

**TRANSNET SOC LTD**

[Registration No. 1990/000900/06]

REQUEST FOR INFORMATION [RFI]**INFORMATION IS REQUIRED**

to enable Transnet to facilitate significant Supplier Development Initiatives on a regional and national basis, in conjunction with its requirement for the Sale and Disposal of Scrap Metals to obtain an understanding of possible new entrants to the market

EXPRESSIONS OF INTEREST [EOI]

are sought to establish those parties interested in continuing to participate in this procurement process

THEREAFTER**THROUGH A SEPARATE "REQUEST FOR PROPOSAL" [RFP] PROCESS**

Transnet will seek to appoint regional/national Contractors for the Sale and Disposal of Scrap Metals, including prescribed Supplier Development Initiatives, over an agreed period

RFI/EOI NUMBER: HOAC/Var/8195

ISSUE DATE: 12th March 2012

CLOSING DATE: 17th April 2012

CLOSING TIME: 10:00

SCHEDULE OF DOCUMENTS

Section No	Page
SECTION 1 : NOTICE TO RESPONDENTS.....	3
1 REQUEST FOR INFORMATION [RFI].....	3
2 TRANSNET SCRAP METAL SUMMIT	3
3 COMMUNICATION	3
4 SUBMISSION OF RESPONSES	3
5 DELIVERY INSTRUCTIONS FOR THIS RFI/EOI.....	4
6 BROAD-BASED BLACK ECONOMIC EMPOWERMENT AND FURTHER RECOGNITION CRITERIA	4
7 INSTRUCTIONS FOR COMPLETING THE RFI/EOI.....	8
8 ADDITIONAL NOTES.....	8
9 DISCLAIMERS	9
SECTION 2 : SUPPLIER DEVELOPMENT INITIATIVES AND RFI/EOI SCOPE OF REQUIREMENTS	12
1 GOVERNMENT’S NEW GROWTH PATH AND SUPPLIER DEVELOPMENT OBJECTIVES	12
2 INSTRUCTIONS FOR COMPLETION OF THIS RFI/EOI	13
SECTION 3 : TRANSNET’S FERROUS AND NON-FERROUS SCRAP METAL RESOURCES AND CONTRACTUAL REQUIREMENTS.....	15
SECTION 4 : EXPRESSION OF INTEREST [EOI].....	21
SECTION 5 : VENDOR APPLICATION FORM	26
SECTION 6 : NON-DISCLOSURE AGREEMENT [NDA]	28
1 INTERPRETATION	28
2 CONFIDENTIAL INFORMATION.....	29
3 RECORDS AND RETURN OF INFORMATION	30
4 ANNOUNCEMENTS.....	30
5 DURATION.....	30
6 PRINCIPAL.....	31
7 ADEQUACY OF DAMAGES.....	31
8 PRIVACY AND DATA PROTECTION	31
9 GENERAL.....	31
SECTION 7 : BREACH OF LAW.....	32
SECTION 8 : RFI/EOI CLARIFICATION REQUEST FORM	33

ANNEXURE A – GUIDELINES FOR THE COMPLETION OF A SUPPLIER DEVELOPMENT BID DOCUMENT

ANNEXURE B – SUPPLIER DEVELOPMENT VALUE SUMMARY

ANNEXURE C – SPECIAL CONDITIONS

Respondent’s Signature

Date and Company Stamp

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key "Supplier Development" Initiatives

Section 1 : NOTICE TO RESPONDENTS

1 REQUEST FOR INFORMATION [RFI]

The purpose of this RFI is to request interested persons, companies, close corporations or enterprises [hereinafter referred to as the **Respondent(s)**] to provide proposals / suggestions to Transnet with regard to potential Supplier Development Initiatives, for further consideration by Transnet in relation to its future sales of Scrap Metals.

On or after 12 March 2012 the RFI/EOI documents may be inspected at, and are obtainable from Transnet Freight Rail Information Centre, Ground Floor, 21 Wellington Road, Parktown, Johannesburg 2001.

2 TRANSNET SCRAP METAL SUMMIT

Transnet is planning a Scrap metal summit that will be held in the major centres nationally. This summit will introduce the scrap metal supply chain to new entrants to the scrap metal market and also indicate the opportunities that exist in the market. The Scrap Metal summit will be advertised in national and regional media, dates and venues will be in the advertisements. All participants in this RFI process are welcome to attend the summit. The summit will be held in the following areas:

- Durban – 19th March 2012
- Port Elizabeth – 20th March 2012
- Bloemfontein – 30th March 2012
- Johannesburg – 2nd April 2012
- Cape Town – 3rd April 2012

3 COMMUNICATION

Any queries regarding this document should be emailed to the Secretariat of the Transnet Freight Rail Acquisition Council at Arthur.Branford@transnet.net no later than Wednesday 11th April 2012 using the RFI/EOI Clarification Request Form, substantially as set out in Section 8 hereof. Where the issues raised by any query are considered materially important, the answer to that query shall be shared with all RFI/EOI recipients.

4 SUBMISSION OF RESPONSES

Responses must reach the Secretary, Transnet Freight Rail Acquisition Council before the closing hour on the date shown below, and must be enclosed in a sealed envelope which must have inscribed on the outside:

RFI/EOI No: HOAC/Var/8195
Description: SALE AND DISPOSAL OF SCRAP METALS
Closing date and time: 17th April 2012, 10H00
Closing address: Refer options clause 5 below

5 DELIVERY INSTRUCTIONS FOR THIS RFI/EOI

5.1 Delivery by hand

If delivered by hand, the envelope is to be deposited in the Transnet tender box which is located at the main entrance of Inyanda House, 21 Wellington Road, Parktown, and must be addressed as follows:

THE SECRETARY
TRANSNET FREIGHT RAIL ACQUISITION COUNCIL
INYANDA HOUSE
21 WELLINGTON ROAD
PARKTOWN
JOHANNESBURG

- a) The measurements of the "tender slot" are 400mm wide x 100mm high, and Respondents must please ensure that response documents or files are not larger than the above dimensions. Responses which are too bulky [i.e. more than 100mm thick] must be split into two or more files, and placed in separate envelopes.

5.2 Despatch by courier

If despatched by courier, the envelope must be addressed as follows and delivered to the Office of the Secretary, Transnet Freight Rail Acquisition Council and a signature obtained from that Office.

THE SECRETARY
TRANSNET FREIGHT RAIL ACQUISITION COUNCIL
INYANDA HOUSE
21 WELLINGTON ROAD
PARKTOWN
JOHANNESBURG

- 5.3 Please note that this RFI/EOI closes punctually at 10:00 on Tuesday 17th April 2012.
5.4 All envelopes must reflect the return address of the Respondent on the reverse side.

6 BROAD-BASED BLACK ECONOMIC EMPOWERMENT AND FURTHER RECOGNITION CRITERIA

Transnet fully endorses and supports the Government's Broad-Based Black Economic Empowerment Programme and it is strongly of the opinion that all South African business enterprises have an equal obligation to redress the imbalances of the past.

Transnet would therefore prefer to do business with local business enterprises who share these same values and who are prepared to contribute to meaningful B-BBEE initiatives [including, but not limited to subcontracting and Joint Ventures] as part of their tendered responses to any subsequent RFP process.

Consequently Transnet urges Respondents [*Large Enterprises and QSE's - see below*] to have themselves accredited in compliance with the Government Gazette No 34612, Notice No. 754 dated 23 September 2011. As from 1 October 2011 valid B-BBEE Accreditation Certificates must be issued by:

- a) Verification Agencies accredited by the South African National Accreditation System [**SANAS**]; or
- b) Registered Auditors approved by the Independent Regulatory Board of Auditors [**IRBA**], in accordance with the approval granted by the Department of Trade and Industry.

A Verification Certificate issued must reflect the weighted points attained by the measured entity for each element of the scorecard as well as the overall B-BBEE rating.

6.1 **B-BBEE Rating**

Enterprises will be rated by Verification Agencies or Registered Auditors based on the following:

- a) **Large Enterprises** [i.e. annual turnover greater than R35 million]:
 - Rating level based on all seven elements of the B-BBEE scorecard
- b) **Qualifying Small Enterprises – QSE** [i.e. annual turnover between R5 million and R35 million]:
 - Rating based on any four of the elements of the B-BBEE scorecard
- c) **Exempted Micro Enterprises – EME** [i.e. annual turnover less than R5 million]:
 - EMEs are exempted from B-BBEE accreditation
 - Automatic rating of Level 4 B-BBEE irrespective of race or ownership, i.e. 100% B-BBEE recognition
 - Black ownership / Black women ownership greater than 50% automatically qualify as Level 3 B-BBEE, i.e. 110% B-BBEE recognition
 - EME's should only provide documentary proof of annual turnover [i.e. audited financials or a letter issued by accounting officer] plus proof of Black ownership if Black ownership / Black women ownership is greater than 50%

Respondents to this Expression of Interest are required to furnish proof of the above to Transnet. [i.e. a detailed scorecard as stipulated above in respect of Large Enterprises and QSEs, or proof of turnover in respect of EMEs]. In addition:

- (i) Turnover: Kindly indicate your company's annual turnover for the past year
R _____
- (ii) All Respondents are to submit their audited 3-year financials, or a signed letter of confirmation of 3-year annual turnover figures from the entity's accountant, if audited financial statements are not a legal requirement.
- (iii) If annual turnover is greater than R5m please attach an Accreditation Certificate issued by a Verification Agency or Registered Auditor, together with all the relevant score sheets pertaining thereto.

[Refer also to the Vendor Application Form, Section 5, for additional submission documents required]

6.2 Joint Ventures and Subcontractors

Respondents may choose during the subsequent RFP process to enter into a Joint Venture with, or subcontract to, B-BBEE companies. A rating certificate in respect of such B-BBEE JV-partners and/or subcontractor(s) will be required with the subsequent RFP response to enable Transnet to evaluate and adjudicate all RFPs received on a fair basis.

6.3 Further Recognition Criteria [FRC]

Whereas Respondents to a subsequent RFP process will be allocated points in terms of the 10% preference system for its B-BBEE rating to be assessed as referred to in paragraph 6.1 above, in addition to such scoring, further points will be allocated to Respondents based on the following "Further Recognition Indicators" on an ascending scale calculated on the extent to which an RFP Respondent meets or exceeds the minimum compliance targets as indicated below.

In terms of this RFI/EOI, Transnet wishes to determine the current status of Respondents hereby submitting Expressions of Interest.

