

**TRANSNET FREIGHT RAIL**

an Operating Division of **TRANSNET SOC LTD**

[hereinafter referred to as **Transnet**]

[Registration No. 1990/000900/30]

**REQUEST FOR PROPOSAL [RFP] (GOODS INCLUDING LOCAL CONTENT)**

**FOR THE SUPPLY AND DELIVERY OF NON STERILE SURGICAL LATEX HAND GLOVES TO MITIGATE THE SPREAD OF THE COVID-19, ON AN "AS AND WHEN REQUIRED BASIS" FOR TRANSNET FREIGHT RAIL NATIONALLY FOR PERIOD OF 6 (SIX) MONTHS**

**RFP NUMBER: HOAC-HO-34896**  
**ISSUE DATE: 06 May 2021**  
**CLOSING DATE: 25 May 2021**  
**CLOSING TIME: 10:00 AM**  
**BID VALIDITY PERIOD: 180 BUSINESS DAYS FROM CLOSING DATE (8 February 2022)**

**PREFERENTIAL PROCUREMENT PREQUALIFICATION CRITERIA - ONLY THE FOLLOWING RESPONDENTS MAY RESPOND TO THIS RFP:**

- **RESPONDENTS WITH A MINIMUM B-BBEE STATUS LEVEL OF 1;**
- **EXEMPTED MICRO ENTERPRISES (EMEs) AND/OR QUALIFYING SMALL ENTERPRISES (QSEs);**

**SCHEDULE OF BID DOCUMENTS**

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**FOR THE SUPPLY AND DELIVERY OF NON STERILE SURGICAL LATEX HAND GLOVES TO MITIGATE  
THE SPREAD OF THE COVID-19, ON AN "AS AND WHEN REQUIRED BASIS" FOR TRANSNET  
FREIGHT RAIL NATIONALLY FOR PERIOD OF 6 (SIX) MONTHS**

**SECTION 1: SBD1 FORM**

**PART A**

**INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF TRANSNET FREIGHT RAIL, A DIVISION TRANSNET SOC LTD</b>							
BID NUMBER:	<b>HOAC- HO- 34896</b>	ISSUE DATE:	<b>06 May 2021</b>	CLOSING DATE:	<b>25 May 2021</b>	CLOSING TIME:	<b>10:00AM</b>
DESCRIPTION	<b>FOR THE SUPPLY AND DELIVERY OF NON STERILE SURGICAL LATEX Hand Gloves TO MITIGATE THE SPREAD OF THE COVID-19, ON AN "AS AND WHEN REQUIRED BASIS" FOR TRANSNET FREIGHT RAIL NATIONALLY FOR PERIOD OF 6 (SIX) MONTHS</b>						
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>							
<b>RECEPTION, TENDER ADVISE CENTRE, INYANDA HOUSE 1, GROUND FLOOR, 21 WELLINGTON ROAD PARKTOWN, and JOHANNESBURG</b>							
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>				<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>			
CONTACT PERSON	<b>Muzi Thusi</b>			CONTACT PERSON	.....		
TELEPHONE NUMBER	<b>011 584 0659</b>			TELEPHONE NUMBER	.....		
FACSIMILE NUMBER	<b>Not Applicable</b>			FACSIMILE NUMBER	.....		
E-MAIL ADDRESS	<a href="mailto:muzi.thusi@transnet.net">muzi.thusi@transnet.net</a>			E-MAIL ADDRESS	.....		
<b>SUPPLIER INFORMATION</b>							
NAME OF BIDDER							
POSTAL ADDRESS							
STREET ADDRESS							
TELEPHONE NUMBER	CODE				NUMBER		
CELLPHONE NUMBER							
FACSIMILE NUMBER	CODE				NUMBER		
E-MAIL ADDRESS							
VAT REGISTRATION NUMBER							
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:				<b>OR</b>	CENTRAL SUPPLIER DATABASE	UNIQUE REGISTRATION REFERENCE NUMBER: MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No			B-BBEE STATUS LEVEL SWORN AFFIDAVIT			[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No

<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>			
<b>1 ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</b>  <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		<b>2 ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</b>  <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER QUESTIONNAIRE BELOW ]	
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>			
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO  DOES THE ENTITY HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO  DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO  DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? YES <input type="checkbox"/> NO <span style="float:right;"><input type="checkbox"/></span>  IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO			
<b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 1.3 BELOW.</b>			

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

<b>1. TAX COMPLIANCE REQUIREMENTS</b>
1.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS. 1.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS. 1.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA. 1.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID. 1.5 IN BIDS WHERE UNINCORPORATED CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER. 1.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

(Proof of authority must be submitted e.g. company resolution)

DATE: \_\_\_\_\_

## SECTION 2 : NOTICE TO BIDDERS

### 1. INVITATION TO BID

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, Respondent** or **Bidder**].

<b>DESCRIPTION</b>	<b>FOR THE SUPPLY AND DELIVERY OF NON STERILE SURGICAL LATEX TO MITIGATE THE SPREAD OF THE COVID-19, ON AN "AS AND WHEN REQUIRED BASIS" FOR TRANSNET FREIGHT RAIL NATIONALLY FOR PERIOD OF 6 (SIX) MONTHS [the Goods]</b>
<b>RFP DOWNLOADING</b>	<p>This RFP may be downloaded directly from The Transnet e-Tender Publication Portal at free of charge.</p> <p><a href="https://www.transnet.net/TenderBulletins/Pages/default.aspx">https://www.transnet.net/TenderBulletins/Pages/default.aspx</a></p> <p>To download RFP and Annexures:</p> <ul style="list-style-type: none"> <li>• Click on "Transnet Freight Rail";</li> </ul> <p>Once the tender has been located in the list, process to download all uploaded documents.</p>
<b>EMAIL ADDRESS FOR COMMUNICATION</b>	<p>Once Bidders download the RFP off the Portal, they are required to send their contact details to the following address: <a href="mailto:Anthonie.Erasmus@transnet.net">Anthonie.Erasmus@transnet.net</a> and <a href="mailto:Lerato.Marailane@transnet.net">Lerato.Marailane@transnet.net</a> <b>from 06 May 2021 to 24 May 2021</b>, This is to ensure that any required communication in relation to this RFP reaches those intending to respond. Furthermore, any addenda to the RFP or clarifications will be published on the e-tender portal. Bidders are required to check the eTender portal prior to finalising their bid submissions for any changes or clarifications to the RFP.</p> <p>Transnet will not be held liable if Bidders do not receive the latest information regarding this RFP with the possible consequence of either being disadvantaged or disqualified as a result thereof.</p>
<b>ISSUE AND COLLECTION DATE DEADLINE</b>	Bidders are to note that the RFP documents will be available for download from 06 May 2021 to 24 May 2021
<b>BRIEFING SESSION</b>	No – Compulsory, Refer to paragraph 2 for details.
<b>CLOSING DATE</b>	<p><b>10:00 on Tuesday 25 May 2021</b></p> <p>Bidders must ensure that bids are delivered timeously to the correct address.</p> <p>As a general rule, if a bid is late or delivered to the incorrect address, it will not be accepted for consideration.</p>
<b>BID OPENING</b>	A public opening <b>will not</b> be held for this bid, however Respondents will be provided with a copy of the opening register indicating the names of the Respondents.
<b>VALIDITY PERIOD</b>	<p><b>08 February 2022(180 Business Days from Closing Date)</b></p> <p>Bidders are to note that they may be requested to extend the validity period of their bid, at the same terms and conditions, if the internal evaluation process has not been finalised within the validity period. However, once the adjudication body has approved the process and award of the business to the successful bidder(s), the validity of the successful bidder(s)' bid will be deemed to remain valid until a final contract has been concluded.</p>

	With regard to the validity period of next highest ranked bidders, please refer to Section 2, paragraph 11.12
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Any additional information or clarification will be faxed or emailed to all Respondents, if necessary.

## 2. FORMAL BRIEFING

- A formal briefing session will not be held but should Respondents have specific queries they should email these to the Transnet employee(s) indicated in paragraph 8 [*Communication*] below.
- The RFP clarification request form, in section 8 should be submitted between the 06 May 2021 to 25 May 2021 during the clarification period bidders can contact Muzi Thusi [muzi.thusi@transnet.net](mailto:muzi.thusi@transnet.net)

## 3. PROPOSAL SUBMISSION

Proposals must be addressed on the cover as follows: Proposals must be addressed on the cover as follows:

The Secretariat, Transnet Acquisition Council

RFP No: **HOAC**

**FOR THE SUPPLY AND DELIVERY OF NON STERILE SURGICAL LATEX GLOVES TO MITIGATE THE SPREAD OF THE COVID-19, ON AN "AS AND WHEN REQUIRED BASIS" FOR TRANSNET FREIGHT RAIL NATIONALLY FOR PERIOD OF 6 (SIX) MONTHS**

Closing date and time: 25 May 2021 at 10:00

Closing address: **THE SECRETARIAT**

**TRANSNET FREIGHT RAIL ACQUISITION COUNCIL, INYANDA HOUSE 1, 21 WELLINGTON RD, PARKTOWN, JOHANNESBURG, 2001**

Name of Respondent:

Contact details of Respondent:

Return address of Respondent:

## 4. RFP INSTRUCTIONS

- 4.1. The measurements of the "tender slot" are 350mm wide x 200mm high. Bid responses which are larger than the dimensions mentioned must be split into two or more files and clearly marked. **Transnet will not be held responsible if bid documents do not comply with the mentioned dimensions and Respondents experience difficulty in submitting their bids as a result.**
- 4.2. It should also be noted that the above tender box is located at the street level in the main entrance in Inyanda House 1 and is accessible to the public from 08:00 am until 04:30 pm business working days only.
- 4.3. Proposals must be submitted in duplicate hard copies [1 original and 1 copy] and must be bound.

- 4.4. Sign one set of original documents [sign, stamp and date the bottom of each page]. This set will serve as the legal and binding copy. A duplicate set of documents is required. This second set must be a copy of the original signed Proposal.
- 4.5. Both sets of documents are to be submitted to the address specified, and Bidders must ensure that the original and copies (where applicable) are identical in all respects.
- 4.6. A CD copy of the RFP Proposal must be submitted. The entire bid submission as a single PDF file and, All relevant Annexures in their respective required formats. Noting that the signed original set will be legally binding.
- 4.7. **All returnable documents tabled in the Proposal Form [Section 5] must be returned with proposals.**
- 4.8. 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.
- 4.9. 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.

## **5. 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 Transnet 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 Transnet.

## **6. PREFERENTIAL PROCUREMENT PREQUALIFICATION CRITERIA**

### **6.1. Exempted Micro Enterprises & Qualifying Small Enterprises**

Transnet has set a prequalification criterion that only Exempted Micro Enterprises (EMEs) **and/or** Qualifying Small Enterprises may participate in this RFP process. A bid that fails to meet this pre-qualifying criteria will be regarded as an unacceptable bid.

### **6.2. Minimum B-BBEE level**

Transnet has decided to set a minimum B-BBEE threshold for participation in this RFP process. The minimum B-BBEE threshold in this instance is a B-BBEE Level 1, and Respondents who do not have at least this B-BBEE status will be disqualified

## **7. COMPULSORY LOCAL CONTENT THRESHOLD**

In terms of section 8(1) of the Preferential Procurement Regulations, 2017, and the Instruction Note issued by National Treasury on the "Invitation and Evaluation of Bids based on a stipulated minimum threshold for local content and production for the **CLOTHING AND TEXTILES** Sector", Transnet is required to set a stipulated minimum threshold be set for this RFP.

### **7.1. Local Content Threshold**

A Local Content threshold of **100% (Hundred percent)** will be required for the goods specified in SBD 6.2, to be manufactured by a successful Respondent **from award of the contract period** until remainder of the contract term.

For further guidance with regard to the determination of "Local Content", Respondents must refer to the following documentation:

- SABS approved technical specification number SATS 1286:2011
- Guidance on the calculation of Local Content

The following are the requirements are the required to mitigate the spread of Covid-19:

Requirements	Local Content Threshold
<ul style="list-style-type: none"> <li>• latex hand gloves box of 50</li> </ul>	100%

### **7.2. Mandatory RFP Annexures**

The regulatory and mandatory RFP Annexures, which must be completed by all Respondents in order to declare Local Content, are as follows:

- Annexure B – Declaration Certificate for Local Production and Content [SBD 6.2]
- Annexure C – Local Content Declaration: Summary Schedule

**RESPONDENTS ARE REQUIRED TO COMPLETE, COMPLY AND DECLARE THE LOCAL CONTENT THRESHOLD PER CATEGORY / MATERIAL GROUP. FAILURE TO COMPLY WILL LEAD TO DISQUALIFICATION**

#### **Essential RFP Annexures**

- Annexures D and E are Supporting Schedules to Annexure C. They are named as follows:
  - Annexure D – Imported Content Declaration: Supporting Schedule to Annexure C
  - Annexure E – Local Content Declaration: Supporting Schedule to Annexure C

After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. Declaration C should be submitted with the bid documentation at the closing date and time of the bid. Declarations D and E should be kept by Respondents for

verification purposes for a period of at least 5 years. The successful Respondent is required to continuously update Declarations C, D and E with the actual values for the duration of the contract. In addition to what is stated above regarding Annexures D and E, please note that these declarations are to be submitted as part of the Essential Returnable Documents.

### 7.3. **Challenges meeting the Local Content Threshold**

Should, after the award of a Bid, the Supplier experience challenges in meeting the stipulated minimum threshold for Local Content, Transnet is required to inform the DTI accordingly in order for the DTI to verify the circumstances and provide directives in this regard.

