.
Sign Form of Agreement	19	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.
Provide copies of the contracts	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.