Therefore RFI/EOI Respondents are to insert in the table below current scores for the Further Recognition Indicators [during the RFP process, Respondents will be requested to provide future anticipated FRC scores as a consequence of contracting with Transnet for RFP Services]:

Further Recognition Indicators			
Ownership Indicator	Required Responses	Compliance Target	Insert Company Scores [%]
A. Ownership :			
1. The percentage of the business owned by Black ¹ persons.	<i>Provide ownership in the hands of Black persons as a percentage of total ownership of the organisation</i>	50%	
2. The percentage of your business owned by Black women.	<i>Provide ownership in the hands of black women as a percentage of total ownership of the organisation</i>	30%	
Management Control Indicator	Required Responses	Compliance Target	Insert Company Scores (%)
B. Board Participation :			
1. The percentage of Black Board members in relation to the total number of Board members.	<i>Provide the number of black Board members as a percentage of the total Board</i>	50%	
C. Management :			
2. The percentage of Black Senior Top Management involved in day to day	<i>Provide the percentage of Blacks appointed by the Board and operationally involved in the day to day</i>	40%	

¹ "Black" means South African Blacks, Coloureds and Indians, as defined in the B-BBEE Act 53 of 2003

management of the organisation, in relation to the total Top Management cadre.	Top management of the business, with individual responsibility for overall and/or financial management of the business and actively involved in the development and implementation of overall strategy .		
Management Control Indicator	Required Responses	Compliance Target	Insert Company Scores [%]
3. The percentage of Black Middle Management involved in day to day management of the organisation, in relation to the total Middle Management cadre.	Provide the percentage of Blacks appointed by the organisation in the middle management cadre and operationally involved in the day to day management of the business, with individual responsibility for a particular area within the business and actively involved in the day to day management of the organisation	63%	
4. The percentage of Black Junior Management involved in day to day management of the organisation, in relation to the total Junior Management cadre.	Provide the percentage of Blacks appointed by the organisation in the junior management cadre and operationally involved in the day to day running of the business, with individual responsibility for a particular area within the business and actively involved in a supervisory role with regards to the day to day management of the organisation	68%	
Employment Equity Indicator	Required Responses	Compliance Target	Insert Company Scores [%]
D. Employment Equity :			
1. The percentage of Black disabled employees in relation to the total number of employees in the organisation.	Indicate the percentage of Black disabled employees in relation to the total of all employees in the organisation.	2%	
2. The percentage of Black employees as a percentage of the total workforce i.e. of all employees in the organisation.	Indicate the number of Black employees as a percentage of the organisation's total workforce.	65%	
3. The percentage of Black women employees as a percentage of the total workforce.	Indicate the number of Black women employees as a percentage of the organisation's total workforce.	40%	
Preferential procurement Indicator	Required Response	Compliance Target	Insert Company Scores [%]
E. Preferential procurement:			
B-BBEE procurement spend from all suppliers based on the B-BBEE procurement recognition level as a percentage of total measured procurement spend	Provide a commitment based on the extent to which B-BBEE spend will increase over the contract period.	50% - 100%	
Enterprise Development Indicator	Required Response	Compliance Target	Insert Company Scores [%]
F. Enterprise Development :			
The organisation's annual spend on Enterprise Development as a percentage of Net Profit after Tax	Indicate your organisation's annual spend on Enterprise Development initiatives as a percentage of its Net Profit after Tax.	3% of NPAT,	

Respondent's Signature

Date and Company Stamp

[NPAT]			
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7 INSTRUCTIONS FOR COMPLETING THE RFI/EOI

- 7.1 All Returnable Documents listed in the Expression of Interest [Section 4] in this RFI/EOI must be returned with your submission.
- 7.2 The person or persons signing the submission must be legally authorised by the Respondent to do so.

[Also refer Section 2, paragraph 2 for further instructions]

8 ADDITIONAL NOTES

- 8.1 Transnet's intentions in terms of its Sale and Disposal of its Scrap Metals are:
 - a) to have 3 year agreements for the sale of Ferrous Metals with more than one Contractor [a successful Respondent] if practical. Ideally one Contractor would be appointed per region, for each of the six designated scrap yards [Scrap Yards] providing support services for the regional sub-depots. However, it must be noted that the above does not limit Transnet to appointing the same Contractor for multiple sites should the evaluation results indicate such an award;
 - b) to have one national Contractor for Non Ferrous Metals for a period of 3 years; and
 - c) to direct business to potential Enterprise Development [ED] suppliers/service providers for a period of three [3] years for transportation of Scrap from the different sub-depots and the required value add to improve on the price that Transnet gets for its Scrap e.g.
 - Uplifting Scrap at selected depots/sub-depots or elsewhere as required by Transnet
 - Transporting Scrap either via rail or road to the nearest Scrap depot
 - Receiving and unloading at the Scrap depot
 - Sorting, cutting, weighing and presenting to the warehouse manager for stocking of the Scrap at the Scrap Yards
 - Devising a comprehensive auditable weekly reporting system that relates to all Scrap movements from point of origin to destination
 - Ensuring that there is segregation of duties with regards to the various steps involved with this and the resultant sale(s) of Scrap.

8.2 Some potential participants in this RFI/EOI process may believe that to undertake the Sale and Disposal of Transnet's Scrap Metals would be beyond current capacity and/or resources. However, Transnet would encourage such smaller businesses [QSEs and/or EMEs] to indicate whether they would have an interest in participating as a targeted beneficiary [an **SD Beneficiary**] in terms of future Supplier Development initiatives. [Refer Section 4 – EOI]

Should you decide to submit an Expression of Interest on this basis, please complete your SD proposal called for in Section 2, paragraph 2.4, as a potential beneficiary of SD initiatives, indicating:

- (i) the proposed ancillary service(s) envisaged;
- (ii) examples / details of the nature of such participation; and
- (iii) an indication of the SD support which would be required to perform such services.

[The SD focus framework as set out in Section 2, paragraph 2.3, refers]

Whereas Transnet would wish to leave its options open at this stage in terms of the nature of the SD initiatives which might be prescribed in any subsequent RFPs so as to obtain maximum benefit from this RFI/EOI exercise, please indicate whether your company/entity be willing to have your details circulated to scrap merchants who have expressed an interested in the Sale and Disposal of Ferrous and/or Non-ferrous Scrap Metals as indicated in paragraph 8.1 (a) and (b) above.

Accepted:

YES		NO	
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[Refer Sections 2 and 3 for details]

8.3 It is envisaged that Contractors will be appointed, through the subsequent RFP process, for the Sale and Disposal of Scrap Metals for the period commencing in 2012 until approximately 2015.

9 DISCLAIMERS

Respondents are hereby advised that Transnet is not committed to any course of action as a result of its issuance of this RFI/EOI and/or its receipt of submissions in response to it.

In particular, please note that Transnet reserves the right to:

- 9.1 at its own discretion, utilise any information provided to it in response to this RFI/EOI to draft the scope of requirements for inclusion in the subsequent RFP; or
- 9.2 take no further action whatsoever, if it so decides.

This RFI/EOI is not an offer of sale or disposal of Scrap Metals and no business will be awarded through this process.

Kindly note that Transnet will not reimburse any Respondent for any preparatory costs or other work performed in connection with this submission.

“SPECIMEN COPY ONLY”

Respondent's Signature

Date and Company Stamp

Respondents are to complete this section:

NAME OF RESPONDENT
PHYSICAL ADDRESS
.....

Respondent's contact person:	
Name.....	.....
Designation.....	.....
Telephone.....	.....
Cell Phone.....	.....
Facsimile.....	.....
Email.....	.....
Website.....	.....

**Transnet urges its clients, suppliers and the general public
to report any fraud or corruption on the part of Transnet employees to
TIP-OFFS ANONYMOUS : 0800 003 056**

“SPECIMEN COPY ONLY”

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key “Supplier Development” Initiatives

Section 2 : SUPPLIER DEVELOPMENT INITIATIVES AND RFI/EOI SCOPE OF REQUIREMENTS

A critical objective of any subsequent RFP process will be to encourage and facilitate the introduction of new or smaller empowered entrants into the market, in order to aid in transformation of the South African economy and to create employment. This is broadly aligned to the Governments’ stated New Growth Path [NGP] objectives.

It is therefore our intention, through this RFI/EOI process, to obtain a better insight into and understanding of Supplier Development [SD] opportunities in the Scrap Metals market and associated ancillary industries in South Africa.

1 GOVERNMENT’S NEW GROWTH PATH AND SUPPLIER DEVELOPMENT OBJECTIVES

1.1 Aim and Objectives

Historically in South Africa there has been a lack of investment in infrastructure, skills and capability development and an inequality in the income distribution and wealth of a significant portion of the population. There have been a number of Government initiatives developed to address these challenges. In particular, the New Growth Path [NGP] introduced in 2010 aligns and builds on previous policies to ensure the achievement of Government’s developmental objectives for South Africa. Transnet fully endorses and supports Government’s New Growth Path Policy.

The key focuses of the NGP include:

- increasing employment intensity of the economy
- addressing competitiveness
- balancing spatial development of rural areas and poorer provinces
- reducing the carbon intensity of the economy
- creating opportunities in improving regional and global cooperation
- enabling transformation that benefits a wider range of social actors in society e.g. workers, rural communities, youth and women

Transnet, as a State Owned Company [SOC], plays an important role to ensure these objectives are achieved. Therefore, the purchasing of goods and services needs to be aligned to Government’s objectives for developing and transforming the local supply base. Transnet’s mission is to transform its supplier base by engaging in targeted supplier development [SD]

initiatives to support localisation and industrialisation whilst providing meaningful opportunities for Black² South Africans with a particular emphasis on:

- Black Youth [16 to 35 year olds]
- Black women
- People with disabilities
- Small businesses
- Rural development and regional integration

1.2 **Supplier Development Initiatives**

To facilitate the implementation of Supplier Development initiatives, Transnet has adapted an existing framework from the Department of Public Enterprises [DPE]. This framework allows for a basic set of principles to be applied to appropriately targeted SD initiatives. Supplier development initiatives aim to build local suppliers who are competitive through building capability and capacity. Hence the framework has been termed the Increased Competitiveness, Capability and Capacity Supplier Development Classification Matrix [IC³ Matrix].

Currently there are four quadrants of SD initiatives which Transnet considers according to the IC³ Matrix. This RFI process and its subsequent RFP has been identified as “**Focused**” involving high value transactions with a focus on initiatives which will assist local suppliers to improve their performance, enhance their existing production and skills capabilities with emphasis being placed on benefiting previously disadvantaged individuals and rural development.

2 **INSTRUCTIONS FOR COMPLETION OF THIS RFI/EOI**

- 2.1 Transnet requests all Respondents to assist with the establishment of appropriate and feasible SD initiatives by submitting a Supplier Development Proposal providing your recommendations for innovative and practical initiatives which will demonstrate commitment and support for the New Growth Path Policy and its objectives.
- 2.2 For a detailed understanding of the IC³ Matrix, the respective SD initiatives and their objectives, please refer to the “Guidelines for the Completion of a Supplier Development Bid Document” appended hereto as Annexure A.
- 2.3 The following Supplier Development [SD] focus areas have been identified, in broad terms only, and should be used merely as a framework for your response to this RFI/EOI:

SD Category*	Description
New Skills development	Skills transfer & skills education which will occur as a result of the award of contract
Job Creation/Preservation	Number of jobs created or preserved resulting from the award of contract
Small Business Promotion	Encouragement for growth and the expansion of emerging local firms, through procurement and

² “Black” means South African Blacks, Coloureds and Indians, as defined in the B-BBEE Act, 53 of 2003

SD Category*	Description
	support mechanisms
Rural Development and Regional Integration	How you would incorporate the use of rural labour and regional businesses to contribute to NGP objectives
Technology transfer/sustainability	How will you transfer technology and know-how to new entrants into the market to assist new entrants to become sustainable players in the market

*In terms of New Growth Path [NGP] objectives as stated in paragraph 1.1 above, the potential reduction of the economy's carbon intensity [i.e. creation of a greener economy] should be regarded as a key priority within all SD Categories and for all proposed SD initiatives, as applicable.