### 7.4. **Local Content Obligations**

Respondents are to note that the Local Content commitments made by the successful Respondent(s) will be incorporated as a term of the contract and monitored for compliance. Should the successful Respondent fail to meet its Local obligations, non-compliance penalties shall be applicable as per the contract or Standard Terms and Conditions of Contract. Breach of Local Content obligations also provide Transnet cause to terminate the contract in certain cases where material non-compliance with Local Content requirements are not achieved.

**NB: A Comprehensive presentation will be attached to articulate the requirements of Local Content and how to respond to the bid. Bidder will be allowed to ask question during the clarification period.**

A comprehensive briefing presentation will be attached to articulate the requirement/s of how to respond to the bid and allow bidders to ask questions where clarity is needed

### 7.5. **Local Content Notes**

7.5.1. The exchange rate to be used for the calculation of local production and content must be the exchange rate published by the South African Reserve Bank (SARB) on the date of the advertisement of the tender;

7.5.2. Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 must be used to calculate local content;

7.5.3. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the following formula which must be disclosed in the bid documentation:

$$LC = [1 - x/y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by the SARB at 12:00 on the date of advertisement of the bid.

7.5.4. The SABS approved technical specification number SATS 1286:2011 and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)] are

accessible to all potential tenderers on the DTI's official website; [http://www.the.dti.gov.za/industrial\\_development/ip.jsp](http://www.the.dti.gov.za/industrial_development/ip.jsp) at no cost.

- 7.5.5. The rates of exchange quoted by the tenderer in paragraph 4.1 of Returnable Schedule (the Declaration Certificate for Local Production and Content for Designated Sectors) will be verified for accuracy.
- 7.5.6. Declaration Certificate for Local Production and Content (SBD 6.2) together with the Annex C (Local Content Declaration: Summary Schedule) must be completed, duly signed and submitted a the closing date and time of the bid;
- 7.5.7. Tenderers must familiarise themselves with all the information provided in the Local Content instruction notes with particular reference to paragraph 4 of the instruction notes.
- 7.5.8. Respondents are to ensure that they complete the local content annexures in line with the provisions made in the Guidance Document for the calculation of Local Content. Failure to comply will lead to disqualification.

## 8. COMMUNICATION

- 8.1. For specific queries relating to this RFP, an RFP Clarification Request Form should be submitted to Muzi Thusi ([muzi.thusi@transnet.net](mailto:muzi.thusi@transnet.net)) before **12:00 pm from 06 May 2021 to 24 May 2021** substantially in the form set out in Section 8 hereto. In the interest of fairness and transparency Transnet's response to such a query will then be made available to the other Respondents who have collected RFP documents. For this purpose Transnet will communicate with Respondents using the contact details provided to the Secretariat on issue of the bid documentation to the Respondent. Kindly ensure that you provide the Secretariat with the **correct** contact details, as Transnet will not accept responsibility for being unable to contact a bidder who provided incorrect contact details.
- 8.2. After the closing date of the RFP, a Respondent may only communicate with the Secretariat of the Transnet Acquisition Council, at telephone number **011 584-0821**, email **Prudence.Nkabinde@transnet.net** on any matter relating to its RFP Proposal.
- 8.3. Respondents are to note that changes to its submission will not be considered after the closing date.
- 8.4. It is prohibited for Respondents to attempt, either directly or indirectly, to canvass any officer or employee of Transnet in respect of this RFP between the closing date and the date of the award of the business.
- 8.5. Respondents found to be in collusion with one another will be automatically disqualified and restricted from doing business with organs of state for a specified period.

## 9. CONFIDENTIALITY

All information related to this RFP is to be treated with strict confidence. In this regard Respondents 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 related to this RFP or the subsequent contract, written approval must be obtained from Transnet.

**10. COMPLIANCE**

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

**11. EMPLOYMENT EQUITY ACT**

Respondents must comply with the requirements of the Employment Equity Act 55 of 1998 applicable to it including (but not limited to) Section 53 of the Employment Equity Act.

**12. DISCLAIMERS**

Respondents are hereby advised that Transnet is not committed to any course of action as a result of its issuance of this RFP and/or its receipt of Proposals. In particular, please note that Transnet reserves the right to:

- 12.1. modify the RFP's Goods and request Respondents to re-bid on any such changes;
- 12.2. reject any Proposal which does not conform to instructions and specifications which are detailed herein;
- 12.3. disqualify Proposals submitted after the stated submission deadline [closing date];
- 12.4. award a contract in connection with this Proposal at any time after the RFP's closing date;
- 12.5. award a contract for only a portion of the proposed Goods which are reflected in the scope of this RFP;
- 12.6. split the award of the contract between more than one Supplier, should it at Transnet's discretion be more advantageous in terms of, amongst others, cost or developmental considerations;
- 12.7. cancel the bid process;
- 12.8. 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 Transnet to do so;
- 12.9. request audited financial statements or other documentation for the purposes of a due diligence exercise;
- 12.10. 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;
- 12.11. to cancel the contract and/request that National Treasury place the Respondent on its Database of Restricted Suppliers for a period not exceeding 10 years, on the basis that a contract was awarded on the strength of incorrect information furnished by the Respondent;
- 12.12. to award the business to the next ranked bidder, provided that he/she is still prepared to provide the required Goods at the quoted price, should the preferred bidder fail to sign or commence with the contract within a reasonable period after being requested to do so. Under such circumstances, the validity of the bids of the next ranked bidder(s) will be deemed to remain valid, irrespective of whether the next ranked bidder(s) were issued with a Letter of Regret. Bidders may therefore be

requested to advise whether they would still be prepared to provide the required Goods at their quoted price, even after they have been issued with a Letter of Regret.

Note that Transnet 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.

### **13. LEGAL REVIEW**

A Proposal submitted by a Respondent will be subjected to review and acceptance or rejection of its proposed contractual terms and conditions by Transnet's Legal Counsel, prior to consideration for an award of business. A material deviation from the Standard terms or conditions could result in disqualification.

### **14. SECURITY CLEARANCE**

Acceptance of this bid could be subject to the condition that the Successful Respondent, its personnel providing the goods and its subcontractor(s) must obtain security clearance from the appropriate authorities to the level of **CONFIDENTIAL/ SECRET/TOP SECRET**. Obtaining the required clearance is the responsibility of the Successful Respondent. Acceptance of the bid is also subject to the condition that the Successful Respondent will implement all such security measures as the safe performance of the contract may require.

### **15. 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. Respondents must register on the CSD prior to submitting their bids. Business may not be awarded to a Respondent who has failed to register on the CSD. Only foreign suppliers with no local registered entity need not register on the CSD.

### **16. TAX COMPLIANCE**

Respondents must be compliant when submitting a proposal to Transnet 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 bid that the tax matters of the successful Respondent 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 bidders / individuals who wish to submit bids.

It is a requirement that Respondents grant a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.

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

**For this purpose, the attached SBD 1 form must be fully completed and submitted as a mandatory returnable document by the closing date and time of the bid.**

#### **17. PROTECTION OF PERSONAL DATA**

In responding to this bid, Transnet acknowledges that it may obtain and have access to personal data of the Respondents. Transnet 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, Transnet 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, Transnet requires Respondents to process any personal information disclosed by Transnet in the bidding process in the same manner. The detailed mutual duties of Transnet and the Respondents to protect personal information is contained in paragraph 36 of the General Bid Conditions.

**Transnet urges its clients, suppliers and the public to report any fraud or corruption to**

**TIP-OFFS ANONYMOUS: 0800 003 056**

## **SECTION 3: BACKGROUND AND SCOPE OF REQUIREMENTS**

### **1 BACKGROUND**

The purpose of this project is to invite all interested suppliers within the PPE space to supply and delivery of Non Sterile Surgical Latex Gloves an "as and when required basis" for transnet freight rail nationally for period of 6 (six) months.

### **2 SCOPE OF REQUIREMENTS**

The broad scope of this procurement event covers;  
Supply and delivery of Non Sterile Surgical Latex as indicated in the pricing schedule

### **3.1 REQUIREMENTS**

**The latex gloves should meet the following requirements:**

- Non-sterile
- Disposable
- Can be used effectively with soap based detergents/disinfectant, alcohol based detergents/disinfectant and or any other regular household disinfectants/detergents

### 3.2 ESTIMATED CONSUMPTION

The table below indicates the current demand until 30 June 2021

No	Item Description	Jan 21 Estimated Forecasted Demand	Feb 21 Estimated Forecasted Demand	Mar 21 Estimated Forecasted Demand	Apr 21 Estimated Forecasted Demand	May 21 Estimated Forecasted Demand	June 21 Estimated Forecasted Demand
	<b>Latex Hand Gloves box of 50 (S - 15%, M - 35%, L - 35%, XL - 15%)</b>						
	Krugersdorp	960	960	960	960	960	960
	Kimberley	240	240	240	240	240	240
	Durban	480	480	480	480	480	480
	Cape Town	240	240	240	240	240	240
	Port Elizabeth	240	240	240	240	240	240
	RME	384	384	384	384	384	384

**ANNEXURE F: CLAUSE-BY-CLAUSE COMPLIANCE TO SPECIFICATION**

**BIDDERS WHO DO NOT FULLY COMPLETE THE REQUIREMENTS IN THE TABLE BELOW OR ARE NOT 100% COMPLIANT AS PER THE REQUIREMENTS BELOW, INCLUDING SUBMISSION OF REQUIRED CERTIFICATES OR CATALOGUE/S, WILL AUTOMATICALLY BE DISQUALIFIED. THE 'COMPLIANCE' COLUMN IS TO CONTAIN ONLY A 'YES' OR 'NO' FOR EACH ITEM LISTED. ANY APPLICABLE COMMENTS CAN BE INSERTED IN THE 'COMMENTS' COLUMN.**

ITEM	DESCRIPTION	COMPLY (Yes /No);	If yes to 'COMPLY', include the following in your bid response	Comments
1.	<ul style="list-style-type: none"> <li>• <b>Non Sterile Surgical Latex Hand Gloves box of 50 (S - 15%, M - 35%, L - 35%, XL - 15%)</b></li> <li>• Non-sterile</li> <li>• Disposable</li> <li>• Can be used effectively with soap based detergents/disinfectant, alcohol based detergents/disinfectant and or any other regular household disinfectants/detergents</li> </ul>			

**3 GREEN ECONOMY / CARBON FOOTPRINT**

Transnet wishes to have an understanding of your company's position with regard to environmental commitments, including key environmental characteristics such as waste disposal, recycling and energy conservation. *Please submit details of your entity's policies in this regard.*

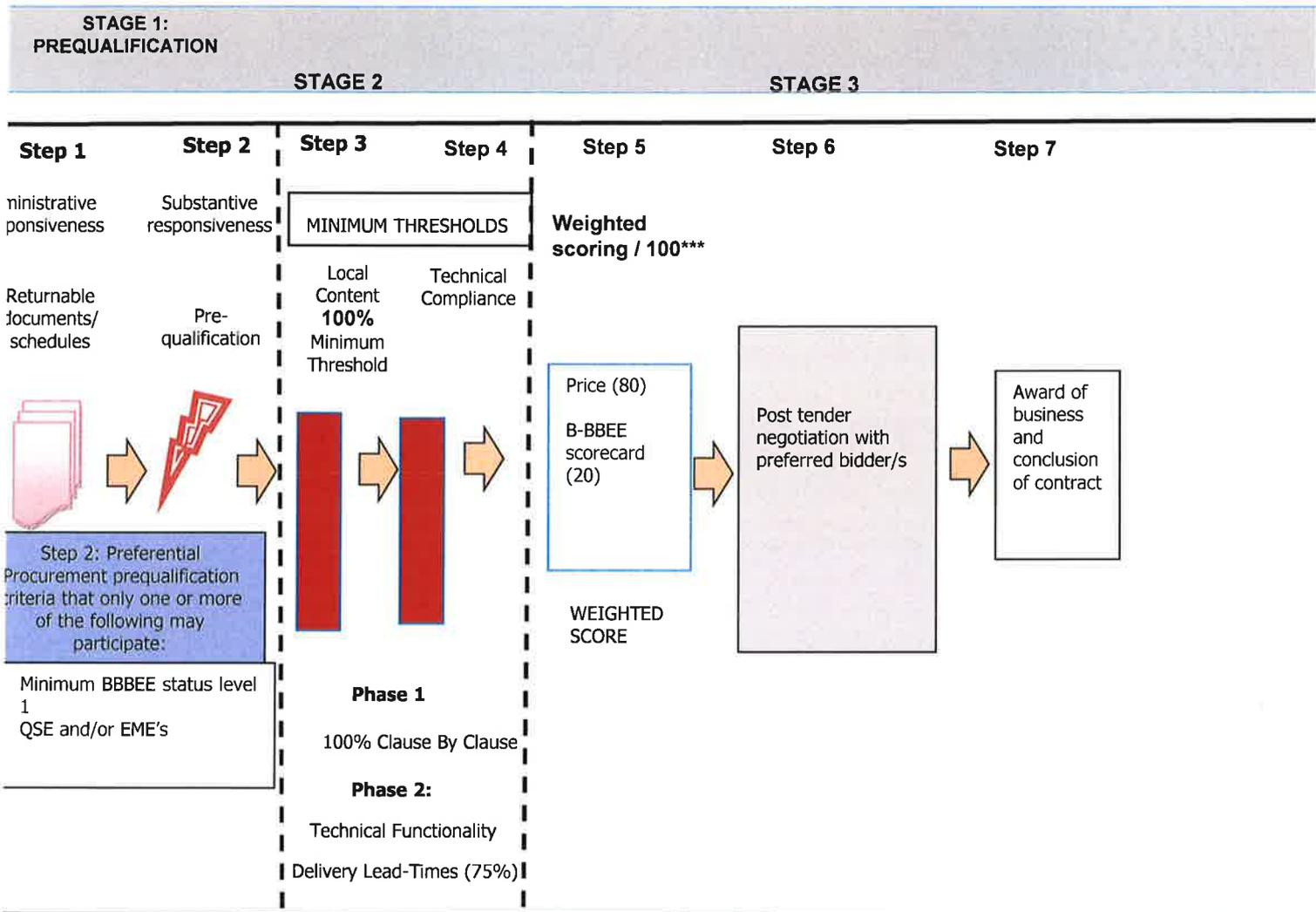
**4 GENERAL SUPPLIER OBLIGATIONS**

- 4.1** The Supplier(s) shall be fully responsible to Transnet for the acts and omissions of persons directly or indirectly employed by them.
- 4.2** The Supplier(s) must comply with the requirements stated in this RFP.

### 5 EVALUATION METHODOLOGY

Transnet will utilise the following methodology and criteria in selecting a preferred Supplier and the 80/20 preference system will be used for requirements: Minimum BBBEE status level 1

QSE and/or EME's



NB: Evaluation of the various stages will normally take place in a sequential manner. However, in order to expedite the process, Transnet reserves the right to conduct the different stages of the evaluation process in parallel. In such instances, the evaluation of bidders at any given stage must not be interpreted to mean that bidders have necessarily passed any previous stage(s).

### 5.1 STEP ONE: Test for Administrative Responsiveness

The test for administrative responsiveness will include the following:

Administrative responsiveness check	RFP Reference
<ul style="list-style-type: none"> <li>• Whether the Bid has been lodged on time</li> </ul>	<i>Section 1 paragraph 3</i>
<ul style="list-style-type: none"> <li>• Whether all Returnable Documents and/or schedules [where applicable] were completed and returned by the closing date and time, excluding the pricing schedule               <ul style="list-style-type: none"> <li>- Submit Annexure D- Imported Content Declaration: Supporting Schedule to Annexure C</li> <li>- Submit Annexure E- Imported Content Declaration: Supporting Schedule to Annexure C</li> </ul> </li> </ul>	<i>Section 4</i>
<ul style="list-style-type: none"> <li>• Verify the validity of all returnable documents               <ul style="list-style-type: none"> <li>- Tax Clearance Certificate OR Electrical Access PIN obtained from SARS's new Tax Compliance Status (TCS) System, (Validity)</li> <li>- Valid B-BBEE Verification Certificate/ Sworn Affidavit</li> <li>- Whether the supplier is registered on the NT Central Supplier Database ( CSD)</li> </ul> </li> </ul>	<i>Section 4</i>

***The test for administrative responsiveness [Step One] must be passed for a Respondent's Proposal to progress to Step Two for further pre-qualification***

### 5.2 STEP TWO: Test for Substantive Responsiveness to RFP

The test for substantive responsiveness to this RFP will include the following:

<b>Check for substantive responsiveness</b>
<ul style="list-style-type: none"> <li>• Whether any general pre-qualification criteria set by Transnet, have been met</li> </ul>
<ul style="list-style-type: none"> <li>• SBD1 Form</li> </ul>
<ul style="list-style-type: none"> <li>• Pricing Schedule (with all items fully completed and Bidders to use the pricing schedules on the RFP)</li> </ul>
<ul style="list-style-type: none"> <li>• ANNEXURE B – Declaration Certificate for Local Production and Content [SBD6.2] (SBD6.2 must be completed and submitted even if a complete Local Content exemption letter from DTI has been obtained)</li> </ul>
<ul style="list-style-type: none"> <li>• ANNEXURE C – Local Content Declaration: Summary Schedule (Annexure C must be completed and submitted even if a complete Local Content exemption letter from DTI has been obtained)</li> </ul>
<ul style="list-style-type: none"> <li>• DTI Exemption Letter where applicable</li> </ul>
<ul style="list-style-type: none"> <li>• Whether any set prequalification criteria for preferential procurement have been met: Only respondents</li> </ul>

falling in the following category may respond to this RFP: Minimum B-BBEE status level of 1 Only EMEs and/or QSEs may participate in this RFP

***The test for substantive responsiveness [Step Two] must be passed for a Respondent's Proposal to progress to Step Three for the evaluation of Local Content***

### 5.3 STEP THREE: Minimum Threshold for Local Content

<b>Local Production and Content Threshold</b>
<p>A minimum threshold of 100% is required for Local Content of Goods offered.</p> <ul style="list-style-type: none"> <li>- Annexure B – Declaration Certificate for Local Production and Content [SBD 6.2]</li> <li>- Annexure C – Local Content Declaration: Summary Schedule</li> <li>- Include DTI exemption letter (if applicable)</li> </ul>

***The test for meeting the Local Content threshold [Step Three] must be passed for a Respondent's proposal to progress to Step Four for further evaluation***

- Respondents are to note that Transnet will not round off final Local Content scores for the purposes of determining whether the Local Content threshold has been met.
- A bid that fails to meet the minimum stipulated threshold for local production and content will be regarded as an unacceptable bid.

### 5.4 STEP FOUR: Minimum Threshold of 100% for Phase 1 and 75% for Phase 2 Technical Criteria and Functional Requirements

The test for the Technical and Functional threshold will include the following:

#### **Phase 1:**

- **Annexure F-** which include a 100% Clause by Clause Compliance to Specifications.  
**Failure to submit a completed 100% Clause by Clause Compliance to Transnet's Specifications will Result in a bid being disqualified.**

#### **Phase 2:**

- Annexure I- Delivery lead-times schedule.  
**Bidders will score zero (0) should they not submit this technical functionality questionnaire. Only bidders that score a minimum threshold of 75% will proceed to the next phase of evaluations.**

A Respondent's compliance with the minimum technical threshold of 75% will be measured by their responses to **Annexure I (Scoring Matrix)**

Respondents are to note that Transnet will round off final technical scores to the nearest 2 (two) decimal places for the purposes of determining whether the technical threshold has been met.

Technical Evaluation Criteria	% Weightings
Clause by Clause compliance to specification	100
Delivery Lead-time(Days) From the current month from issue of purchase order	75
<b>Total Weighting:</b>	<b>100%</b>
<b>Minimum qualifying score required:</b>	100%

### 5.5 STEP FIVE: Evaluation and Final Weighted Scoring

a) **Price Criteria** [Weighted score 80/20 points]:

Evaluation Criteria	RFP Reference
• Commercial offer	Section 3

Transnet will utilise the following formula in its evaluation of Price:

$$PS = 80 \left( 1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where:

*Ps* = Score for the Bid under consideration

*Pt* = Price of Bid under consideration

*Pmin* = Price of lowest acceptable Bid

### **Broad-Based Black Economic Empowerment criteria** [Weighted score 20 points]

- B-BBEE - current scorecard / B-BBEE Preference Points Claims Form

Preference points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table indicated in Section 4.1 of the B-BBEE Preference Point Claim Form.

## 5.6 SUMMARY: Applicable Thresholds and Final Evaluated Weightings

Threshold	Minimum Percentage [%]
Clause by Clause	100
Local Content	100
Delivery lead time	75%

Evaluation Criteria	Final Weighted Scores
Price	80
B-BBEE - Scorecard	20
<b>TOTAL SCORE:</b>	<b>100</b>

## 5.7 STEP SIX: Post Tender Negotiations (if applicable)

- Respondents are to note that Transnet may not award a contract if the price offered is not market-related. In this regard, Transnet reserves the right to engage in PTN with the view to achieving a market-related price or to cancel the tender. Negotiations will be done in a sequential manner i.e.:
  - first negotiate with the highest ranked bidder or cancel the bid, should such negotiations fail,
  - negotiate with the 2nd and 3rd ranked bidders (if required) in a sequential manner.
- In the event of any Respondent being notified of such short-listed/preferred bidder status, his/her bid, as well as any subsequent negotiated best and final offers (BAFO), will automatically be deemed to remain valid during the negotiation period and until the ultimate award of business.
- Should Transnet conduct post tender negotiations, Respondents will be requested to provide their best and final offers to Transnet based on such negotiations. A final evaluation will be conducted in terms of 80/20 and the contract will be negotiated and awarded to the successful Respondent(s).

## 5.8 STEP SEVEN: Award of business and conclusion of contract

- Immediately after approval to award the contract has been received, the successful or preferred bidder(s) will be informed of the acceptance of his/their Bid either by way of a Letter of Award or Letter of Intent where Transnet will negotiate the final terms and condition the contract with the successful Respondent(s). Thereafter the final contract will be concluded with the successful Respondent(s).
- Otherwise, a final contract will be concluded and entered into with the successful Bidder at the acceptance of a letter of award by the Respondent

## Section 4: PRICING SCHEDULE AND BILL OF QUANTITY SPLIT

**FOR THE SUPPLY AND DELIVERY OF NON STERILE SURGICAL LATEX TO MITIGATE THE SPREAD OF THE COVID-19, ON AN "AS AND WHEN REQUIRED BASIS" FOR TRANSNET FREIGHT RAIL NATIONALLY FOR PERIOD OF 6 (SIX) MONTHS**

**VENUE: 21 WELLINGTON ROAD INYANDA HOUSE 1, PARKTOWN**

**CLOSING DATE: 16 FEBRUARY 2021**

**TIME: 10:00**

AREA (DEPOT) FOR DELIVER	ESTIMATED QUANTITY FOR A PERIOD OF SIX (6) MONTHS	UNIT OF MEASURE (EACH)	UNIT PRICE DELIVERED PER DEPOT	TOTAL PRICE DELIVERED PER DEPOT
Krugersdorp	5760	1 Box(50)		
Kimberley	1440	1 Box(50)		
Durban	2880	1 Box(50)		
Cape Town	1440	1 Box(50)		
Port Elizabeth	1440	1 Box(50)		
RME – Elandsfontein	2304	1 Box(50)		

Respondent's Signature

Date & Company Stamp

<b>Sub Total (Vat Exclusive)</b>	
<b>Vat 15%</b>	
<b>Total (Vat Inclusive)</b>	

**NOTES TO PRICING:**

- a. Bidders to complete the pricing schedule in full (100%), for the bidder to proceed to the next stage of the evaluation. Failure to fully comply will lead to bidder being non-responsive.
- b. Respondents are to note that if the price offered by the highest scoring bidder is not market-related, Transnet may not award the contract to that Respondent.  
Transnet may-
  - (i) Negotiate a market-related price with the Respondent scoring the highest points or cancel the RFP;
  - (ii) 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;
  - (iii) 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.

If a market-related price is not agreed with the Respondent scoring the third highest points, Transnet must cancel the RFP.

- c. All Prices must be quoted in South African Rand exclusive of VAT.

\_\_\_\_\_  
Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp

- d.
- e. To facilitate like-for-like comparison bidders must submit pricing strictly in accordance with this pricing schedule and not utilise a different format. Deviation from this pricing schedule will result in a bid being declared non-responsive.
- f. Quantities given are estimates only. Any orders resulting from this RFP will be on an "as and when required" basis.
- g. Prices are to be quoted on a delivered basis to Krugersdorp, Kimberley, Durban, Cape Town, Port Elizabeth, and RME - Elandsfontein Depot.
- h. Please note that should you have offered a discounted price(s), Transnet will only consider such price discount(s) in the final evaluation stage if offered on an unconditional basis
- i. Where a Respondent's price(s) includes imported content, the rate of exchange to be used must be the currency's rate published by the South African Reserve Bank 7 [seven] calendar days prior to the closing date of this RFP:
- j. Currency rate of exchange utilised: \_\_\_\_\_

.....

.....

<b>YES</b>	
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**1 DISCLOSURE OF PRICES TENDERED**

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

**2 PRICE REVIEW**

The successful Respondent(s) [the Supplier] will be obliged to submit to an annual price review. Transnet will be benchmarking this price offering(s) against the lowest price received as per a benchmarking exercise. If the Supplier's price(s) is/are found to be higher than the benchmarked price(s), then the Supplier shall match or better such price(s) within 30 [thirty] days, failing which the contract may be terminated at Transnet's discretion or the particular item(s) or service(s) purchased outside the contract.

**3 "AS AND WHEN REQUIRED" CONTRACTS**

- 3.1. Purchase orders will be placed on the Supplier(s) from time to time as and when Goods are required.
- 3.2. Transnet reserves the right to place purchase orders until the last day of the contract for deliveries to be effected, within the delivery period / lead time specified, beyond the expiry date of the contract under the same terms and conditions as agreed upon.