- 2.4 **A Supplier Development Proposal is to be submitted by all Respondents as a separate document**, developed in line with the criteria set out in Annexure B appended hereto [*SD Value Summary*]. The Supplier Development Proposal should be a detailed narrative document explaining the Respondent's recommended SD initiatives. However Respondents are at liberty to submit additional proposal/ information as the case might be. The SD Proposal should outline the type of activities recommended, an overview of how and with whom this might be enabled, and the mechanisms whereby proposed SD objectives might be achieved.

Whereas a Respondent need not complete or submit an Annexure B with its Returnable Documents, we strongly recommend that you use this Annexure B as a reference/support document for your SD Proposal.

It should be noted however, that Annexure B will be a compulsory Returnable Document during any subsequent RFP process.

RFI/EOI for the Sale and Disposal of Scrap Metals, incorporating key “Supplier Development” Initiatives

Section 3 : TRANSNET’S FERROUS AND NON-FERROUS SCRAP METAL RESOURCES AND CONTRACTUAL REQUIREMENTS

Transnet Freight Rail [TFR] and Transnet Port Terminals [TPT] are Operating Divisions of Transnet and generate Scrap through maintenance and refurbishment operations as well as asset disposal programmes. The TFR Scrap is accumulated at Transnet’s Supply Chain Services Scrap Yards and other specified and designated locations, at Transnet’s option. At certain of the sites Scrap is generated from the workshops of other Transnet operating divisions, including Transnet Rail Engineering [TRE]

1. SCRAP METALS SKIP REQUIREMENTS PER OPERATING DIVISION

Through subsequent RFP processes Transnet intends to offer Ferrous and Non-ferrous Scrap Metals for sale, collection and disposal as indicated by the locations and skip requirements per Operating Divisions below:

1.1 Transnet Freight Rail [TFR] Scrap Yards and Depot Requirements:

TFR Scrap Yards	Sub-Depots	Address	Number of skips required
Uitenhage	➤ Deal Party	1. Infra Maintenance Depot, Phillip Robertson Drive, Deal Party	1 per sub-depot for TFR
Bloemfontein	➤ Kimberley/Beaconsfield	2. Infra Maintenance Depot, Austen Street, Beaconsfield	1 per sub-depot for TFR
Salt River	➤ Bellville	3. Service Delivery Manager Promat Building South Warehouse 153, Caledon West Street, Bellville	1 per sub-depot for TFR
		4. Transnet Freight Rail RME, Bellville Square Off Modderdam Road, Bellville	
	➤ Saldanha	5. National Ports Authority Civil Maintenance Depot, Saldanha 6. Service Delivery Manager, Pre Cast Building, Warehouse	

TFR Scrap Yards	Sub-Depots	Address	Number of skips required
		177, Saldanha	
	➤ Cape Town	7. National Ports Authority, Civil Maintenance Depot, Ben Schoeman 8. National Ports Authority Perway Maintenance Depot, Ben Schoeman	
Durban	➤ Durban	9. National Ports Authority, Power Supply Depot, 1 Kuwait Road, Fynnlands, Durban	1 per sub-depot for TFR
	➤ Bayhead	10. National Ports Authority, Shop 24, Bayhead Park Entrance A, off Bayhead Road, Bayhead, Durban. 11. Capital Projects, 130 Eel Road, Bayhead, Durban. 12. Infra Depot, 120 Eel Road, Bayhead, Durban. 13. National Ports Authority, B&M, Marine Yard Pier 100, Pier 1, Bayhead Road, Bayhead, Durban	
Germiston	➤ Potchefstroom	14. Infra maintenance depot, Station street Potchefstroom	1 per sub-depot for TFR
	➤ Klerksdorp	15. Infra maintenance depot, situated next to the station in Magaretha Prinsloo street	
	➤ Coligny	16. Infra maintenance depot, Voortrekker street at level crossing on right hand side	
Koedoespoort	➤ Nelspruit	17. Supply Chain Services Warehouse, Andrew Street, Nelspruit	1 per sub-depot for TFR
	➤ Ermelo	18. Infra Depot, Industria Road 29, Ermelo	
	➤ Witbank	19. Infra Depot, Main Street, Witbank	

TFR Scrap Yards	Sub-Depots	Address	Number of skips required
	➤ Polokwane	20. Infra Depot, Hospital Road ext. Polokwane	
	➤ Empangeni	21. Infra Depot, no 1 Station Road, Empangeni	
	➤ Vryheid	22. Infra Depot, 227 Mark Street, Vryheid	
	➤ Richard's Bay	23. Infra Depot, CTC Building, Richard's Bay	
	➤ Ladysmith	24. Infra Depot, TFR Diamana Rd. Ladysmith	

1.2 Transnet Rail Engineering [TRE] Main Depots and Sub-Depot Requirements:

TRE Main Depots	Sub-Depots	Number of skips required
Uitenhage	<ul style="list-style-type: none"> ➤ Uitenhage ➤ Cambridge [East London] ➤ New Brighton ➤ Swartkops 	<p>15</p> <p>2</p> <p>2</p> <p>2</p>
Bloemfontein	<ul style="list-style-type: none"> ➤ Bloemfontein ➤ Kroonstad ➤ Beaconsfield [Kimberley] ➤ Postmasburg 	<p>15</p> <p>2</p> <p>2</p> <p>2</p>
Salt River	<ul style="list-style-type: none"> ➤ Cape Town ➤ Bellville ➤ Saldanha 	<p>10</p> <p>2</p> <p>2</p>
Durban	<ul style="list-style-type: none"> ➤ Durban ➤ Bayhead ➤ South Dunes ➤ Danskraal ➤ Kings Rest ➤ Newcastle ➤ Vryheid ➤ Richard's Bay ➤ Umbilo ➤ Wentworth 	<p>10</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p>

TRE Main Depots	Sub-Depots	Number of skips required
Germiston	➤ Germiston	15
	➤ Coligny	2
	➤ Polokwane	2
	➤ Welgedag [springs]	2
	➤ Leeuhof [Vereeniging/Meyerton]	2
	➤ Sentrarrand [Springs/Bapsfontein]	2
	Koedoespoort	➤ Koedoespoort	50
	➤ Capital Park	2
	➤ Ermelo	2
	➤ Komatipoort	2
	➤ Nelspruit	2
	➤ Pyramid south	2
	➤ Witbank	2
Total Skip Requirement :		171

1.3 Transnet Port Terminal [TPT] Skip Requirements:

TPT Location	Number of skips required
PORT OF DURBAN	
➤ Durban Container Terminal	4
➤ Durban Point	1
➤ Durban Maydon Wharf Terminal	2
➤ Durban Pier 1	4
➤ Car Terminal	1
PORT OF RICHARDS BAY	
➤ Dry Bulk Terminal	8
➤ Multi-Purpose Terminal	2
PORT OF CAPE TOWN	
➤ Container Terminal	1
➤ Multi-Purpose Terminal	2
PORT OF EAST LONDON	
➤ Multi-Purpose Terminal	2

TPT Location	Number of skips required
PORT OF PORT ELIZABETH	
➤ Container Terminal	1
➤ Multi-Purpose Terminal	2
PORT OF SALDANHA	
➤ Iron Ore Terminal	2
➤ Multi-Purpose Terminal	1
PORT OF COEGA	
➤ Ngqura Container Terminal [Coega]	2
Total Skip Requirement :	35

Whereas the appointed Contractors will be required to provide the skips for nominated locations, as indicated above, the bigger Transnet workshops may require skips to be collected twice daily, whilst smaller Transnet locations may only require collection every 2 [two] weeks, or on an "as and when required" basis.

Please note that the aforementioned information is provided merely as an indication of the size and nature of Transnet's current Scrap Metal resources, and consequently does not necessarily reflect the extent of Services to be rendered by new Contractors through award of business at any future date.

2. FUTURE RFP REQUIREMENTS

2.1 Service and contractual requirements

- Ensure continuous removal of ferrous or non-ferrous Scrap to ensure continuity of business in the Transnet workshops and to prevent stock-piling at the Transnet Scrap Yards.
- Reduce the risk of theft through the prompt collection of Scrap.
- Provide Transnet with the maximum price possible for the sale of ferrous or non-ferrous Scrap.
- Eliminate inputs from Transnet in the disposal process other than directing and controlling the operations.
- Comply with the "Special Conditions" appended hereto as Annexure C, which will [inter alia] govern the sale, collection and disposal of Transnet's Scrap Metals.

2.2 Scrap Metal regional and national allocations

Potential Contractors, who are herewith submitting an Expression of Interest [EOI] in this procurement process, must be capable of providing the full range of services as set out above with cognisance of Transnet's following intentions for the subsequent award of business:

Regional Split [at Transnet's option] -

- a) Ferrous Scrap contracts [3-year term with a possible option to extend] servicing the 6 regional hubs [1 x contract per hub where practical].
- b) National Non-ferrous contract [3-year term with a possible option to extend] servicing the national Non-ferrous Scrap requirement.

2.3 SD requirements

Whereas the purpose of this RFI/EOI is to establish viable SD Initiatives prior to the issue of an RFP, Transnet would expect as a minimum eligibility requirement that the successful Respondent(s) would prescribe to:

- a) Direct investment in 1 x Enterprise Development Entrant at a sub-depot level [or group of sub-depots] as envisaged in Section 1, paragraph 8(c); and/or
- b) direct investment in 1 x Enterprise Development Entrant at a sub-depot level [or group of sub-depots} to act as "Owner/Driver(s)" in transporting Scrap from the sub-depots to the Regional Hub [Scrap Yard]; or
- c) SD Beneficiary status, as indicated in Section 1, paragraph 8.2

for the duration of a contract with Transnet for the Sale and Disposal of Scrap Metals.

Note: Respondent to indicate preference for participation in option 2.3 (a) and/or (b) or (c) above:

	Yes	No
Option 2.3 (a)		
Option 2.3 (b)		
Option 2.3 (c)		

3. FINANCIAL REQUIREMENTS FOR FUTURE AWARD OF BUSINESS

In order to facilitate funding opportunities for potential Contractors who would require such interim financial support, Transnet has held preliminary discussions in this regard with certain financial institutions who have indicated a willingness to consider funding applications from subsequent RFP Respondents, although an RFP Respondent would not be restricted to these particular institutions and may nominate alternative funding sources, as the case may be.