- 3.3. Delivery requirements may be stipulated in purchase orders and scheduled deliveries may be called for. However, delivery periods and maximum monthly rates of delivery offered by the Respondents will be used as guidelines in establishing lead times and monthly delivery requirements with the Supplier.
- 3.4. Where scheduled deliveries are required, the delivery period(s) specified must be strictly complied with, unless otherwise requested by Transnet. Material supplied earlier than specified may not be paid for or may be returned by Transnet, with the Supplier being held liable for all expenses so incurred, e.g. handling and transport charges.
- 3.5. If the delivery period offered by the Respondents is subject to a maximum monthly production capacity, full particulars must be indicated in Section 4 [*Pricing and Delivery Schedule*]
- 3.6. The Respondent must state hereunder its annual holiday closedown period [if applicable] and whether this period has been included in the delivery lead time offered:

\_\_\_\_\_

\_\_\_\_\_

- 3.7. Respondents are required to indicate below the action that the Respondent proposes to take to ensure continuity of supply during non-working days or holidays and periods occupied in stocktaking or in effecting repairs to plant or in overhaul of plant which would ordinarily occur within the stated delivery lead time/s:

\_\_\_\_\_

\_\_\_\_\_

**4 RETURN OF SURPLUS GOODS**

Respondents are required to indicate whether they have a return policy in place (if so attach a copy):

<b>YES</b>	
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<b>NO</b>	
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Respondents are required to indicate a reasonable timeframe during which Transnet may return any surplus goods:

\_\_\_\_\_

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**5 MANUFACTURERS**

7.1. The Respondents must state hereunder the actual manufacturer(s) of the Goods tendered for:

7.2. Local Manufacturer(s):

RFP ITEM NO.	NAME	BUSINESS ADDRESS

7.3. Foreign Manufacturer(s):

RFP ITEM NO.	NAME	BUSINESS ADDRESS

**6 INSPECTION DETAILS**

The Respondents must state the actual name(s) and address/addresses of the suppliers of the Goods for inspection purposes only:

8.1. Local Manufacturer(s)

RFP ITEM NO.	NAME	BUSINESS ADDRESS

8.2. Foreign Manufacturer(s):

RFP ITEM NO.	NAME	BUSINESS ADDRESS

**7 IMPORTED CONTENT**

The Respondents must state hereunder the value and percentage of the imported content as well as the country of origin in respect of each item tendered for:

RFP ITEM NO / DESCRIPTION.	VALUE	% COST	COUNTRY OF ORIGIN

Note: Where more than one country is applicable to one item, the Respondents must furnish this information separately.

**8 EXCHANGE AND REMITTANCE**

The attention of the Respondents is directed to clause 17 [*Exchange and Remittance*] of the General Bid Conditions. If Transnet is requested by the Respondent to effect payment overseas direct to the Respondent's principal or supplier, which is not a registered South African Company please complete the details below, using the rate of exchange published by the South African Reserve Bank 7 [seven] calendar days before the closing date of this RFP:

10.1. ZAR 1.00 [South African currency] being equal to \_\_\_\_\_ [*foreign currency*]

10.2. \_\_\_\_\_ % in relation to tendered price(s) to be remitted overseas by Transnet

10.3. \_\_\_\_\_ [Name of country to which payment is to be made]

10.4. Beneficiary details:

Name [*Account holder*] \_\_\_\_\_

Bank [*Name and branch code*] \_\_\_\_\_

Swift code \_\_\_\_\_

Country \_\_\_\_\_

10.5. \_\_\_\_\_ [*Applicable base date of Exchange Rate used*]

Respondents are advised that should a contract be awarded for deliveries on an "as and when required" basis, any future remittance(s) to overseas principals/suppliers, as instructed above, will be based on an agreed rate of exchange related to the contractual price of the Goods at that time.

Respondents should note that Transnet would prefer to receive fixed price offers expressed in South African Rand [ZAR].

**9 EXPORT CREDIT AGENCY SUPPORTED FINANCE**

In order to finance its payment obligations under a future contract where foreign transactions are involved, Transnet may consider raising debt financing [an **ECA Facility**] from one or more banks or financial institutions, with the benefit of export credit agency [**ECA**] credit support to be provided by an ECA.

Under such circumstances the successful Respondent will agree to undertake:

- a) to provide [and/or cause the Parent/OEM to provide, as applicable] to Transnet and the banks and financial institutions that may participate in the ECA Facility all such assistance as an importer of Goods and/or Services, which are eligible for ECA credit supported finance by an ECA, is generally required to provide for the purposes of obtaining ECA support;
- b) not to do or [as Supplier of the relevant eligible Goods or services] omit to do anything, which may adversely affect Transnet's prospects of qualifying for or, once obtained, maintaining ECA credit support by an ECA in respect of an ECA Facility.

All cost, expenses, charges and liabilities incurred by Transnet in establishing an ECA Facility with credit support from an Export Credit Agency, may be for the account of Transnet.

## 10 NATIONAL RAILWAY SAFETY REGULATOR ACT

In compliance with the National Railway Safety Regulator Act, 16 of 2002, the successful Respondent [**the Supplier**] shall ensure that the Goods to be supplied to Transnet, under the terms and conditions of a contract between the parties, comply fully with the specifications as set out in SECTION 3 [*Specifications and Drawings*] of this RFP, and shall also adhere to railway safety requirements and/or regulations [as applicable]. Permission for the engagement of a subcontractor by the Supplier, as applicable, both initially and during the course of a contract, shall be subject to a review of the capability of the proposed subcontractor to comply with the specified railway safety requirements and/or regulations. The Supplier and/or its subcontractor shall grant Transnet access, during the term of the contract, to review any safety-related activities, including the coordination of such activities across all parts of the organisation.

### Accepted:

<b>YES</b>	
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<b>NO</b>	
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## 11 SERVICE LEVELS

13.1. An experienced national account representative(s) is required to work with Transnet'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.

13.2. Transnet will have quarterly reviews with the Supplier's account representative on an on-going basis.

13.3. Transnet reserves the right to request that any member of the Supplier's team involved on the Transnet account be replaced if deemed not to be adding value for Transnet.

13.4. The Supplier guarantees that it will achieve a 95% [ninety-five per cent] service level on the following measures:

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

If the Supplier does not achieve this level as an average over each quarter, Transnet will receive a 1.5% [one and a half per cent] rebate on quarterly sales payable in the next quarter

13.5. The Supplier must provide a telephone number for customer service calls.

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

**Acceptance of Service Levels:**

<b>YES</b>	
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<b>NO</b>	
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**12 TOTAL COST OF OWNERSHIP AND CONTINUOUS IMPROVEMENT INITIATIVES**

14.1. 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 Transnet 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 Transnet’s operating divisions within South Africa to the ultimate benefit of all end-users.

**Accepted:**

<b>YES</b>	
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<b>NO</b>	
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If “yes”, please specify details in paragraph 14.2 below.

14.2. Respondents must briefly describe their commitment to TCO and continuous improvement initiatives and give examples of specific areas and strategies where cost reduction initiatives can be introduced. Specific areas and proposed potential savings percentages should be included. Additional information can be appended to the Respondent’s Proposal if there is insufficient space available below.

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**13 RISK**

Respondents must elaborate on the control measures put in place by their entity, which would mitigate the risk to Transnet pertaining to potential non-performance by a Supplier, in relation to:

**15.1. Quality and specification of Goods delivered:**

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**15.2. Continuity of supply:**

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\_\_\_\_\_  
\_\_\_\_\_

15.3. **Compliance with the Occupational Health and Safety Act, 85 of 1993:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

15.4. **Compliance with the National Railway Safety Regulator Act, 16 of 2002:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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: \_\_\_\_\_

**Section 5 : PROPOSAL FORM AND LIST OF RETURNABLE DOCUMENTS**

I/We \_\_\_\_\_

\_\_\_\_\_ *[name of entity, company, close corporation or partnership]* of *[full address]*

\_\_\_\_\_ carrying on business trading/operating as

\_\_\_\_\_ represented

by \_\_\_\_\_

in my capacity as

\_\_\_\_\_ being duly authorised thereto by a Resolution of the Board of Directors or Members or Certificate of Partners, dated \_\_\_\_\_ to enter into, sign execute and complete any documents relating to this proposal and any subsequent Agreement. The following list of persons are hereby authorised to negotiate on behalf of the abovementioned entity, should Transnet decide to enter into Post Tender Negotiations with highest ranked bidder(s).

FULL NAME(S)	CAPACITY	SIGNATURE
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

I/We hereby offer to supply the abovementioned Goods at the prices quoted in the schedule of prices in accordance with the terms set forth in the documents listed in the accompanying schedule of RFP documents.

I/We agree to be bound by those conditions in Transnet's:

- a) Master Agreement (which may be subject to amendment at Transnet's discretion if applicable);
- b) General Bid Conditions; and
- c) any other standard or special conditions mentioned and/or embodied in this Request for Proposal.

I/We accept that unless Transnet should otherwise decide and so inform me/us in the letter of award/intent, this Proposal [and, if any, its covering letter and any subsequent exchange of

\_\_\_\_\_  
 Respondent's Signature

\_\_\_\_\_  
 Date & Company Stamp

correspondence], together with Transnet's acceptance thereof shall constitute a binding contract between Transnet and me/us.

Should Transnet decide that an amended contract should be signed and so inform me/us in a letter of intent [the **Letter of Intent**], this Proposal [and, if any, its covering letter and any subsequent exchange of correspondence] together with Transnet's Letter of Intent, shall constitute a binding contract between Transnet and me/us until the formal contract is signed.

I/We further agree that if, after I/we have been notified of the acceptance of my/our Proposal, I/we fail to enter into a formal contract if called upon to do so, or fail to commence the supply of Goods within 2 [two] weeks thereafter, Transnet may, without prejudice to any other legal remedy which it may have, recover from me/us any expense to which it may have been put in calling for Proposals afresh and/or having to accept any less favourable Proposal.

Furthermore, I/we agree to a penalty clause/s to be negotiated with Transnet, which will allow Transnet to invoke a penalty against us for non-compliance with material terms of this RFP including the delayed delivery of the Goods due to non-performance by ourselves, failure to meet Local Content, etc.

I/we agree that non-compliance with any of the material terms of this RFP, including those mentioned above, will constitute a material breach of contract and provide Transnet with cause for cancellation.

#### **ADDRESS FOR NOTICES**

The law of the Republic of South Africa shall govern any contract created by the acceptance of this RFP. The *domicilium citandi et executandi* shall be a place in the Republic of South Africa to be specified by the Respondent hereunder, at which all legal documents may be served on the Respondent who shall agree to submit to the jurisdiction of the courts of the Republic of South Africa. Foreign Respondents shall, therefore, state hereunder the name of their authorised representative in the Republic of South Africa who has the power of attorney to sign any contract which may have to be entered into in the event of their Proposal being accepted and to act on their behalf in all matters relating to such contract.

Respondent to indicate the details of its *domicilium citandi et executandi* hereunder:

Name of Entity:

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Facsimile:

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Address:

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**NOTIFICATION OF AWARD OF RFP**

As soon as possible after approval to award the contract(s), the successful Respondent [**the Supplier**] will be informed of the acceptance of its Proposal. Unsuccessful Respondents will be advised in writing of the name of the successful Supplier and the reason as to why their Proposals have been unsuccessful, for example, in the category of price, delivery period, quality, B-BBEE status or for any other reason.

**VALIDITY PERIOD**

Transnet requires a validity period of ~~30 August~~ 16 December 2021 [One hundred and eighty] Business Days [from closing date] against this RFP.

**NAME(S) AND ADDRESS / ADDRESSES OF DIRECTOR(S) OR MEMBER(S)**

The Respondent must disclose hereunder the full name(s) and address(s) of the director(s) or members of the company or close corporation [**C.C.**] on whose behalf the RFP is submitted.

(i) Registration number of company / C.C.

(ii) Registered name of company / C.C.

(iii) Full name(s) of director/member(s) Address/Addresses ID  
Number(s)

**RETURNABLE DOCUMENTS**

Returnable Documents means all the documents, Sections and Annexures, as listed in the tables below. There are three types of returnable documents as indicated below and Respondents are urged to ensure that these documents are returned with the quotation based on the consequences of non-submission as indicated below:

Mandatory Returnable Documents	<b><i>Failure to provide all these Mandatory Returnable Documents at the Closing Date and time of this RFP <u>will</u> result in a Respondent's disqualification.</i></b>
Returnable Documents Used for Scoring	<b><i>Failure to provide all Returnable Documents used for purposes of scoring a bid, by the closing date and time of this bid will not result in a Respondent's disqualification. However, Bidders will</i></b>

\_\_\_\_\_  
Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp

	<i>receive an automatic score of zero for the applicable evaluation criterion.</i>
Essential Returnable Documents	<i>Failure to provide essential Returnable Documents <u>will</u> result in Transnet affording Respondents a further opportunity to submit by a set deadline. Should a Respondent thereafter fail to submit the requested documents, this may result in a Respondent's disqualification.</i>

**All Returnable Sections, as indicated in the header and footer of the relevant pages, must be signed, stamped and dated by the Respondent.**

**a) Mandatory Returnable Documents**

Respondents are required to submit with their Quotations the **Mandatory Returnable Documents**, and also to confirm submission of these documents by so indicating [Yes or No] in the tables below:

<b>MANDATORY RETURNABLE DOCUMENTS</b>	<b>SUBMITTED [Yes/No]</b>
Section 1: SBD1 Form	
CSD report Whether the supplier is registered on the NT Central Supplier Database ( CSD)	
SECTION 4 : Pricing and Delivery Schedule	
ANNEXURE B – Declaration Certificate for Local Production and Content [SBD6.2]	
ANNEXURE C – Local Content Declaration: Summary Schedule	
DTI exemption letter if applicable	
Valid proof of Respondent's compliance to B-BBEE requirements stipulated in Section 9 of this RFP	

\_\_\_\_\_  
Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp

**b) Returnable Documents Used for Scoring**

In addition to the requirements of section (a) above, Respondents are further required to submit with their Proposals the following **Returnable Documents Used for Scoring** and also to confirm submission of these documents by so indicating [Yes or No] in the table below:

<b><u>RETURNABLE DOCUMENTS USED FOR SCORING</u></b>	<b>SUBMITTED [Yes or No]</b>
- ANNEXURE F: Clause by clause compliance to Transnet's specifications	
- ANNEXURE I: Delivery Lead-Time Scoring Matrix	

**c) Essential Returnable Documents:**

Over and the above the requirements of section (a) and (b) mentioned above, Respondents are further required to submit with their Proposals the following **Essential Returnable Documents** and also to confirm submission of these documents by so indicating [Yes or No] in the table below:

<b>ESSENTIAL RETURNABLE DOCUMENTS &amp; SCHEDULES</b>	<b>SUBMITTED [Yes or No]</b>
Receipt for payment of RFP documents, where a bid fee is applicable [Section 2, paragraph 1]	
In the case of Joint Ventures, a copy of the Joint Venture Agreement or written confirmation of the intention to enter into a Joint Venture Agreement	
Latest Financial Statements signed by your Accounting Officer or latest Audited Financial Statements plus 2 previous years	
SECTION 5 : Proposal Form and List of Returnable documents	
SECTION 6 : Certificate Of Acquaintance with RFP, Terms & Conditions & Applicable Documents	
SECTION 7 : RFP Declaration and Breach of Law Form	
SECTION 9 : B-BBEE Preference Claim Form	
SECTION 11 SBD 9 - Certificate Of Independent Bid Determination	
ANNEXURE D – Imported Content Declaration: Supporting Schedule to Annexure C	
ANNEXURE E – Local Content Declaration: Supporting Schedule to Annexure C	
Supplier Declaration Form	

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 Respondent's Signature

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 Date & Company Stamp

**CONTINUED VALIDITY OF RETURNABLE DOCUMENTS**

The successful Respondent will be required to ensure the validity of all returnable documents, including but not limited to its valid proof of B-BBEE status, for the duration of any contract emanating from this RFP. Should the Respondent be awarded the contract [**the Agreement**] and fail to present Transnet with such renewals as and when they become due, Transnet 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 immediately without any liability and without prejudice to any claims which Transnet 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: \_\_\_\_\_

\_\_\_\_\_  
Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp

**SECTION 6 : CERTIFICATE OF ACQUAINTANCE WITH RFP, MASTER AGREEMENT &  
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. This includes those terms and conditions contained in any printed form stated to form part hereof, including but not limited to the documents stated below. As such, Transnet SOC Ltd 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	Transnet's General Bid Conditions
2	Master Agreement
3	Transnet's Supplier Integrity Pact
4	Non-disclosure Agreement
5	Supplier Declaration Form and all supporting documents (first time vendors only). Alternatively, for all existing vendors, please complete the table below under the heading "Existing vendors".

Existing vendors: existing vendors are required to confirm whether all the information (e.g. company address, contact details, banking details, etc.) relating to the existing vendor number is still correct at the time of submission of this bid failing which such Respondents are required to indicate so below and provide the updated information in their bid submission:

<b>Transnet Operating Division [e.g. TFR, TE, etc.]</b>	<b>Vendor Number</b>	<b>Information still current [tick if applicable]</b>	<b>Information change [indicate detail of change/s &amp; attach appropriate proof]</b>

\_\_\_\_\_  
Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp




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 Transnet’s Legal Counsel who shall determine whether the proposed alternative(s) are acceptable or otherwise, as the case may be. A material deviation from any term or condition may result in disqualification.

Bidders accept that an obligation rests on them to clarify any uncertainties regarding any bid which they intend to respond on, 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 the 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 \_\_\_\_\_

2 \_\_\_\_\_

Name \_\_\_\_\_



**SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE:**

\_\_\_\_\_

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

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



### SECTION 7 : RFP DECLARATION AND BREACH OF LAW FORM

NAME \_\_\_\_\_ OF \_\_\_\_\_ ENTITY: \_\_\_\_\_

We \_\_\_\_\_ do hereby certify that:

1. Transnet has supplied and we have received appropriate responses to any/all questions [as applicable] which were submitted by ourselves for RFP Clarification purposes;
2. we have received all information we deemed necessary for the completion of this Request for Proposal [**RFP**];
3. we have been provided with sufficient access to the existing Transnet facilities/sites and any and all relevant information relevant to the Supply of the Goods as well as Transnet information and Employees, and has had sufficient time in which to conduct and perform a thorough due diligence of Transnet's operations and business requirements and assets used by Transnet. Transnet will therefore not consider or permit any pre- or post-contract verification or any related adjustment to pricing, service levels or any other provisions/conditions based on any incorrect assumptions made by the Respondent in arriving at his Bid Price;
4. at no stage have we received additional information relating to the subject matter of this RFP from Transnet sources, other than information formally received from the designated Transnet contact(s) as nominated in the RFP documents;
5. we have complied with all Obligations of the Bidder/Supplier as indicated in paragraph 3 of the Transnet Supplier Integrity which includes but is not limited to ensuring that we take all measures necessary to prevent corrupt practices, unfairness and illegal activities in order to secure or in furtherance to secure a contract with Transnet;
6. we are satisfied, insofar as our entity is concerned, that the processes and procedures adopted by Transnet in issuing this RFP and the requirements requested from Bidders in responding to this RFP have been conducted in a fair and transparent manner;
7. we declare that a family, business and/or social relationship **exists / does not exist** [delete as applicable] between an owner / member / director / partner / shareholder of our entity and an employee or board member of Transnet including any person who may be involved in the evaluation and/or adjudication of this Bid;
8. we declare that an owner / member / director / partner / shareholder of our entity **is / is not** [delete as applicable] an employee or board member of Transnet;

Respondent's Signature

Date & Company Stamp



9. In addition, we declare that an owner / member / director / partner / shareholder/employee of our entity **is / is not** [delete as applicable] a former employee or board member of Transnet in the past 10 years. I further declare that if they were former employee or board member of Transnet in the past 10 years that they **were/were not** involved in the bid preparation or had access to the information related to this RFP; and
10. If such a relationship as indicated in paragraph 7, 8 and/or 9 exists, the Respondent is to complete the following section:

FULL NAME OF OWNER/MEMBER/DIRECTOR/  
PARTNER/SHAREHOLDER/EMPLOYEE:

ADDRESS:

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—

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—

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—

Indicate nature of relationship with Transnet:

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—

***[Failure to furnish complete and accurate information in this regard will lead to the disqualification of a response and may preclude a Respondent from doing future business with Transnet]***

11. We declare, to the extent that we are aware or become aware of any relationship between ourselves and Transnet [other than any existing and appropriate business relationship with Transnet] which could unfairly advantage our entity in the forthcoming adjudication process, we shall notify Transnet immediately in writing of such circumstances.
12. We accept that any dispute pertaining to this Bid will be resolved through the Ombudsman process and will be subject to the Terms of Reference of the Ombudsman. The Ombudsman process must first be exhausted before judicial review of a decision is sought.



13. We further accept that Transnet reserves the right to reverse an award of business or decision based on the recommendations of the Ombudsman without having to follow a formal court process to have such award or decision set aside.

**BREACH OF LAW**

14. We further hereby certify that *I/we* (the bidding entity and/or any of its directors, members or partners) **have/have not been** [delete as applicable] found guilty during the preceding 5 [five] years of a serious breach of law, including but not limited to a breach of the Competition Act, 89 of 1998, by a court of law, tribunal or other administrative body. The type of breach that the Respondent is required to disclose excludes relatively minor offences or misdemeanours, e.g. traffic offences. This includes the imposition of an administrative fine or penalty.

Where found guilty of such a serious breach, please disclose:

NATURE OF BREACH:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

DATE OF BREACH: \_\_\_\_\_

Furthermore, *I/we* acknowledge that Transnet SOC Ltd reserves the right to exclude any Respondent from the bidding process, should that person or entity have been found guilty of a serious breach of law, tribunal or regulatory obligation.

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

For and on behalf of _____ duly authorised hereto	AS WITNESS:
Name:	Name:
Position:	Position:
Signature:	Signature:



Date:	Registration No of Company/CC
Place:	Registration Name of Company/CC

Respondent's Signature

Date & Company Stamp



**SECTION 8 : RFP CLARIFICATION REQUEST FORM**

RFP No: **HOAC-HO-34896**

RFP Questions and Clarifications must be submitted: from ~~05-February~~06 May 2021 to ~~15 February~~17 May 2021, before 12:00

TO: Transnet SOC Ltd

ATTENTION: Muzi Thusi

EMAIL [muzi.thusi@transnet.net]

DATE: \_\_\_\_\_

FROM: \_\_\_\_\_  
\_\_\_\_\_

RFP Clarification No *[to be inserted by Transnet]*

**REQUEST FOR RFP CLARIFICATION**

\_\_\_\_\_

\_\_\_\_\_

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Respondent's Signature

\_\_\_\_\_  
Date & Company Stamp



## SECTION 9 : B-BBEE PREFERENCE POINTS CLAIM FORM

This preference form must form part of all bids invited. It contains general information and serves as a claim for preference points for Broad-Based Black Economic Empowerment [B-BBEE] Status Level of Contribution.

Transnet 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).

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated will not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable. Despite the stipulated preference point system, Transnet shall use the lowest acceptable bid to determine the applicable preference point system in a situation where all received acceptable bids are received outside the stated preference point system..,-

1.3 Preference points for this bid shall be awarded for:

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

1.4 The maximum points for this bid are allocated as follows:

	POINTS
<b>PRICE</b>	<b>80</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTION</b>	<b>20</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE status level of contributor together with the bid will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at

any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.



## 2. DEFINITIONS

- (a) **"all applicable taxes"** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- (b) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (c) **"B-BBEE status level of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (d) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the supply/provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- (e) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (f) **"EME"** means an Exempted Micro Enterprise as defines by Codes of Good Practice under section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (g) **"functionality"** means the ability of a bidder to provide goods or services in accordance with specification as set out in the bid documents
- (h) **"Price"** includes all applicable taxes less all unconditional discounts.
- (i) **"Proof of B-BBEE Status Level of Contributor"**
  - (i) the B-BBBEE status level certificate issued by an authorised body or person;
  - (ii) a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or
  - (iii) any other requirement prescribed in terms of the B-BBEE Act.
- (j) **"QSE"** means a Qualifying Small EEnterprise as defines by Codes of Good Practice under section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 ( Act No. 53 of 2003);
- (k) **"rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties.

### 3. POINTS AWARDED FOR PRICE

#### 3.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

$$PS = 80 \left( 1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where:

*Ps* = Score for the Bid under consideration

*Pt* = Price of Bid under consideration

*Pmin* = Price of lowest acceptable Bid

#### POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

3.2 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points
(80/20 system)	
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2

3.3 The table below indicates the required proof of B-BBEE status depending on the category of enterprises:

Enterprise	B-BBEE Certificate & Sworn Affidavit
Large	Certificate issued by SANAS accredited verification agency
QSE	<p>Certificate issued by SANAS accredited verification agency</p> <p>Sworn Affidavit signed by the authorised QSE representative and attested by a Commissioner of Oaths confirming annual turnover and black ownership (only black-owned QSEs - 51% to 100% Black owned)</p> <p>[Sworn affidavits must substantially comply with the format that can be obtained on the DTI's website at <a href="http://www.dti.gov.za/economic_empowerment/bee_codes.jsp">www.dti.gov.za/economic_empowerment/bee_codes.jsp</a>.]</p>

Respondent's Signature

Date & Company Stamp



<b>EME<sup>1</sup></b>	<p>Sworn Affidavit signed by the authorised EME representative and attested by a Commissioner of Oaths confirming annual turnover and black ownership</p> <p>Certificate issued by CIPC (formerly CIPRO) confirming annual turnover and black ownership</p> <p>Certificate issued by SANAS accredited verification agency only if the EME is being measured on the QSE scorecard</p>
------------------------	--

- 3.4 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE Status Level verification certificate for every separate bid.
- 3.5 Tertiary Institutions and Public Entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 3.6 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 3.7 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.
- 3.8 Bidders are to note that the rules pertaining to B-BBEE verification and other B-BBEE requirements may be changed from time to time by regulatory bodies such as National Treasury or the DTI. It is the Bidder's responsibility to ensure that his/her bid complies fully with all B-BBEE requirements at the time of the submission of the bid.

#### **4. BID DECLARATION**

- 4.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

#### **5. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 6.1**

- 5.1 B-BBEE Status Level of Contribution: . = .....(maximum of 20 points)

<sup>1</sup> In terms of the Implementation Guide: Preferential Procurement Regulations, 2017, Version 2, paragraph 11.11 provides that in the Transport Sector, EMEs can provide a letter from accounting officer or get verified and be issued with a B-BBEE certificate by SANAS accredited professional or agency as the Transport Sector Code has not been aligned to the generic Codes. EMEs in the Transport Sector are not allowed to provide a Sworn Affidavit as the generic codes are not applicable to them.

Respondent's Signature

Date & Company Stamp



(Points claimed in respect of paragraph 6.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**6. SUB-CONTRACTING**

6.1 Will any portion of the contract be sub-contracted?

( *Tick applicable box* )

YES		NO	
-----	--	----	--

6.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE.

( *Tick applicable box* )

YES		NO	
-----	--	----	--

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME ✓	QSE ✓
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

**7. DECLARATION WITH REGARD TO COMPANY/FIRM**

7.1 Name of company/firm:.....

7.2 VAT registration number:.....

7.3 Company registration number:.....

7.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited



[TICK APPLICABLE BOX]

7.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

7.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional Supplier
- Other Suppliers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

7.7 Total number of years the company/firm has been in business:.....

7.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If a bidder submitted false information regarding its B-BBEE status level of contributor, local production and content, or any other matter required in terms of the Preferential Procurement Regulations, 2017 which will affect or has affected the evaluation of a bid, or where a bidder has failed to declare any subcontracting arrangements or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) if the successful bidder subcontracted a portion of the bid to another person without disclosing it, Transnet reserves the right to penalise the bidder up to 10 percent of the value of the contract;
  - (e) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram

Respondent's Signature

Date & Company Stamp



- partem (hear the other side) rule has been applied; and
- (f) forward the matter for criminal prosecution.