Should a Respondent choose this option, Transnet would require written evidence [at the subsequent RFP stage] from such a financial institution indicating its approval in principle to provide the required financial support necessary to give effect to a contract.

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key “Supplier Development” Initiatives

Section 4 : EXPRESSION OF INTEREST [EOI]

I/We _____
[name of entity, company, close corporation or partnership]
of [full address] _____

_____ carrying on business under style or title of [trading as]

represented by _____
in my capacity as _____

being duly authorised, hereby lodge an **Expression of Interest in the Sale of Scrap Metals and Disposal Services** for Transnet’s requirements, including prescribed Supplier Development Initiatives, over a period of 3 [Three] years as indicated below:

- (i) Ferrous Scrap Metal contracts [3-year term] servicing each of the 6 regional hubs [1 x contract per hub where practical]:

Ref	Regional Location of Hubs for Ferrous Scrap	Yes	No
1	Koedoespoort		
2	Germiston		
3	Durban		
4	Salt River		
5	Bloemfontein		
6	Uitenhage		

- (ii) National Non-ferrous Scrap Metal contract [3-year term] servicing the national non-ferrous requirement:

Ref	National Non-ferrous Sites	Yes	No
7	All sales of Non-ferrous Scrap		

- (iii) SD Beneficiary status:

Ref	SD Initiatives	Yes	No
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8	SD Beneficiary option		
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“SPECIMEN COPY ONLY”

Respondent's Signature

Date and Company Stamp

ADDRESS FOR NOTICES

Respondent to indicate its *domicilium citandi et executandi* hereunder:

Name of entity: _____

Facsimile: _____

Address: _____

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:

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CONFIDENTIALITY

All information related to a subsequent contract, both during and after completion, is to be treated with strict confidence. Should the need however arise to divulge any information gleaned from provision of the Services, which is either directly or indirectly related to Transnet’s business, written approval to divulge such information must be obtained from Transnet. *Respondents to complete and return the Non-Disclosure Agreement [Section 6].*

BREACH OF LAW

Transnet reserves the right to exclude any Respondent from the bidding process who has been convicted of a serious breach of any kind during the preceding 5 [five] years, including but not limited to the

Competition Act 89 of 1998. Respondents are required to indicate in Section 7 [Breach of Law] whether or not they have been found guilty of a serious breach of law during the past 5 [five] years.

VENDOR APPLICATION FORM

Please complete this form included herewith as Section 5 and return with your submission documentation.

RETURNABLE DOCUMENTS

Respondents are required to submit the following returnable documents with their responses. All Sections, as indicated in the footer of each page, must be signed and dated:

SECTION 1 : Notice to Respondents	√
- Valid B-BBEE Accreditation Certificate [Large Enterprises and QSEs]	√
- Audited Financials for previous 3 years, or confirmation of annual turnover [EMEs]	√
SECTION 2 : Supplier Development Initiatives and RFI/EOI Scope of Requirements	√
- Respondent's SD Proposal	√
- Annexure B [optional]	
SECTION 3 : Transnet's Ferrous and Non-ferrous Scrap Metal Resources and Contractual Requirements	√
- Annexure C – Special Conditions	√
SECTION 4 : Expression of Interest [EOI]	√
SECTION 5 : Vendor Application Form	√
- Original cancelled cheque or bank verification of banking details	√
- Certified copies of IDs of shareholder/directors/members [as applicable]	√
- Certified copy of Certificate of Incorporation [CM29/CM9 name change]	√
- Certified copy of share certificates [CK1/CK2 if CC]	√
- Company letterhead	√
- Original Tax Clearance Certificate	√
- Certified copy of VAT Registration Certificate	√
- Certified copy of Company Registration Certificate	√
- Signed letter from auditor or accountant [EMEs] confirming most recent annual turnover figures	√
SECTION 6 : Non-Disclosure Agreement [NDA]	√
SECTION 7 : Breach of Law	√

By signing the RFI/EOI documents, the Respondent is deemed to acknowledge that he/she has made himself/herself thoroughly familiar with all the conditions governing this RFI, including those contained in any printed form stated to form part hereof and Transnet SOC Ltd will recognise no claim for relief based on an allegation that the Respondent overlooked any such condition

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: _____

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key "Supplier Development" Initiatives

Section 5 : VENDOR APPLICATION FORM

Respondents are to furnish the following documentation and complete the Vendor Application Form below:

1. **Original** cancelled cheque **OR** letter from the Respondent's bank verifying banking details [**with bank stamp**]
2. **Certified** copy of Identity Document(s) of Shareholders/Directors/Members [where applicable]
3. **Certified** copy of Certificate of Incorporation, CM29 / CM9 [name change]
4. **Certified** copy of Share Certificates [CK1/CK2 if CC]
5. A letter on the company's letterhead confirm physical and postal addresses
6. **Original** valid SARS Tax Clearance Certificate and **certified copy** of VAT Registration Certificate
7. A signed letter from your auditor or accountant confirming most recent annual turnover figures

Vendor Application Form

Company trading name						
Company registered name						
Company Registration Number or ID Number if a Sole Proprietor						
Form of entity [v]	<input type="checkbox"/> CC	<input type="checkbox"/> Trust	<input type="checkbox"/> Pty Ltd	<input type="checkbox"/> Limited	<input type="checkbox"/> Partnership	<input type="checkbox"/> Sole Proprietor
VAT number						
Company telephone number						
Company fax number						
Company email address						
Company website address						
Bank name			Branch & Branch code			
Account holder			Bank account number			
Postal address						
						Code

				Code	
Contact person					
Designation					
Telephone					
Email					
Annual turnover range [last financial year]	< R5 m		R5 - 35 m		> R35 m
Does your company provide	Products		Services		Both
Area of delivery	National		Provincial		Local
Is your company a public or private entity	Public			Private	
Does your company have a Tax Directive or IRP30 Certificate	Yes			No	

Complete B-BBEE Ownership Details:

% Black ownership		% Black women ownership		% Disabled Black ownership	
Does your company have a B-BBEE certificate	Yes		No		
What is your B-BBEE status [Level 1 to 9 / Unknown]					
How many personnel does the firm employ	Permanent		Part time		

If you are an existing Vendor with Transnet please complete the following:

Transnet contact person	
Contact number	
Transnet Operating Division	

<i>Duly authorised to sign for and on behalf of Company / Organisation:</i>			
Name		Designation	
Signature		Date	

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key "Supplier Development" Initiatives

Section 6 : NON-DISCLOSURE AGREEMENT [NDA]

THIS AGREEMENT is made between

Transnet SOC Ltd [Transnet] [Registration No. 1990/000900/06]

whose registered office is at 49th Floor, Carlton Centre, 150 Commissioner Street, Johannesburg 2001,

and

_____ **[the Company]** [Registration No. _____]

whose registered office is at _____

WHEREAS

Transnet and the Company wish to exchange Information [as defined below] and it is envisaged that each party may from time to time receive Information relating to the other in respect thereof. In consideration of each party making available to the other such Information, the parties jointly agree that any dealings between them shall be subject to the terms and conditions of this Agreement which themselves will be subject to the parameters of the Bid Document.

IT IS HEREBY AGREED

1 INTERPRETATION

In this agreement:

- 1.1 **Agents** mean directors, officers, employees, agents, professional advisers, contractors or sub-contractors, or any Group member;
- 1.2 **Bid** or **Bid Document** means Transnet's Request for Information [RFI] Request for Proposal [RFP] or Request for Quotation [RFQ], as the case may be;
- 1.3 **Confidential Information** means any information or other data relating to one party [the **Disclosing Party**] and/or the business carried on or proposed or intended to be carried on by that party and which is made available for the purposes of the Bid to the other party [the **Receiving Party**] or its Agents by the Disclosing Party or its Agents or recorded in agreed minutes following oral disclosure and any other information otherwise made available by the Disclosing Party or its Agents to the Receiving Party or its Agents, whether before, on or after the date of this Agreement, and whether in writing or otherwise, including any information, analysis or specifications derived from, containing or reflecting such information but excluding information which:

- a) is publicly available at the time of its disclosure or becomes publicly available [other than as a result of disclosure by the Receiving Party or any of its Agents contrary to the terms of this Agreement]; or
 - b) was lawfully in the possession of the Receiving Party or its Agents [as can be demonstrated by its written records or other reasonable evidence] free of any restriction as to its use or disclosure prior to its being so disclosed; or
 - c) following such disclosure, becomes available to the Receiving Party or its Agents [as can be demonstrated by its written records or other reasonable evidence] from a source other than the Disclosing Party or its Agents, which source is not bound by any duty of confidentiality owed, directly or indirectly, to the Disclosing Party in relation to such information;
- 1.4 **Group** means any subsidiary, any holding company and any subsidiary of any holding company of either party; and
- 1.5 **Information** means all information in whatever form including, without limitation, any information relating to systems, operations, plans, intentions, market opportunities, know-how, trade secrets and business affairs whether in writing, conveyed orally or by machine-readable medium.

2 CONFIDENTIAL INFORMATION

- 2.1 All Confidential Information given by one party to this Agreement [**the Disclosing Party**] to the other party [**the Receiving Party**] will be treated by the Receiving Party as secret and confidential and will not, without the Disclosing Party's written consent, directly or indirectly communicate or disclose [whether in writing or orally or in any other manner] Confidential Information to any other person other than in accordance with the terms of this Agreement.
- 2.2 The Receiving Party will only use the Confidential Information for the sole purpose of technical and commercial discussions between the parties in relation to the Bid or for the subsequent performance of any contract between the parties in relation to the Bid.
- 2.3 Notwithstanding clause 2.1 above, the Receiving Party may disclose Confidential Information:
- a) to those of its Agents who strictly need to know the Confidential Information for the sole purpose set out in clause 2.2 above, provided that the Receiving Party shall ensure that such Agents are made aware prior to the disclosure of any part of the Confidential Information that the same is confidential and that they owe a duty of confidence to the Disclosing Party. The Receiving Party shall at all times remain liable for any actions of such Agents that would constitute a breach of this Agreement; or
 - b) to the extent required by law or the rules of any applicable regulatory authority, subject to clause 2.4 below.
- 2.4 In the event that the Receiving Party is required to disclose any Confidential Information in accordance with clause 2.3b) above, it shall promptly notify the Disclosing Party and cooperate with the Disclosing Party regarding the form, nature, content and purpose of such disclosure or

any action which the Disclosing Party may reasonably take to challenge the validity of such requirement.

- 2.5 In the event that any Confidential Information shall be copied, disclosed or used otherwise than as permitted under this Agreement then, upon becoming aware of the same, without prejudice to any rights or remedies of the Disclosing Party, the Receiving Party shall as soon as practicable notify the Disclosing Party of such event and if requested take such steps [including the institution of legal proceedings] as shall be necessary to remedy [if capable of remedy] the default and/or to prevent further unauthorised copying, disclosure or use.
- 2.6 All Confidential Information shall remain the property of the Disclosing Party and its disclosure shall not confer on the Receiving Party any rights, including intellectual property rights over the Confidential Information whatsoever, beyond those contained in this Agreement.