WITNESSES

1. ....

2. ....

.....

SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS.....



**SECTION 10: SBD 9- CERTIFICATE OF INDEPENDENT BID  
DETERMINATION**

1. Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging). Collusive bidding is a per se prohibition meaning that it cannot be justified under any grounds. Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.
2. Transnet will take all reasonable steps to prevent abuse of the supply chain management system and to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
3. This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
4. In order to give effect to the above, the following certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:



**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_  
(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_  
(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:  
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - a. has been requested to submit a bid in response to this bid invitation;
  - b. could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - c. provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.

Respondent's Signature

Date & Company Stamp



7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - a. prices;
  - b. geographical area where product or service will be rendered (market allocation)
  - c. methods, factors or formulas used to calculate prices;
  - d. the intention or decision to submit or not to submit, a bid;
  - e. the submission of a bid which does not meet the specifications and conditions of the bid; or
  - f. bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder



## **ANNEXURE H : GENERAL BID CONDITIONS**

**[April 2020]**

Respondent's Signature

Date & Company Stamp

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**7 DEFINITIONS**

Where the following words or phrases are used in this Agreement, such words or phrases shall have the meaning assigned thereto in this clause, except where the context clearly requires otherwise:



- 7.1 **Bid** shall mean a Respondent's tendered response / proposal to a Transnet RFP or RFQ;
- 7.2 **Bid Document(s)** shall mean a reference to a Request for Proposal or Request for Quotation;
- 7.3 **Business Day** shall mean any day other than a Saturday, Sunday or public holiday;
- 7.4 **Goods** shall mean the goods required by Transnet as specified in its Bid Document;
- 7.5 **Parties** shall mean Transnet and the Respondents to a Bid Document;
- 7.6 **Respondent(s)** shall mean a respondent/bidder to a Bid Document;
- 7.7 **RFP** shall mean Request for Proposal;
- 7.8 **RFQ** shall mean Request for Quotation;
- 7.9 **RFX** shall mean RFP or RFQ, as the case may be;
- 7.10 **Services** shall mean the services required by Transnet as specified in its Bid Document;
- 7.11 **Service Provider or Supplier** shall mean the successful Respondent;
- 7.12 **Tax Invoice** shall mean the document as required by Section 20 of the Value-Added Tax Act, 89 of 1991, as may be amended from time to time;
- 7.13 **Transnet** shall mean Transnet SOC Ltd, a State Owned Company; and
- 7.14 **VAT** shall mean Value-Added Tax in terms of the Value-Added Tax Act, 89 of 1991, as may be amended from time to time.

## 8 GENERAL

All Bid Documents and subsequent contracts and orders shall be subject to the following general conditions as laid down by Transnet and are to be strictly adhered to by any Respondent to this RFX.

## 9 SUBMITTING OF BID DOCUMENTS

- 9.1 A Bid, which shall hereinafter include reference to an RFP or RFQ, shall be submitted to Transnet no later than the closing date and time specified in accordance with the directions issued in the Bid Documents. Late Bids will not be considered.
- 9.2 The Bid Documents must be completed in their entirety and Respondents are required to complete their Bid submissions legibly in non-erasable ink.
- 9.3 Bids shall be delivered in a sealed envelope in accordance with the instructions indicated in the Bid Documents with the Bid number and subject marked on the front of the envelope.
- 9.4 The Respondent's return address must be stated on the reverse side of the sealed envelope.

## 10 USE OF BID FORMS

- 10.1 Where special forms and/or formats are issued by Transnet for the submission of Bids, Respondents are required to submit their Bids by completion of the appropriate sections on such official forms and/or formats and not in other forms and/or formats or documents bearing their own terms and conditions of contract. Non-compliance with this condition may result in the rejection of a Bid.
- 10.2 Respondents must note that the original Bid forms and/or formats must be completed for submission and not a reprocessed copy or other format thereof.



10.3 Only if insufficient space has been allocated to a particular response may a Respondent submit additional information under separate cover using the Company's letterhead. This must be duly cross-referenced in the RFX.

## **11 BID FEES**

11.1 A non-refundable fee may be charged for Bid Documents, depending on the administrative cost of preparing and issuing the Bid Document provided the Bid Documents are also made available free of charge on the National Treasury eTender Publication Portal.

## **12 VALIDITY PERIOD (DATE??)**

12.1 The Respondents must hold their Bid valid for acceptance by Transnet at any time within the requested validity period after the closing date of the bid.

12.2 Respondents may be requested to extend their validity period for a specified additional period. In such instances, Respondents will not be allowed to change any aspect of their Bid, unless they are able to demonstrate that the proposed change/s is as a direct and unavoidable consequence of Transnet's extension of the validity period.

## **13 SITE VISITS / BRIEFING SESSIONS**

Respondents may be requested to attend a site visit or briefing session where it is necessary to view the site in order to prepare their Bids, or where Transnet deems it necessary to provide Respondents with further information to allow them to complete their Bids properly. Where such visits or sessions are indicated as compulsory in the RFX Document, Respondents are obliged to attend these meetings as failure to do so will result in their disqualification.

## **14 CLARIFICATION BEFORE THE CLOSING DATE**

Should clarification be required on any aspect of the Bid before the closing date, the Respondent must direct such queries to the contact person listed in the RFX Document in the stipulated manner.

## **15 COMMUNICATION AFTER THE CLOSING DATE**

After the closing date of a Bid (i.e. during the evaluation period) the Respondent may only communicate with the Chairperson or the Secretary of the relevant Acquisition Council.

## **16 UNAUTHORISED COMMUNICATION ABOUT BIDS**

Where Bids are submitted to the Secretary of an Acquisition Council, Respondents may at any time communicate with the Secretary on any matter relating to its Bid but, in the absence of written authority from the Secretary, no communication on a question affecting the subject of a Bid shall take place between Respondents or other potential service providers or any member of the Acquisition Council or official of Transnet during the period between the closing date for the receipt of the Bid and the date of the notification of the successful Respondent(s). A Bid, in respect of which any such unauthorised communication has occurred, may be disqualified.



## **17 RETURNABLE DOCUMENTS**

All returnable documents listed in the RFX Documents must be submitted with Respondent's Bid. Failure to submit mandatory returnable schedules / documents will result in disqualification. Failure to submit other schedules / documents may result in disqualification.

## **18 DEFAULTS BY RESPONDENTS**

If the Respondent, after it has been notified of the acceptance of its Bid fails to:

- 18.1 enter into a formal contract when called upon to do so within such period as Transnet may specify; or
- 18.2 accept an order in terms of the Bid;
- 18.3 furnish satisfactory security when called upon to do so for the fulfilment of the contract; or
- 18.4 comply with any condition imposed by Transnet,

Transnet may, in any such case, without prejudice to any other legal remedy which it may have, proceed to accept any other Bid or, if it is necessary to do so, call for Bids afresh, and may recover from the defaulting Respondent any additional expense incurred by Transnet in calling for new offers or in accepting a less favourable offer.

## **19 CURRENCY**

All monetary amounts referred to in a Bid response must be in Rand, the currency of the Republic of South Africa [**ZAR**], save to the extent specifically permitted in the RFP.

## **20 PRICES SUBJECT TO CONFIRMATION**

- 20.1 Prices which are quoted subject to confirmation will not be considered.
- 20.2 Firm prices quoted for the duration of any resulting order and/or contract will receive precedence over prices which are subject to fluctuation if this is in Transnet's best interests.

## **21 ALTERATIONS MADE BY THE RESPONDENT TO BID PRICES**

All alterations made by the Respondent to its Bid price(s) prior to the submission of its Bid Documents must be done by deleting the incorrect figures and words where required and by inserting the correct figures and words against the items concerned. All such alterations must be initialled by the person who signs the Bid Documents. Failure to observe this requirement may result in the particular item(s) concerned being excluded in the matter of the award of the business.

## **22 EXCHANGE AND REMITTANCE**

- 22.1 The Respondent should note that where the whole or a portion of the contract or order value is to be remitted overseas, Transnet shall, if requested to do so by the Supplier/Service Provider, effect payment overseas directly to the foreign principal or manufacturer of such percentage of the contract or order value as may be stipulated by the Respondent in its Bid Documents.
- 22.2 It is Transnet's preference to enter into Rand-based agreements. Transnet would request, therefore, that the Respondent give favourable consideration to obtaining forward exchange cover on the foreign currency portion of the Agreement at a cost that is acceptable to Transnet to protect itself against any currency rate fluctuation risks for the duration of any resulting contract or order.



- 22.3 The Respondent who desires to avail itself of the aforementioned facility must at the time of bidding furnish the information called for in the Exchange and Remittance section of the Bid Documents and also furnish full details of the principals or manufacturer to whom payment is to be made.
- 22.4 The South African Reserve Bank's approval is required before any foreign currency payments can be made to or on behalf of Respondents.
- 22.5 Transnet will not recognise any claim for adjustment of the order and/or contract price if the increase in price arises after the date on which the Goods/Services were to be delivered, as set out in the order and/or contract, or any subsequent agreement between the parties.
- 22.6 Transnet reserves the right to request a pro-forma invoice/tax invoice in order to ensure compliance with the contract and Value-Added Tax Act no. 89 of 1991 [VAT Act].

### **23 ACCEPTANCE OF BID**

- 23.1 Upon the acceptance of a Bid by Transnet, the parties shall be bound by these General Bid Conditions and any contractual terms and/or any schedule of "Special Conditions" or otherwise which form part of the Bid Documents.
- 23.2 Where the Respondent has been informed by Transnet of the acceptance of its Bid, the acknowledgement of receipt transmitted shall be regarded as proof of delivery to the Respondent.

### **24 NOTICE TO UNSUCCESSFUL RESPONDENTS**

- 24.1 Unsuccessful Respondents shall be advised in writing that their Bids have not been accepted as soon as possible after the closing date of the Bid. On award of business to the successful Respondent all unsuccessful Respondents must be informed of the name of the successful Respondent and of the reason as to why their Bids had been unsuccessful.

### **25 TERMS AND CONDITIONS OF CONTRACT**

- 25.1 The Supplier/Service Provider shall adhere to the Terms and Conditions of Contract issued with the Bid Documents, together with any schedule of "Special Conditions" or otherwise which form part of the Bid Documents.
- 25.2 Should the Respondent find any conditions unacceptable, it should indicate which conditions are unacceptable and offer amendments/ alternatives by written submission on a company letterhead. Any such submission shall be subject to review by Transnet's Legal Counsel who shall determine whether the proposed amendments /alternative(s) are acceptable or otherwise, as the case may be.

### **26 CONTRACT DOCUMENTS**

- 26.1 The contract documents will comprise these General Bid Conditions, the Terms and Conditions of Contract and any schedule of "Special Conditions" which form part of the Bid Documents.
- 26.2 The abovementioned documents together with the Respondent's Bid response will constitute the contract between the parties upon receipt by the Respondent of Transnet's letter of acceptance / intent, subject to all additional amendments and/or special conditions thereto as agreed to by the parties.
- 26.3 Should Transnet inform the Respondent that a formal contract will be signed, the abovementioned documents together with the Respondent's Bid response [and, if any, its covering letter and any



subsequent exchange of correspondence] as well as Transnet's Letter of Acceptance/Intent, shall constitute a binding contract until the final contract is signed.

## **27 LAW GOVERNING CONTRACT**

The law of the Republic of South Africa shall govern the contract created by the acceptance of a Bid. The *domicilium citandi et executandi* shall be a place in the Republic of South Africa to be specified by the Respondent in its Bid at which all legal documents may be served on the Respondent who shall agree to submit to the jurisdiction of the courts of the Republic of South Africa. A foreign Respondent shall, therefore, state in its Bid the name of its authorised representative in the Republic of South Africa who is empowered to sign any contract which may be entered into in the event of its Bid being accepted and to act on its behalf in all matters relating to the contract.

## **28 IDENTIFICATION**

If the Respondent is a company, the full names of the directors shall be stated in the Bid. If the Respondent is a close corporation, the full names of the members shall be stated in the Bid. If the Respondent is a partnership or an individual trading under a trade name, the full names of the partners or of such individual, as the case may be, shall be furnished.

## **29 RESPONDENT'S SAMPLES**

- 29.1 If samples are required from Respondents, such samples shall be suitably marked with the Respondent's name and address, the Bid number and the Bid item number and must be despatched in time to reach the addressee as stipulated in the Bid Documents on or before the closing date of the Bid. Failure to submit samples by the due date may result in the rejection of a Bid.
- 29.2 Transnet reserves the right to retain samples furnished by Respondents in compliance with Bid conditions.
- 29.3 Payment will not be made for a successful Respondent's samples that may be retained by Transnet for the purpose of checking the quality and workmanship of Goods/Services delivered in execution of a contract.
- 29.4 If Transnet does not wish to retain unsuccessful Respondents' samples and the Respondents require their return, such samples may be collected by the Respondents at their own risk and cost.

## **30 SECURITIES**

- 30.1 The successful Respondent, when called upon to do so, shall provide security to the satisfaction of Transnet for the due fulfilment of a contract or order. Such security shall be in the form of a Deed of Suretyship [Deed of Suretyship] furnished by an approved bank, building society, insurance or guarantee corporation carrying on business in South Africa.
- 30.2 The security may be applied in whole or part at the discretion of Transnet to make good any loss or damage which Transnet may incur in consequence of a breach of the contract or any part thereof.
- 30.3 Such security, if required, shall be an amount which will be stipulated in the Bid Documents.
- 30.4 For the purpose of clause 30.130.1 above, Transnet will supply a Deed of Suretyship form to the successful Respondent for completion and no guarantee in any other form will be accepted. A copy of such form will be supplied to Respondents on request. For this purpose a Deed of Suretyship form will be provided which shall be completed and returned to Transnet or a designated official by the



successful Respondent within 30 [thirty] calendar days from the date of the letter of acceptance. No payment will be made until the form, duly completed, is delivered to Transnet. Failure to return the Deed of Suretyship within the prescribed time shall, save where prior extension has been granted, entitle Transnet without notice to the Supplier/Service Provider to cancel the contract with immediate effect.

- 30.5 Additional costs incurred by Transnet necessitated by reason of default on the part of the Supplier/Service Provider in relation to the conditions of this clause 30 will be for the account of the Supplier/Service Provider.

### **31 PRICE AND DELIVERY BASIS FOR GOODS**

- 31.1 Unless otherwise specified in the Bid Documents, the prices quoted for Goods must be on a Delivered Duty Paid [ICC Incoterms 2010] price basis in accordance with the terms and at the delivery point or points specified in Transnet's Bid Documents. Bids for supply on any other basis of delivery are liable to disqualification. The lead time for delivery stated by the Respondent must be inclusive of all non-working days or holidays, and of periods occupied in stocktaking or in effecting repairs to or overhauling plant, which would ordinarily occur within the delivery period given by the Respondent.
- 31.2 Respondents must furnish their Bid prices in the Price Schedule of the Bid Documents on the following basis:
- a) Local Supplies - Prices for Goods to be manufactured, produced or assembled in the Republic of South Africa, or imported supplies held in South Africa, to be quoted on a Delivered RSA named destination basis.
  - b) Imported Supplies - Prices for Goods to be imported from all sources to be quoted on a Delivered Duty Paid [ICC Incoterms 2010] basis, to end destination in South Africa, unless otherwise specified in the Bid Price Schedule.

### **32 EXPORT LICENCE**

The award of a Bid for Goods to be imported may be subject to the issue of an export licence in the country of origin or supply. If required, the Supplier/Service Provider's manufacturer or forwarding agent shall be required to apply for such licence.

### **33 QUALITY OF MATERIAL**

Unless otherwise stipulated, the Goods offered shall be NEW i.e. in unused condition, neither second-hand nor reconditioned.

### **34 DELETION OF ITEMS EXCLUDED FROM BID**

The Respondent must delete items for which it has not tendered or for which the price has been included elsewhere in its Bid.

### **35 VALUE-ADDED TAX**

- 35.1 In respect of local supplies, i.e. Goods to be manufactured, produced or assembled in the Republic of South Africa, or imported supplies held or already in transit to South Africa, the prices quoted by the Respondent are to be exclusive of VAT which must be shown separately at the standard rate on the Tax Invoice.
- 35.2 In respect of foreign Services rendered:



- a) the invoicing by a South African Service Provider on behalf of its foreign principal rendering such Service represents a Service rendered by the principal; and
- b) the Service Provider's Tax Invoice(s) for the local portion only [i.e. the "commission" for the Services rendered locally] must show the VAT separately.

### **36 IMPORTANT NOTICE TO RESPONDENTS REGARDING PAYMENT**

#### 36.1 Method of Payment

- a) The attention of the Respondent is directed to the Terms and Conditions of Contract which set out the conditions of payment on which Bid price(s) shall be based.
- b) However, in addition to the foregoing the Respondent is invited to submit offers based on alternative methods of payment and/or financing proposals.
- c) The Respondent is required to give full particulars of the terms that will be applicable to its alternative offer(s) and the financial merits thereof will be evaluated and taken into consideration when the Bid is adjudicated.
- d) The Respondent must, therefore, in the first instance, tender strictly in accordance with clause 36.1 (a) above. Failure to comply with clause 36.1 (a) above may preclude a Bid from further consideration.

NOTE: The successful Respondent [the **Supplier/Service Provider**] shall, where applicable, be required to furnish a guarantee covering any advance payments.

#### 36.2 Conditional Discount

Respondents offering prices which are subject to a conditional discount applicable for payment within a specific period are to note that the conditional period will be calculated as from the date of receipt by Transnet of the Supplier/Service Provider's month-end statement reflecting the relevant Tax Invoice(s) for payment purposes, provided the conditions of the order or contract have been fulfilled and the Tax Invoice is correct in all respects as referred to in the contract or order. Incomplete and/or incorrect Tax Invoices shall be returned and the conditional period will be recalculated from the date of receipt of the correct documentation.

### **37 CONTRACT QUANTITIES AND DELIVERY REQUIREMENTS**

#### 37.1 Contract Quantities

- a) It must be clearly understood that although Transnet does not bind itself to purchase a definitive quantity under any contract which may be entered into pursuant to this Bid, the successful Respondent nevertheless undertakes to supply against the contract such quantities as may be ordered against the contract, which orders are posted or delivered by hand or transmitted electronically on or before the expiry date of such contract.
- b) It is furthermore a condition that Transnet will not accept liability for any material/stocks specially ordered or carried by the Respondent with a view to meeting the requirements under any such contract.
- c) The estimated planned quantities likely to be ordered by Transnet per annum are furnished in relevant section of the Bid Documents. For avoidance of doubt the estimated quantities are



estimates and Transnet reserves the right to order only those quantities sufficient for its operational requirements.

### 37.2 Delivery Period

#### a) Period Contracts and Fixed Quantity Requirements

It will be a condition of any resulting contract/order that the delivery period embodied therein will be governed by the provisions of the Terms and Conditions of Contract.

#### b) Progress Reports

The Supplier/Service Provider may be required to submit periodical progress reports with regard to the delivery of the Goods/Services.

#### c) Emergency Demands as and when required

If, due to unforeseen circumstances, supplies of the Goods/Services covered by the Bid are required at short notice for immediate delivery, the Supplier/Service Provider will be given first right of refusal for such business. If it is unable to meet the desired critical delivery period, Transnet reserves the right to purchase such supplies as may be required to meet the emergency outside the contract if immediate delivery can be offered from any other source. The *Total or Partial Failure to Perform the Scope of Supply* section in the Terms and Conditions of Contract will not be applicable in these circumstances.

## 38 PLANS, DRAWINGS, DIAGRAMS, SPECIFICATIONS AND DOCUMENTS

### 38.1 Copyright

Copyright in plans, drawings, diagrams, specifications and documents compiled by the Supplier/Service Provider for the purpose of contract work shall be governed by the Intellectual Property Rights section in the Terms and Conditions of Contract.

### 38.2 Drawings and specifications

In addition to what may be stated in any Bid Document, the Respondent should note that, unless notified to the contrary by Transnet or a designated official by means of an official amendment to the Bid Documents, it is required to tender for Goods/Services strictly in accordance with the drawings and/or specifications supplied by Transnet, notwithstanding that it may be aware that alterations or amendments to such drawings or specifications are contemplated by Transnet.

### 38.3 Respondent's drawings

Drawings required to be submitted by the Respondent must be furnished before the closing time and date of the Bid. The non-receipt of such drawings by the appointed time may disqualify the Bid.

### 38.4 Foreign specifications

The Respondent quoting for Goods/Services in accordance with foreign specifications, other than British and American standards, is to submit translated copies of such specifications with the Bid. In the event of any departures or variations between the foreign specification(s) quoted in the Bid Documents, full details regarding such departures or variations must be furnished by the Respondent in a covering letter attached to the Bid. Non-compliance with this condition may result in disqualification.



### 39 BIDS BY OR ON BEHALF OF FOREIGN RESPONDENTS

- 39.1 Bids submitted by foreign principals may be forwarded directly by the principals or by its South African representative or agent to the Secretary of the Acquisition Council or to a designated official of Transnet according to whichever officer is specified in the Bid Documents.
- 39.2 In the case of a representative or agent, written proof must be submitted to the effect that such representative or agent has been duly authorised to act in that capacity by the principal. Failure to submit such authorisation by the representative or agent shall disqualify the Bid.
- 39.3 When legally authorised to prepare and submit Bids on behalf of their principals not domiciled in the Republic of South Africa, representatives or agents must compile the Bids in the names of such principals and sign them on behalf of the latter.
- 39.4 South African representatives or agents of a successful foreign Respondent must when so required enter into a formal contract in the name of their principals and must sign such contract on behalf of the latter. In every such case a legal Power of Attorney from their principals must be furnished to Transnet by the South African representative or agents authorising them to enter into and sign such contract.
- a) Such Power of Attorney must comply with Rule 63 (Authentication of documents executed outside the Republic for use within the Republic) of the Uniform Rules of Court: Rules regulating the conduct of the proceedings of the several provincial and local divisions of the Supreme Court of South Africa.
  - b) The Power of Attorney must be signed by the principal under the same title as used in the Bid Documents.
  - c) If a Power of Attorney held by the South African representative or agent includes matters of a general nature besides provision for the entering into and signing of a contract with Transnet, a certified copy thereof should be furnished.
  - d) The Power of Attorney must authorise the South African representative or agent to choose the *domicilium citandi et executandi*.
- 39.5 If payment is to be made in South Africa, the foreign Supplier/Service Provider [i.e. the principal, or its South African agent or representative], must notify Transnet in writing whether, for payment by electronic funds transfer [EFT]:
- a) funds are to be transferred to the credit of the foreign Supplier/Service Provider's account at a bank in South Africa, in which case the name and branch of such bank shall be furnished; or
  - b) funds are to be transferred to the credit of its South African agent or representative, in which case the name and branch of such bank shall be furnished.
- 39.6 The attention of the Respondent is directed to clause 30 above [Securities] regarding the provision of security for the fulfilment of contracts and orders and the manner and form in which such security is to be furnished.

### 40 DATABASE OF RESTRICTED SUPPLIERS

The process of restriction is used to exclude a company/person from conducting future business with Transnet and other organs of state for a specified period. No Bid shall be awarded to a Bidder whose name



(or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. Transnet reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been restricted with National Treasury by another government institution.

#### **41 PROTECTION OF PERSONAL DATA**

- 41.1 Both Parties agree that they may obtain and have access to personal data as a result of the Bid process. The Parties shall at all times ensure that:
- a) they process data only for the express purpose for which it was obtained;
  - b) once processed for the purposes for which it was obtained, all data will be destroyed to an extent that it cannot be reconstructed to its original form;
  - c) data is provided only to authorised personnel who strictly require the personal data to carry out the Parties' respective obligations in terms of the Bid process;
  - d) they do not disclose personal data of the other Party, other than as agreed in paragraph 37.3 below;
  - e) they have all reasonable technical and organisational measures in place to protect all personal data from unauthorised access and/or use;
  - f) they have appropriate technical and organisational measures in place to safeguard the security, integrity and authenticity of all data in its possession or under its control as a result of the Bid process;
  - g) such personal data is protected against unauthorised or unlawful processing, accidental loss, destruction or damage, alteration, disclosure or access.
- 41.2 The Parties agree that if personal data will be processed for additional purposes beyond the original purpose for which it was obtained, explicit consent must be obtained beforehand from those persons whose information will be subject to further processing.
- 41.3 Should it be necessary for either Party to disclose or otherwise make available the personal data to any third party (including sub-contractors and employees), it may do so only with the prior written permission of the other Party. The Party requiring such permission shall require of all such third parties, appropriate written undertakings to be provided, containing similar terms to that set forth in this paragraph 37, and dealing with that third party's obligations in respect of its processing of the personal data. Following approval by the other Party, the Party requiring permission agrees that the provisions of this clause 37 shall *mutatis mutandis* apply to all authorised third parties who process personal data.
- 41.4 The Parties shall ensure that any persons authorized to process data on their behalf (including employees and third parties) will safeguard the security, integrity and authenticity of all data. Where necessary to meet this requirement, the Parties shall keep all personal data and any analyses, profiles, or documents derived therefrom logically separated from all other data and documentation held by it.
- 41.5 The Parties shall carry out regular assessments to identify all reasonably foreseeable internal and external risks to the personal data in its possession or under its control. The Parties shall implement



and maintain appropriate safeguards against the risks which it identifies and shall also regularly verify that the safeguards which it has in place has been effectively implemented.

- 41.6 The Parties agree that they will promptly return or destroy any personal data in their possession or control which belongs to the other Party once it no longer serves the purpose for which it was collected in relation to the Bid process, subject to any legal retention requirements. This may be at the request of the other Party and includes circumstances where a person has requested the Parties to delete all instances of their personal data. The information will be destroyed in such a manner that it cannot be reconstructed to its original form, linking it to any particular individual or organisation.
- 41.7 Personal Information security breach: Respondent's Obligations
- a) The Respondent is required to notify the Information Officer of Transnet, in writing as soon as possible after it becomes aware of or suspects any loss, unauthorised access or unlawful use of any personal data and shall, at its own cost, take all necessary remedial steps to mitigate the extent of the loss or compromise of personal data as quickly as is possible. The Respondent shall also be required to provide Transnet with details of the persons affected by the compromise and the nature and extent of the compromise, including details of the identity of the unauthorised person who may have accessed or acquired the personal data.
  - b) The Respondent shall provide on-going updates on its progress in resolving the compromise at reasonable intervals until such time as the compromise is resolved.
  - c) Where required, the Respondent may be required to notify the South African Police Service; and/or the State Security Agency and where applicable, the relevant regulator and/or the affected persons of the security breach. Any such notification shall always include sufficient information to allow the persons to take protective measures against the potential consequences of the compromise.
  - d) The Respondent undertakes to co-operate in any investigation relating to security which is carried out by or on behalf of Transnet including providing any information or material in its possession or control and implementing new security measures.