3 RECORDS AND RETURN OF INFORMATION

- 3.1 The Receiving Party agrees to ensure proper and secure storage of all Information and any copies thereof.
- 3.2 The Receiving Party shall keep a written record, to be supplied to the Disclosing Party upon request, of the Confidential Information provided and any copies made thereof and, so far as is reasonably practicable, of the location of such Confidential Information and any copies thereof.
- 3.3 The Company shall, within 7 [seven] days of receipt of a written demand from Transnet:
- a) return all written Confidential Information [including all copies]; and
 - b) expunge or destroy any Confidential Information from any computer, word processor or other device whatsoever into which it was copied, read or programmed by the Company or on its behalf.
- 3.4 The Company shall on request supply a certificate signed by a director as to its full compliance with the requirements of clause b) above.

4 ANNOUNCEMENTS

- 4.1 Neither party will make or permit to be made any announcement or disclosure of its prospective interest in the Bid without the prior written consent of the other party.
- 4.2 Neither party shall make use of the other party's name or any information acquired through its dealings with the other party for publicity or marketing purposes without the prior written consent of the other party.

5 DURATION

The obligations of each party and its Agents under this Agreement shall survive the termination of any discussions or negotiations between the parties regarding the Bid and continue thereafter for a period of 5 [five] years.

6 PRINCIPAL

Each party confirms that it is acting as principal and not as nominee, agent or broker for any other person and that it will be responsible for any costs incurred by it or its advisers in considering or pursuing the Bid and in complying with the terms of this Agreement.

7 ADEQUACY OF DAMAGES

Nothing contained in this Agreement shall be construed as prohibiting the Disclosing Party from pursuing any other remedies available to it, either at law or in equity, for any such threatened or actual breach of this Agreement, including specific performance, recovery of damages or otherwise.

8 PRIVACY AND DATA PROTECTION

8.1 The Receiving Party undertakes to comply with South Africa's general privacy protection in terms of the Bill of Rights [Section 14] in connection with this Bid and shall procure that its personnel shall observe the provisions of such Act [as applicable] or any amendments and re-enactments thereof and any regulations made pursuant thereto.

8.2 The Receiving Party warrants that it and its Agents have the appropriate technical and organisational measures in place against unauthorised or unlawful processing of data relating to the Bid and against accidental loss or destruction of, or damage to such data held or processed by them.

9 GENERAL

9.1 Neither party may assign the benefit of this Agreement or any interest hereunder except with the prior written consent of the other, save that Transnet may assign this Agreement at any time to any member of the Transnet Group.

9.2 No failure or delay in exercising any right, power or privilege under this Agreement will operate as a waiver of it, nor will any single or partial exercise of it preclude any further exercise or the exercise of any right, power or privilege under this Agreement or otherwise.

9.3 The provisions of this Agreement shall be severable in the event that any of its provisions are held by a court of competent jurisdiction or other applicable authority to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law.

9.4 This Agreement may only be modified by a written agreement duly signed by persons authorised on behalf of each party.

9.5 Nothing in this Agreement shall constitute the creation of a partnership, joint venture or agency between the parties.

9.6 This Agreement will be governed by and construed in accordance with South African law and the parties irrevocably submit to the exclusive jurisdiction of the South African courts.

oooOOOooo

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key "Supplier Development" Initiatives

Section 7 : BREACH OF LAW

NAME OF COMPANY:

I/We _____

do hereby certify that I/we **have/have not** been convicted during the preceding 5 [five] years by a court of law, tribunal or other administrative body of a serious breach of any law, including but not limited to corruption, extortion or contravention of the Competition Act, 89 of 1998.

Where convicted of such a serious breach, please disclose:

NATURE OF SERIOUS BREACH:

DATE OF SERIOUS BREACH: _____

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

SIGNED at _____ on this _____ day of _____ 20__

SIGNATURE OF WITNESS

SIGNATURE OF RESPONDENT

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key "Supplier Development" Initiatives

Section 8 : RFI/EOI CLARIFICATION REQUEST FORM

RFI/EOI Number **HOAC/Var/8195**

RFI/EOI deadline for questions or clarifications: Before 12:00 on 9 March 2012

TO: Transnet SOC Ltd
ATTENTION: The Secretary, Transnet Freight Rail Acquisition Council
EMAIL: Arthur.Branford@transnet.net
DATE: _____
FROM: _____

RFI/EOI Clarification No *[to be inserted by Transnet]*

REQUEST FOR RFI/EOI CLARIFICATION:

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**TRANSNET SOC LTD**

[Registration No. 1990/000900/06]

REQUEST FOR INFORMATION [RFI]**INFORMATION IS REQUIRED**

to enable Transnet to facilitate significant Supplier Development Initiatives on a regional and national basis, in conjunction with its requirement for the Sale and Disposal of Scrap Metals to obtain an understanding of possible new entrants to the market

EXPRESSIONS OF INTEREST [EOI]

are sought to establish those parties interested in continuing to participate in this procurement process

THEREAFTER**THROUGH A SEPARATE "REQUEST FOR PROPOSAL" [RFP] PROCESS**

Transnet will seek to appoint regional/national Contractors for the Sale and Disposal of Scrap Metals, including prescribed Supplier Development Initiatives, over an agreed period

RFI/EOI NUMBER: HOAC/Var/8195

ISSUE DATE: 12th March 2012

CLOSING DATE: 17th April 2012

CLOSING TIME: 10:00

SCHEDULE OF DOCUMENTS

Section No	Page
SECTION 1 : NOTICE TO RESPONDENTS.....	3
1 REQUEST FOR INFORMATION [RFI].....	3
2 TRANSNET SCRAP METAL SUMMIT	3
3 COMMUNICATION	3
4 SUBMISSION OF RESPONSES	3
5 DELIVERY INSTRUCTIONS FOR THIS RFI/EOI.....	4
6 BROAD-BASED BLACK ECONOMIC EMPOWERMENT AND FURTHER RECOGNITION CRITERIA	4
7 INSTRUCTIONS FOR COMPLETING THE RFI/EOI.....	8
8 ADDITIONAL NOTES.....	8
9 DISCLAIMERS	9
SECTION 2 : SUPPLIER DEVELOPMENT INITIATIVES AND RFI/EOI SCOPE OF REQUIREMENTS	12
1 GOVERNMENT’S NEW GROWTH PATH AND SUPPLIER DEVELOPMENT OBJECTIVES	12
2 INSTRUCTIONS FOR COMPLETION OF THIS RFI/EOI	13
SECTION 3 : TRANSNET’S FERROUS AND NON-FERROUS SCRAP METAL RESOURCES AND CONTRACTUAL REQUIREMENTS.....	15
SECTION 4 : EXPRESSION OF INTEREST [EOI].....	21
SECTION 5 : VENDOR APPLICATION FORM	26
SECTION 6 : NON-DISCLOSURE AGREEMENT [NDA]	28
1 INTERPRETATION	28
2 CONFIDENTIAL INFORMATION.....	29
3 RECORDS AND RETURN OF INFORMATION	30
4 ANNOUNCEMENTS.....	30
5 DURATION.....	30
6 PRINCIPAL.....	31
7 ADEQUACY OF DAMAGES.....	31
8 PRIVACY AND DATA PROTECTION	31
9 GENERAL.....	31
SECTION 7 : BREACH OF LAW.....	32
SECTION 8 : RFI/EOI CLARIFICATION REQUEST FORM	33

ANNEXURE A – GUIDELINES FOR THE COMPLETION OF A SUPPLIER DEVELOPMENT BID DOCUMENT

ANNEXURE B – SUPPLIER DEVELOPMENT VALUE SUMMARY

ANNEXURE C – SPECIAL CONDITIONS

Respondent’s Signature

Date and Company Stamp

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key "Supplier Development" Initiatives

Section 1 : NOTICE TO RESPONDENTS

1 REQUEST FOR INFORMATION [RFI]

The purpose of this RFI is to request interested persons, companies, close corporations or enterprises [hereinafter referred to as the **Respondent(s)**] to provide proposals / suggestions to Transnet with regard to potential Supplier Development Initiatives, for further consideration by Transnet in relation to its future sales of Scrap Metals.

On or after 12 March 2012 the RFI/EOI documents may be inspected at, and are obtainable from Transnet Freight Rail Information Centre, Ground Floor, 21 Wellington Road, Parktown, Johannesburg 2001.

2 TRANSNET SCRAP METAL SUMMIT

Transnet is planning a Scrap metal summit that will be held in the major centres nationally. This summit will introduce the scrap metal supply chain to new entrants to the scrap metal market and also indicate the opportunities that exist in the market. The Scrap Metal summit will be advertised in national and regional media, dates and venues will be in the advertisements. All participants in this RFI process are welcome to attend the summit. The summit will be held in the following areas:

- Durban – 19th March 2012
- Port Elizabeth – 20th March 2012
- Bloemfontein – 30th March 2012
- Johannesburg – 2nd April 2012
- Cape Town – 3rd April 2012

3 COMMUNICATION

Any queries regarding this document should be emailed to the Secretariat of the Transnet Freight Rail Acquisition Council at Arthur.Branford@transnet.net no later than Wednesday 11th April 2012 using the RFI/EOI Clarification Request Form, substantially as set out in Section 8 hereof. Where the issues raised by any query are considered materially important, the answer to that query shall be shared with all RFI/EOI recipients.

4 SUBMISSION OF RESPONSES

Responses must reach the Secretary, Transnet Freight Rail Acquisition Council before the closing hour on the date shown below, and must be enclosed in a sealed envelope which must have inscribed on the outside:

RFI/EOI No: HOAC/Var/8195
Description: SALE AND DISPOSAL OF SCRAP METALS
Closing date and time: 17th April 2012, 10H00
Closing address: Refer options clause 5 below

5 DELIVERY INSTRUCTIONS FOR THIS RFI/EOI

5.1 Delivery by hand

If delivered by hand, the envelope is to be deposited in the Transnet tender box which is located at the main entrance of Inyanda House, 21 Wellington Road, Parktown, and must be addressed as follows:

THE SECRETARY
TRANSNET FREIGHT RAIL ACQUISITION COUNCIL
INYANDA HOUSE
21 WELLINGTON ROAD
PARKTOWN
JOHANNESBURG

- a) The measurements of the "tender slot" are 400mm wide x 100mm high, and Respondents must please ensure that response documents or files are not larger than the above dimensions. Responses which are too bulky [i.e. more than 100mm thick] must be split into two or more files, and placed in separate envelopes.

5.2 Despatch by courier

If despatched by courier, the envelope must be addressed as follows and delivered to the Office of the Secretary, Transnet Freight Rail Acquisition Council and a signature obtained from that Office.