## **42 CONFLICT WITH ISSUED RFX DOCUMENT**

- 42.1 Should a conflict arise between these General Bid Conditions and the issued RFX document, the conditions stated in the RFX document shall prevail.

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# **ANNEXURE I: LOCAL CONTENT INSTRUCTION NOTES**



**national treasury**

Department  
National Treasury  
REPUBLIC OF SOUTH AFRICA

- TO ALL:**
- ACCOUNTING OFFICERS OF DEPARTMENTS**
  - :** **ACCOUNTING OFFICERS OF CONSTITUTIONAL INSTITUTIONS**
  - :** **ACCOUNTING AUTHORITIES OF SCHEDULE 2 AND 3 PUBLIC ENTITIES**
  - :** **HEAD OFFICIALS OF PROVINCIAL TREASURIES**

**NATIONAL TREASURY INSTRUCTION NO. 11 OF 2020/21: PROCUREMENT IN RESPONSE TO NATIONAL STATE OF DISASTER REGARDING COVID-19 PANDEMIC AND REPEAL OF INSTRUCTION NO. 5 OF 2020/21**

**1. PURPOSE**

The purpose of the instruction is to-

- (a) inform institutions of the repeal of Instruction No. 5 of 2020/21 and that they must comply with existing procurement procedures;
- (b) prescribe the maximum prices for the identified PPE items, including fabric masks to reflect realistic current market prices; and
- (c) prescribe the conditions with which service providers must comply in order to provide PPE items and fabric masks to institutions.

**2. BACKGROUND**

- 2.1 Instruction No. 5 of 2020/2021 (as amended on 20 May 2020 and 3 July 2020) prescribe general and specific instructions on emergency procurement for COVID-19 PPE items, cloth masks as well as goods, works or services to prevent an escalation of the national state of disaster, declared on 15 March 2020 (the Disaster) or to alleviate, contain or minimise the effects of the Disaster.
- 2.2 Instruction No. 5 of 2020/21 provides that the Instruction will be in effect until the Disaster lapses or terminates or until the Instruction is withdrawn.
- 2.3 On 5 August 2020, at the meeting of the Standing and Select Committees on Finance, National Treasury briefed the Committee on the procurement of PPE during the COVID-19 pandemic and highlighted some shortcomings in the transparency of PPE procurement information. A similar briefing was done for MECs of Finance on 6 August 2020.
- 2.4 Consensus was reached that institutions must revert to normal procurement procedures for all goods, services and works (including the procurement of PPE items and fabric masks). A further call was made for National Treasury to issue reporting guidelines to

**NATIONAL TREASURY INSTRUCTION NO. 11 OF 2020/2021**  
**Procurement in response to National State of Disaster**

institutions to improve the monitoring and transparency of COVID-19 related procurement data and publish such information on their relevant websites and the National Treasury website.

**3. PROCUREMENT INSTRUCTIONS**

- 3.1 From the effective date of this Instruction, procurement of all goods, services and works, must be conducted in accordance with existing procurement procedures in terms of the Public Finance Management Act, 1999, its regulations and instructions made thereunder, the Preferential Procurement Policy Framework Act, 2000 and regulations made thereunder as well as institutional supply chain management policies.
- 3.2 The procurement of PPE items, fabric masks, goods, works or services to prevent an escalation of the Disaster or to alleviate, contain or minimise the effects of the Disaster is no longer **automatically regarded as emergency procurement** as provided for Instruction No. 05 of 2020/21, as amended. Refer to paragraph 8 of this Instruction that repeals Instruction No. 05 of 2020/21.
- 3.3 Notwithstanding paragraph 3.2, cognizance must be taken that Treasury Regulation 16A6.4 may be applied where necessary.
- 3.4 The procurement referred to in paragraph 3.1, as far as it relates to PPE items and fabric masks, must comply with the following conditions in RFQs and RFBs —
- (a) The items must comply with the item specifications of National Department of Health, World Health Organisation and the Department of Trade, Industry and Competition (dtic) (**Annexure B** – for Fabric Masks);
  - (b) the **prices** must be equal or lower than the prices in **Annexure A**;
  - (c) the service providers must be registered on the Central Supplier Database;
  - (d) the items must meet the stipulated minimum threshold for designated local content and production as required by the Preferential Procurement Regulations, 2017 (PPR 2017) (Refer to **Annexure C1** for PPE Commodities requiring adherence to the Local Content & Production Thresholds); the designated local content requirements must be adhered to – deviation will only be allowed when and if the request for exemption is approved by the dtic;
  - (e) for products that are not yet designated, provisions of regulation 8.4 of the PPR 2017 must be utilised and the items must meet the recommended minimum threshold for content and production as per **Annexure C2**; and
  - (f) evaluation of RFQs/Bids, as far as it relates to paragraphs 3.4(d) and (e) above, to comply with—
    - (i) the Designated Sector Instruction issued on 16 July 2012; or
    - (ii) Circular 11 of 2019/2020 (Standard for Implementation of Regulation 8.4 of PPR 2017) issued on 19 December 2019.

**NATIONAL TREASURY INSTRUCTION NO. 11 OF 2020/2021  
Procurement in response to National State of Disaster**

- 3.5 Institutions are encouraged to use prequalification criteria for preferential procurement to advance service providers in terms of the PPR 2017.
- 3.6 RFQs and RFBs may be issued to service providers listed in **Annexures D1 to D3** for supplies on condition that these service providers comply with paragraph 3.4.
- 3.7 Prices listed in **Annexure A** may be updated from time to time. The accounting officer/ authority must ensure that the price annexure applicable at the time of evaluation is used for reference purposes when evaluating price quotations and bids.
- 3.8 **Annexures D1 to D3** may be updated from time to time.
- 3.9 Institutions must as far as possible negotiate prices with bidders and where prices still exceed the prices provided in **Annexure A** the necessary approvals must be obtained from the accounting officer or accounting authority or delegated person with justifiable reasons and confirmation that the prices are market related.

**4. EXISTING CONTRACTS AND ORDERS**

- 4.1 Contracts and orders concluded under the provisions of Instruction No. 5 of 2020/2021 must be honoured until the expiry and conclusion thereof. These contracts and orders must not be extended or varied in any way.

**5. USE OF TRANSVERSAL CONTRACTS**

- 5.1 The institutions that participate in transversal contracts may continue placing orders with the contracted service providers under the transversal contracts for all PPE items listed under **Annexure A**.
- 5.2 Should the institutions opt not to procure in accordance with paragraph 4.1 above, the conditions of paragraph 3 must be followed.
- 5.3 Institutions that are not participating in transversal contracts may opt to use transversal contracts suppliers for PPE items listed under **Annexure A** without obtaining approval for participation.
- 5.4 The transversal contract suppliers' prices will default to **Annexure A** prices.

**6. REPORTING REQUIREMENT**

- 6.1 All institutions are required to report procurement transactions for the periods indicated in **Table 1** by the deadlines provided. All procurement transactions related to the emergency procurement for COVID-19 PPE items, fabric masks as well as other goods, works or services that were procured to prevent an escalation of the national state of disaster, declared on 15 March 2020 (the Disaster) or to alleviate, contain or minimise

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the effects of the Disaster, **must** be reported. This includes, inter alia, expenditure for quarantine and isolation services, humanitarian relief, etc.

**TABLE 1:**

<b>Reporting Period:</b>	<b>Deadline of submission:</b>	<b>Report to be published by NT in public domain</b>
<b>April 2020 - August 2020</b>	21 September 2020	30 September 2020
<b>September 2020</b>	21 October 2020	31 October 2020
<b>October 2020</b>	21 November 2020	30 November 2020
<b>November 2020</b>	21 December 2020	10 January 2021
<b>December 2020</b>	21 January 2021	31 January 2021
<b>January 2021</b>	21 February 2021	28 February 2021
<b>February 2021</b>	21 March 2021	31 March 2021
<b>March 2021</b>	21 April 2021	30 April 2021

- 6.2 Institutions must use the Excel Template (**Annexure E**) provided and either manually capture the information on the spreadsheet or extract the relevant information from the institution's order and payment systems into the format of the template. **No changes to the template will be accepted.**
- 6.3 National Treasury will automate the process of reading the data from the submitted spreadsheets and consolidate these into one database to enable analysis and reporting. The submitted data will be linked to the CSD and compared against BAS and LOGIS records where applicable. The reports will be published monthly in the public domain. It is therefore important that accounting officers and accounting authorities ensure that the information provided to the National Treasury is credible and auditable.
- 6.4 **National Departments** must ensure that the public entities listed in Schedules 2 and 3A to the Public Finance Management Act, 1999 under their executive authority report on the expenditure. The public entities must report independently as they have their own accounting authorities.
- 6.5 **Provincial Treasuries** must ensure that all provincial departments and public entities in the relevant provinces report to the Provincial Treasury. The Provincial Treasuries must ensure that all reports are collected and emailed to the National Treasury.
- 6.6 The reports to be submitted to the National Treasury by email to [ocpocovid-19reporting@treasury.gov.za](mailto:ocpocovid-19reporting@treasury.gov.za) by the submission deadlines provided in Table 1.

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**Procurement in response to National State of Disaster**

- 6.7 With reference to paragraph 3.4 (the local content declaration documents, SBD 6.2 together with associated annexures (Annex C, D and E) must be forwarded to the dtic ([CMatidza@thedti.gov.za](mailto:CMatidza@thedti.gov.za)).

**7. APPLICABILITY**

This Instruction applies to all national and provincial departments, constitutional institutions and public entities listed in Schedules 2 and 3 to the Public Finance Management Act, 1999.

**8. EFFECTIVE DATE**

This Instruction takes effect on 1 September 2020.

**9. REPEAL OF NATIONAL TREASURY INSTRUCTION NO. 05 OF 2020/21**

National Treasury Instruction No. 05 of 2020/2021: Emergency procurement in response to National State of Disaster, and all amendments to the Instruction, are hereby repealed.

**10. DISSEMINATION OF INFORMATION CONTAINED IN INSTRUCTION**

- 10.1 Heads of provincial treasuries are requested to bring the contents of this Instruction to the attention of accounting officers and supply chain management officials of their respective provincial departments.
- 10.2 Accounting officers of national and provincial departments are requested to bring the contents of this Instruction to the attention of accounting authorities and the supply chain management officials of Schedule 3A and 3C public entities reporting to their respective executive authorities.
- 10.3 Accounting authorities of Schedule 2, 3B and 3D public entities are requested to bring the contents of this Instruction to the attention of the supply chain management officials of their public entities.

**11. NOTIFICATION TO THE AUDITOR-GENERAL**

A copy of this Instruction will be submitted to the Auditor-General for notification.

**NATIONAL TREASURY INSTRUCTION NO. 11 OF 2020/2021  
Procurement in response to National State of Disaster**

**12. AUTHORITY FOR THIS INSTRUCTION**

- 12.1 This Instruction is issued in terms of section 76(4)(c) and (g) of the Public Finance Management Act, 1999.
- 12.2 This Instruction will be in effect until the national state of disaster, declared on 15 March 2020, lapses or terminates or until this Instruction is repealed.

**13. CONTACT INFORMATION**

Any enquiries in respect of this instruction must be submitted to:  
Estelle Setan  
Acting Chief Procurement Officer  
Email: [cpo@treasury.gov.za](mailto:cpo@treasury.gov.za)

Any enquiries in respect of the reporting template and data extraction advice must be submitted to:  
Tumelo Ntlaba  
Acting Chief Director: SCM ICT  
Email: [tumelo.ntlaba@treasury.gov.za](mailto:tumelo.ntlaba@treasury.gov.za)



**DONDO MOGAJANE**  
**DIRECTOR-GENERAL**  
**DATE: 25 August 2020**

- Annexure A:** Prices as from 1 September 2020 (unchanged)
- Annexure B:** Recommended Guidelines – updated. Fabric Face Masks Manufactured by South Africa's Clothing and Textile Manufacturing Industry for General Public Use.
- Annexure C1:** PPE Commodities Requiring adherence to the Local Content & Production Thresholds.
- Annexure C2:** Non-designated products - minimum threshold for content and production
- Annexure D1:** RT64 Transversal Contract List
- Annexure D2:** Department of Small Business Development Supplier's List
- Annexure D3:** National Bargaining Council for the Clothing Industry Supplier's List
- Annexure E:** Reporting Template



# **ANNEXURE J: GUIDANCE DOCUMENT FOR THE CALCULATION OF LOCAL CONTENT**

**ANNEXURE B**

**SBD 6.2**

**DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS**

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

**1. General Conditions**

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) makes provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. In terms of Regulation 16(2) of the Preferential Procurement Regulations, 2017, any sector designated and minimum threshold determined for local production and content for purposes of regulation 9 of the 2011 Regulations and in force immediately before the repeal of the 2011 Regulations, are regarded as having been done under regulation 8(1) of the 2017 Regulations.
- 1.4. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.5. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.6. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

- x is the imported content in Rand  
y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

**The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/ip.jsp) at no cost.**

- 1.7. A bid will be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

**2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
<b>Non Sterile Surgical Latex Hand Gloves box of 50</b>	<b>100%</b>