THE SECRETARY
TRANSNET FREIGHT RAIL ACQUISITION COUNCIL
INYANDA HOUSE
21 WELLINGTON ROAD
PARKTOWN
JOHANNESBURG

- 5.3 Please note that this RFI/EOI closes punctually at 10:00 on Tuesday 17th April 2012.
5.4 All envelopes must reflect the return address of the Respondent on the reverse side.

6 BROAD-BASED BLACK ECONOMIC EMPOWERMENT AND FURTHER RECOGNITION CRITERIA

Transnet fully endorses and supports the Government's Broad-Based Black Economic Empowerment Programme and it is strongly of the opinion that all South African business enterprises have an equal obligation to redress the imbalances of the past.

Transnet would therefore prefer to do business with local business enterprises who share these same values and who are prepared to contribute to meaningful B-BBEE initiatives [including, but not limited to subcontracting and Joint Ventures] as part of their tendered responses to any subsequent RFP process.

Consequently Transnet urges Respondents [*Large Enterprises and QSE's - see below*] to have themselves accredited in compliance with the Government Gazette No 34612, Notice No. 754 dated 23 September 2011. As from 1 October 2011 valid B-BBEE Accreditation Certificates must be issued by:

- a) Verification Agencies accredited by the South African National Accreditation System [**SANAS**]; or
- b) Registered Auditors approved by the Independent Regulatory Board of Auditors [**IRBA**], in accordance with the approval granted by the Department of Trade and Industry.

A Verification Certificate issued must reflect the weighted points attained by the measured entity for each element of the scorecard as well as the overall B-BBEE rating.

6.1 B-BBEE Rating

Enterprises will be rated by Verification Agencies or Registered Auditors based on the following:

- a) **Large Enterprises** [i.e. annual turnover greater than R35 million]:
 - Rating level based on all seven elements of the B-BBEE scorecard
- b) **Qualifying Small Enterprises – QSE** [i.e. annual turnover between R5 million and R35 million]:
 - Rating based on any four of the elements of the B-BBEE scorecard
- c) **Exempted Micro Enterprises – EME** [i.e. annual turnover less than R5 million]:
 - EMEs are exempted from B-BBEE accreditation
 - Automatic rating of Level 4 B-BBEE irrespective of race or ownership, i.e. 100% B-BBEE recognition
 - Black ownership / Black women ownership greater than 50% automatically qualify as Level 3 B-BBEE, i.e. 110% B-BBEE recognition
 - EME's should only provide documentary proof of annual turnover [i.e. audited financials or a letter issued by accounting officer] plus proof of Black ownership if Black ownership / Black women ownership is greater than 50%

Respondents to this Expression of Interest are required to furnish proof of the above to Transnet. [i.e. a detailed scorecard as stipulated above in respect of Large Enterprises and QSEs, or proof of turnover in respect of EMEs]. In addition:

- (i) Turnover: Kindly indicate your company's annual turnover for the past year
R _____
- (ii) All Respondents are to submit their audited 3-year financials, or a signed letter of confirmation of 3-year annual turnover figures from the entity's accountant, if audited financial statements are not a legal requirement.
- (iii) If annual turnover is greater than R5m please attach an Accreditation Certificate issued by a Verification Agency or Registered Auditor, together with all the relevant score sheets pertaining thereto.

[Refer also to the Vendor Application Form, Section 5, for additional submission documents required]

6.2 Joint Ventures and Subcontractors

Respondents may choose during the subsequent RFP process to enter into a Joint Venture with, or subcontract to, B-BBEE companies. A rating certificate in respect of such B-BBEE JV-partners and/or subcontractor(s) will be required with the subsequent RFP response to enable Transnet to evaluate and adjudicate all RFPs received on a fair basis.

6.3 Further Recognition Criteria [FRC]

Whereas Respondents to a subsequent RFP process will be allocated points in terms of the 10% preference system for its B-BBEE rating to be assessed as referred to in paragraph 6.1 above, in addition to such scoring, further points will be allocated to Respondents based on the following "Further Recognition Indicators" on an ascending scale calculated on the extent to which an RFP Respondent meets or exceeds the minimum compliance targets as indicated below.

In terms of this RFI/EOI, Transnet wishes to determine the current status of Respondents hereby submitting Expressions of Interest.

Therefore RFI/EOI Respondents are to insert in the table below current scores for the Further Recognition Indicators [during the RFP process, Respondents will be requested to provide future anticipated FRC scores as a consequence of contracting with Transnet for RFP Services]:

Further Recognition Indicators			
Ownership Indicator	Required Responses	Compliance Target	Insert Company Scores [%]
A. Ownership :			
1. The percentage of the business owned by Black ¹ persons.	<i>Provide ownership in the hands of Black persons as a percentage of total ownership of the organisation</i>	50%	
2. The percentage of your business owned by Black women.	<i>Provide ownership in the hands of black women as a percentage of total ownership of the organisation</i>	30%	
Management Control Indicator	Required Responses	Compliance Target	Insert Company Scores (%)
B. Board Participation :			
1. The percentage of Black Board members in relation to the total number of Board members.	<i>Provide the number of black Board members as a percentage of the total Board</i>	50%	
C. Management :			
2. The percentage of Black Senior Top Management involved in day to day	<i>Provide the percentage of Blacks appointed by the Board and operationally involved in the day to day</i>	40%	

¹ "Black" means South African Blacks, Coloureds and Indians, as defined in the B-BBEE Act 53 of 2003

management of the organisation, in relation to the total Top Management cadre.	Top management of the business, with individual responsibility for overall and/or financial management of the business and actively involved in the development and implementation of overall strategy .		
Management Control Indicator	Required Responses	Compliance Target	Insert Company Scores [%]
3. The percentage of Black Middle Management involved in day to day management of the organisation, in relation to the total Middle Management cadre.	Provide the percentage of Blacks appointed by the organisation in the middle management cadre and operationally involved in the day to day management of the business, with individual responsibility for a particular area within the business and actively involved in the day to day management of the organisation	63%	
4. The percentage of Black Junior Management involved in day to day management of the organisation, in relation to the total Junior Management cadre.	Provide the percentage of Blacks appointed by the organisation in the junior management cadre and operationally involved in the day to day running of the business, with individual responsibility for a particular area within the business and actively involved in a supervisory role with regards to the day to day management of the organisation	68%	
Employment Equity Indicator	Required Responses	Compliance Target	Insert Company Scores [%]
D. Employment Equity :			
1. The percentage of Black disabled employees in relation to the total number of employees in the organisation.	Indicate the percentage of Black disabled employees in relation to the total of all employees in the organisation.	2%	
2. The percentage of Black employees as a percentage of the total workforce i.e. of all employees in the organisation.	Indicate the number of Black employees as a percentage of the organisation's total workforce.	65%	
3. The percentage of Black women employees as a percentage of the total workforce.	Indicate the number of Black women employees as a percentage of the organisation's total workforce.	40%	
Preferential procurement Indicator	Required Response	Compliance Target	Insert Company Scores [%]
E. Preferential procurement:			
B-BBEE procurement spend from all suppliers based on the B-BBEE procurement recognition level as a percentage of total measured procurement spend	Provide a commitment based on the extent to which B-BBEE spend will increase over the contract period.	50% - 100%	
Enterprise Development Indicator	Required Response	Compliance Target	Insert Company Scores [%]
F. Enterprise Development :			
The organisation's annual spend on Enterprise Development as a percentage of Net Profit after Tax	Indicate your organisation's annual spend on Enterprise Development initiatives as a percentage of its Net Profit after Tax.	3% of NPAT,	

Respondent's Signature

Date and Company Stamp

[NPAT]			
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7 INSTRUCTIONS FOR COMPLETING THE RFI/EOI

- 7.1 All Returnable Documents listed in the Expression of Interest [Section 4] in this RFI/EOI must be returned with your submission.
- 7.2 The person or persons signing the submission must be legally authorised by the Respondent to do so.

[Also refer Section 2, paragraph 2 for further instructions]

8 ADDITIONAL NOTES

- 8.1 Transnet's intentions in terms of its Sale and Disposal of its Scrap Metals are:
 - a) to have 3 year agreements for the sale of Ferrous Metals with more than one Contractor [a successful Respondent] if practical. Ideally one Contractor would be appointed per region, for each of the six designated scrap yards [Scrap Yards] providing support services for the regional sub-depots. However, it must be noted that the above does not limit Transnet to appointing the same Contractor for multiple sites should the evaluation results indicate such an award;
 - b) to have one national Contractor for Non Ferrous Metals for a period of 3 years; and
 - c) to direct business to potential Enterprise Development [ED] suppliers/service providers for a period of three [3] years for transportation of Scrap from the different sub-depots and the required value add to improve on the price that Transnet gets for its Scrap e.g.
 - Uplifting Scrap at selected depots/sub-depots or elsewhere as required by Transnet
 - Transporting Scrap either via rail or road to the nearest Scrap depot
 - Receiving and unloading at the Scrap depot
 - Sorting, cutting, weighing and presenting to the warehouse manager for stocking of the Scrap at the Scrap Yards
 - Devising a comprehensive auditable weekly reporting system that relates to all Scrap movements from point of origin to destination
 - Ensuring that there is segregation of duties with regards to the various steps involved with this and the resultant sale(s) of Scrap.

8.2 Some potential participants in this RFI/EOI process may believe that to undertake the Sale and Disposal of Transnet's Scrap Metals would be beyond current capacity and/or resources. However, Transnet would encourage such smaller businesses [QSEs and/or EMEs] to indicate whether they would have an interest in participating as a targeted beneficiary [an **SD Beneficiary**] in terms of future Supplier Development initiatives. [Refer Section 4 – EOI]

Should you decide to submit an Expression of Interest on this basis, please complete your SD proposal called for in Section 2, paragraph 2.4, as a potential beneficiary of SD initiatives, indicating:

- (i) the proposed ancillary service(s) envisaged;
- (ii) examples / details of the nature of such participation; and
- (iii) an indication of the SD support which would be required to perform such services.

[The SD focus framework as set out in Section 2, paragraph 2.3, refers]

Whereas Transnet would wish to leave its options open at this stage in terms of the nature of the SD initiatives which might be prescribed in any subsequent RFPs so as to obtain maximum benefit from this RFI/EOI exercise, please indicate whether your company/entity be willing to have your details circulated to scrap merchants who have expressed an interested in the Sale and Disposal of Ferrous and/or Non-ferrous Scrap Metals as indicated in paragraph 8.1 (a) and (b) above.

Accepted:

YES		NO	
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[Refer Sections 2 and 3 for details]

8.3 It is envisaged that Contractors will be appointed, through the subsequent RFP process, for the Sale and Disposal of Scrap Metals for the period commencing in 2012 until approximately 2015.

9 DISCLAIMERS

Respondents are hereby advised that Transnet is not committed to any course of action as a result of its issuance of this RFI/EOI and/or its receipt of submissions in response to it.

In particular, please note that Transnet reserves the right to:

- 9.1 at its own discretion, utilise any information provided to it in response to this RFI/EOI to draft the scope of requirements for inclusion in the subsequent RFP; or
- 9.2 take no further action whatsoever, if it so decides.

This RFI/EOI is not an offer of sale or disposal of Scrap Metals and no business will be awarded through this process.

Kindly note that Transnet will not reimburse any Respondent for any preparatory costs or other work performed in connection with this submission.

“SPECIMEN COPY ONLY”

Respondent's Signature

Date and Company Stamp

Respondents are to complete this section:

NAME OF RESPONDENT
PHYSICAL ADDRESS
.....

Respondent's contact person:	
Name.....	.....
Designation.....	.....
Telephone.....	.....
Cell Phone.....	.....
Facsimile.....	.....
Email.....	.....
Website.....	.....

**Transnet urges its clients, suppliers and the general public
to report any fraud or corruption on the part of Transnet employees to
TIP-OFFS ANONYMOUS : 0800 003 056**

“SPECIMEN COPY ONLY”

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key “Supplier Development” Initiatives

Section 2 : SUPPLIER DEVELOPMENT INITIATIVES AND RFI/EOI SCOPE OF REQUIREMENTS

A critical objective of any subsequent RFP process will be to encourage and facilitate the introduction of new or smaller empowered entrants into the market, in order to aid in transformation of the South African economy and to create employment. This is broadly aligned to the Governments’ stated New Growth Path [NGP] objectives.

It is therefore our intention, through this RFI/EOI process, to obtain a better insight into and understanding of Supplier Development [SD] opportunities in the Scrap Metals market and associated ancillary industries in South Africa.

1 GOVERNMENT’S NEW GROWTH PATH AND SUPPLIER DEVELOPMENT OBJECTIVES

1.1 Aim and Objectives

Historically in South Africa there has been a lack of investment in infrastructure, skills and capability development and an inequality in the income distribution and wealth of a significant portion of the population. There have been a number of Government initiatives developed to address these challenges. In particular, the New Growth Path [NGP] introduced in 2010 aligns and builds on previous policies to ensure the achievement of Government’s developmental objectives for South Africa. Transnet fully endorses and supports Government’s New Growth Path Policy.

The key focuses of the NGP include:

- increasing employment intensity of the economy
- addressing competitiveness
- balancing spatial development of rural areas and poorer provinces
- reducing the carbon intensity of the economy
- creating opportunities in improving regional and global cooperation
- enabling transformation that benefits a wider range of social actors in society e.g. workers, rural communities, youth and women

Transnet, as a State Owned Company [SOC], plays an important role to ensure these objectives are achieved. Therefore, the purchasing of goods and services needs to be aligned to Government’s objectives for developing and transforming the local supply base. Transnet’s mission is to transform its supplier base by engaging in targeted supplier development [SD]

initiatives to support localisation and industrialisation whilst providing meaningful opportunities for Black² South Africans with a particular emphasis on:

- Black Youth [16 to 35 year olds]
- Black women
- People with disabilities
- Small businesses
- Rural development and regional integration

1.2 **Supplier Development Initiatives**

To facilitate the implementation of Supplier Development initiatives, Transnet has adapted an existing framework from the Department of Public Enterprises [DPE]. This framework allows for a basic set of principles to be applied to appropriately targeted SD initiatives. Supplier development initiatives aim to build local suppliers who are competitive through building capability and capacity. Hence the framework has been termed the Increased Competitiveness, Capability and Capacity Supplier Development Classification Matrix [IC³ Matrix].

Currently there are four quadrants of SD initiatives which Transnet considers according to the IC³ Matrix. This RFI process and its subsequent RFP has been identified as “**Focused**” involving high value transactions with a focus on initiatives which will assist local suppliers to improve their performance, enhance their existing production and skills capabilities with emphasis being placed on benefiting previously disadvantaged individuals and rural development.

2 **INSTRUCTIONS FOR COMPLETION OF THIS RFI/EOI**

- 2.1 Transnet requests all Respondents to assist with the establishment of appropriate and feasible SD initiatives by submitting a Supplier Development Proposal providing your recommendations for innovative and practical initiatives which will demonstrate commitment and support for the New Growth Path Policy and its objectives.
- 2.2 For a detailed understanding of the IC³ Matrix, the respective SD initiatives and their objectives, please refer to the “Guidelines for the Completion of a Supplier Development Bid Document” appended hereto as Annexure A.
- 2.3 The following Supplier Development [SD] focus areas have been identified, in broad terms only, and should be used merely as a framework for your response to this RFI/EOI:

SD Category*	Description
New Skills development	Skills transfer & skills education which will occur as a result of the award of contract
Job Creation/Preservation	Number of jobs created or preserved resulting from the award of contract
Small Business Promotion	Encouragement for growth and the expansion of emerging local firms, through procurement and

² “Black” means South African Blacks, Coloureds and Indians, as defined in the B-BBEE Act, 53 of 2003

SD Category*	Description
	support mechanisms
Rural Development and Regional Integration	How you would incorporate the use of rural labour and regional businesses to contribute to NGP objectives
Technology transfer/sustainability	How will you transfer technology and know-how to new entrants into the market to assist new entrants to become sustainable players in the market

*In terms of New Growth Path [NGP] objectives as stated in paragraph 1.1 above, the potential reduction of the economy's carbon intensity [i.e. creation of a greener economy] should be regarded as a key priority within all SD Categories and for all proposed SD initiatives, as applicable.

- 2.4 **A Supplier Development Proposal is to be submitted by all Respondents as a separate document**, developed in line with the criteria set out in Annexure B appended hereto [*SD Value Summary*]. The Supplier Development Proposal should be a detailed narrative document explaining the Respondent's recommended SD initiatives. However Respondents are at liberty to submit additional proposal/ information as the case might be. The SD Proposal should outline the type of activities recommended, an overview of how and with whom this might be enabled, and the mechanisms whereby proposed SD objectives might be achieved.

Whereas a Respondent need not complete or submit an Annexure B with its Returnable Documents, we strongly recommend that you use this Annexure B as a reference/support document for your SD Proposal.

It should be noted however, that Annexure B will be a compulsory Returnable Document during any subsequent RFP process.

RFI/EOI for the Sale and Disposal of Scrap Metals, incorporating key “Supplier Development” Initiatives

Section 3 : TRANSNET’S FERROUS AND NON-FERROUS SCRAP METAL RESOURCES AND CONTRACTUAL REQUIREMENTS

Transnet Freight Rail [TFR] and Transnet Port Terminals [TPT] are Operating Divisions of Transnet and generate Scrap through maintenance and refurbishment operations as well as asset disposal programmes. The TFR Scrap is accumulated at Transnet’s Supply Chain Services Scrap Yards and other specified and designated locations, at Transnet’s option. At certain of the sites Scrap is generated from the workshops of other Transnet operating divisions, including Transnet Rail Engineering [TRE]

1. SCRAP METALS SKIP REQUIREMENTS PER OPERATING DIVISION

Through subsequent RFP processes Transnet intends to offer Ferrous and Non-ferrous Scrap Metals for sale, collection and disposal as indicated by the locations and skip requirements per Operating Divisions below:

1.1 Transnet Freight Rail [TFR] Scrap Yards and Depot Requirements:

TFR Scrap Yards	Sub-Depots	Address	Number of skips required
Uitenhage	➤ Deal Party	1. Infra Maintenance Depot, Phillip Robertson Drive, Deal Party	1 per sub-depot for TFR
Bloemfontein	➤ Kimberley/Beaconsfield	2. Infra Maintenance Depot, Austen Street, Beaconsfield	1 per sub-depot for TFR
Salt River	➤ Bellville	3. Service Delivery Manager Promat Building South Warehouse 153, Caledon West Street, Bellville	1 per sub-depot for TFR
		4. Transnet Freight Rail RME, Bellville Square Off Modderdam Road, Bellville	
	➤ Saldanha	5. National Ports Authority Civil Maintenance Depot, Saldanha	
		6. Service Delivery Manager, Pre Cast Building, Warehouse	

TFR Scrap Yards	Sub-Depots	Address	Number of skips required
		177, Saldanha	
	➤ Cape Town	7. National Ports Authority, Civil Maintenance Depot, Ben Schoeman 8. National Ports Authority Perway Maintenance Depot, Ben Schoeman	
Durban	➤ Durban	9. National Ports Authority, Power Supply Depot, 1 Kuwait Road, Fynnlands, Durban	1 per sub-depot for TFR
	➤ Bayhead	10. National Ports Authority, Shop 24, Bayhead Park Entrance A, off Bayhead Road, Bayhead, Durban. 11. Capital Projects, 130 Eel Road, Bayhead, Durban. 12. Infra Depot, 120 Eel Road, Bayhead, Durban. 13. National Ports Authority, B&M, Marine Yard Pier 100, Pier 1, Bayhead Road, Bayhead, Durban	
Germiston	➤ Potchefstroom	14. Infra maintenance depot, Station street Potchefstroom	1 per sub-depot for TFR
	➤ Klerksdorp	15. Infra maintenance depot, situated next to the station in Magaretha Prinsloo street	
	➤ Coligny	16. Infra maintenance depot, Voortrekker street at level crossing on right hand side	
Koedoespoort	➤ Nelspruit	17. Supply Chain Services Warehouse, Andrew Street, Nelspruit	1 per sub-depot for TFR
	➤ Ermelo	18. Infra Depot, Industria Road 29, Ermelo	
	➤ Witbank	19. Infra Depot, Main Street, Witbank	

TFR Scrap Yards	Sub-Depots	Address	Number of skips required
	➤ Polokwane	20. Infra Depot, Hospital Road ext. Polokwane	
	➤ Empangeni	21. Infra Depot, no 1 Station Road, Empangeni	
	➤ Vryheid	22. Infra Depot, 227 Mark Street, Vryheid	
	➤ Richard's Bay	23. Infra Depot, CTC Building, Richard's Bay	
	➤ Ladysmith	24. Infra Depot, TFR Diamana Rd. Ladysmith	

1.2 Transnet Rail Engineering [TRE] Main Depots and Sub-Depot Requirements:

TRE Main Depots	Sub-Depots	Number of skips required
Uitenhage	<ul style="list-style-type: none"> ➤ Uitenhage ➤ Cambridge [East London] ➤ New Brighton ➤ Swartkops 	<p>15</p> <p>2</p> <p>2</p> <p>2</p>
Bloemfontein	<ul style="list-style-type: none"> ➤ Bloemfontein ➤ Kroonstad ➤ Beaconsfield [Kimberley] ➤ Postmasburg 	<p>15</p> <p>2</p> <p>2</p> <p>2</p>
Salt River	<ul style="list-style-type: none"> ➤ Cape Town ➤ Bellville ➤ Saldanha 	<p>10</p> <p>2</p> <p>2</p>
Durban	<ul style="list-style-type: none"> ➤ Durban ➤ Bayhead ➤ South Dunes ➤ Danskraal ➤ Kings Rest ➤ Newcastle ➤ Vryheid ➤ Richard's Bay ➤ Umbilo ➤ Wentworth 	<p>10</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p> <p>2</p>

TRE Main Depots	Sub-Depots	Number of skips required
Germiston	➤ Germiston	15
	➤ Coligny	2
	➤ Polokwane	2
	➤ Welgedag [springs]	2
	➤ Leeuhof [Vereeniging/Meyerton]	2
	➤ Sentrarrand [Springs/Bapsfontein]	2
	Koedoespoort	➤ Koedoespoort	50
	➤ Capital Park	2
	➤ Ermelo	2
	➤ Komatipoort	2
	➤ Nelspruit	2
	➤ Pyramid south	2
	➤ Witbank	2
Total Skip Requirement :		171

1.3 Transnet Port Terminal [TPT] Skip Requirements:

TPT Location	Number of skips required
PORT OF DURBAN	
➤ Durban Container Terminal	4
➤ Durban Point	1
➤ Durban Maydon Wharf Terminal	2
➤ Durban Pier 1	4
➤ Car Terminal	1
PORT OF RICHARDS BAY	
➤ Dry Bulk Terminal	8
➤ Multi-Purpose Terminal	2
PORT OF CAPE TOWN	
➤ Container Terminal	1
➤ Multi-Purpose Terminal	2
PORT OF EAST LONDON	
➤ Multi-Purpose Terminal	2

TPT Location	Number of skips required
PORT OF PORT ELIZABETH	
➤ Container Terminal	1
➤ Multi-Purpose Terminal	2
PORT OF SALDANHA	
➤ Iron Ore Terminal	2
➤ Multi-Purpose Terminal	1
PORT OF COEGA	
➤ Ngqura Container Terminal [Coega]	2
Total Skip Requirement :	35

Whereas the appointed Contractors will be required to provide the skips for nominated locations, as indicated above, the bigger Transnet workshops may require skips to be collected twice daily, whilst smaller Transnet locations may only require collection every 2 [two] weeks, or on an “as and when required” basis.

Please note that the aforementioned information is provided merely as an indication of the size and nature of Transnet’s current Scrap Metal resources, and consequently does not necessarily reflect the extent of Services to be rendered by new Contractors through award of business at any future date.

2. FUTURE RFP REQUIREMENTS

2.1 Service and contractual requirements

- Ensure continuous removal of ferrous or non-ferrous Scrap to ensure continuity of business in the Transnet workshops and to prevent stock-piling at the Transnet Scrap Yards.
- Reduce the risk of theft through the prompt collection of Scrap.
- Provide Transnet with the maximum price possible for the sale of ferrous or non-ferrous Scrap.
- Eliminate inputs from Transnet in the disposal process other than directing and controlling the operations.
- Comply with the “Special Conditions” appended hereto as Annexure C, which will [inter alia] govern the sale, collection and disposal of Transnet’s Scrap Metals.

2.2 Scrap Metal regional and national allocations

Potential Contractors, who are herewith submitting an Expression of Interest [EOI] in this procurement process, must be capable of providing the full range of services as set out above with cognisance of Transnet’s following intentions for the subsequent award of business:

Regional Split [at Transnet’s option] -

- a) Ferrous Scrap contracts [3-year term with a possible option to extend] servicing the 6 regional hubs [1 x contract per hub where practical].
- b) National Non-ferrous contract [3-year term with a possible option to extend] servicing the national Non-ferrous Scrap requirement.

2.3 SD requirements

Whereas the purpose of this RFI/EOI is to establish viable SD Initiatives prior to the issue of an RFP, Transnet would expect as a minimum eligibility requirement that the successful Respondent(s) would prescribe to:

- a) Direct investment in 1 x Enterprise Development Entrant at a sub-depot level [or group of sub-depots] as envisaged in Section 1, paragraph 8(c); and/or
- b) direct investment in 1 x Enterprise Development Entrant at a sub-depot level [or group of sub-depots} to act as "Owner/Driver(s)" in transporting Scrap from the sub-depots to the Regional Hub [Scrap Yard]; or
- c) SD Beneficiary status, as indicated in Section 1, paragraph 8.2

for the duration of a contract with Transnet for the Sale and Disposal of Scrap Metals.

Note: Respondent to indicate preference for participation in option 2.3 (a) and/or (b) or (c) above:

	Yes	No
Option 2.3 (a)		
Option 2.3 (b)		
Option 2.3 (c)		

3. FINANCIAL REQUIREMENTS FOR FUTURE AWARD OF BUSINESS

In order to facilitate funding opportunities for potential Contractors who would require such interim financial support, Transnet has held preliminary discussions in this regard with certain financial institutions who have indicated a willingness to consider funding applications from subsequent RFP Respondents, although an RFP Respondent would not be restricted to these particular institutions and may nominate alternative funding sources, as the case may be.

Should a Respondent choose this option, Transnet would require written evidence [at the subsequent RFP stage] from such a financial institution indicating its approval in principle to provide the required financial support necessary to give effect to a contract.

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key “Supplier Development” Initiatives

Section 4 : EXPRESSION OF INTEREST [EOI]

I/We _____
[name of entity, company, close corporation or partnership]
of [full address] _____

_____ carrying on business under style or title of [trading as]

represented by _____
in my capacity as _____

being duly authorised, hereby lodge an **Expression of Interest in the Sale of Scrap Metals and Disposal Services** for Transnet’s requirements, including prescribed Supplier Development Initiatives, over a period of 3 [Three] years as indicated below:

- (i) Ferrous Scrap Metal contracts [3-year term] servicing each of the 6 regional hubs [1 x contract per hub where practical]:

Ref	Regional Location of Hubs for Ferrous Scrap	Yes	No
1	Koedoespoort		
2	Germiston		
3	Durban		
4	Salt River		
5	Bloemfontein		
6	Uitenhage		

- (ii) National Non-ferrous Scrap Metal contract [3-year term] servicing the national non-ferrous requirement:

Ref	National Non-ferrous Sites	Yes	No
7	All sales of Non-ferrous Scrap		

- (iii) SD Beneficiary status:

Ref	SD Initiatives	Yes	No
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8	SD Beneficiary option		
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“SPECIMEN COPY ONLY”

Respondent's Signature

Date and Company Stamp

ADDRESS FOR NOTICES

Respondent to indicate its *domicilium citandi et executandi* hereunder:

Name of entity: _____

Facsimile: _____

Address: _____

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:

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CONFIDENTIALITY

All information related to a subsequent contract, both during and after completion, is to be treated with strict confidence. Should the need however arise to divulge any information gleaned from provision of the Services, which is either directly or indirectly related to Transnet’s business, written approval to divulge such information must be obtained from Transnet. *Respondents to complete and return the Non-Disclosure Agreement [Section 6].*

BREACH OF LAW

Transnet reserves the right to exclude any Respondent from the bidding process who has been convicted of a serious breach of any kind during the preceding 5 [five] years, including but not limited to the

Competition Act 89 of 1998. Respondents are required to indicate in Section 7 [Breach of Law] whether or not they have been found guilty of a serious breach of law during the past 5 [five] years.

VENDOR APPLICATION FORM

Please complete this form included herewith as Section 5 and return with your submission documentation.

RETURNABLE DOCUMENTS

Respondents are required to submit the following returnable documents with their responses. All Sections, as indicated in the footer of each page, must be signed and dated:

SECTION 1 : Notice to Respondents	√
- Valid B-BBEE Accreditation Certificate [Large Enterprises and QSEs]	√
- Audited Financials for previous 3 years, or confirmation of annual turnover [EMEs]	√
SECTION 2 : Supplier Development Initiatives and RFI/EOI Scope of Requirements	√
- Respondent's SD Proposal	√
- Annexure B [optional]	
SECTION 3 : Transnet's Ferrous and Non-ferrous Scrap Metal Resources and Contractual Requirements	√
- Annexure C – Special Conditions	√
SECTION 4 : Expression of Interest [EOI]	√
SECTION 5 : Vendor Application Form	√
- Original cancelled cheque or bank verification of banking details	√
- Certified copies of IDs of shareholder/directors/members [as applicable]	√
- Certified copy of Certificate of Incorporation [CM29/CM9 name change]	√
- Certified copy of share certificates [CK1/CK2 if CC]	√
- Company letterhead	√
- Original Tax Clearance Certificate	√
- Certified copy of VAT Registration Certificate	√
- Certified copy of Company Registration Certificate	√
- Signed letter from auditor or accountant [EMEs] confirming most recent annual turnover figures	√
SECTION 6 : Non-Disclosure Agreement [NDA]	√
SECTION 7 : Breach of Law	√

By signing the RFI/EOI documents, the Respondent is deemed to acknowledge that he/she has made himself/herself thoroughly familiar with all the conditions governing this RFI, including those contained in any printed form stated to form part hereof and Transnet SOC Ltd will recognise no claim for relief based on an allegation that the Respondent overlooked any such condition

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: _____

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key "Supplier Development" Initiatives

Section 5 : VENDOR APPLICATION FORM

Respondents are to furnish the following documentation and complete the Vendor Application Form below:

1. **Original** cancelled cheque **OR** letter from the Respondent's bank verifying banking details [**with bank stamp**]
2. **Certified** copy of Identity Document(s) of Shareholders/Directors/Members [where applicable]
3. **Certified** copy of Certificate of Incorporation, CM29 / CM9 [name change]
4. **Certified** copy of Share Certificates [CK1/CK2 if CC]
5. A letter on the company's letterhead confirm physical and postal addresses
6. **Original** valid SARS Tax Clearance Certificate and **certified copy** of VAT Registration Certificate
7. A signed letter from your auditor or accountant confirming most recent annual turnover figures

Vendor Application Form

Company trading name						
Company registered name						
Company Registration Number or ID Number if a Sole Proprietor						
Form of entity [v]	<input type="checkbox"/> CC	<input type="checkbox"/> Trust	<input type="checkbox"/> Pty Ltd	<input type="checkbox"/> Limited	<input type="checkbox"/> Partnership	<input type="checkbox"/> Sole Proprietor
VAT number						
Company telephone number						
Company fax number						
Company email address						
Company website address						
Bank name			Branch & Branch code			
Account holder			Bank account number			
Postal address						
						Code

		Code	
Contact person			
Designation			
Telephone			
Email			
Annual turnover range [last financial year]	< R5 m	R5 - 35 m	> R35 m
Does your company provide	Products	Services	Both
Area of delivery	National	Provincial	Local
Is your company a public or private entity	Public	Private	
Does your company have a Tax Directive or IRP30 Certificate	Yes	No	

Complete B-BBEE Ownership Details:

% Black ownership		% Black women ownership		% Disabled Black ownership	
Does your company have a B-BBEE certificate	Yes	No			
What is your B-BBEE status [Level 1 to 9 / Unknown]					
How many personnel does the firm employ	Permanent	Part time			

If you are an existing Vendor with Transnet please complete the following:

Transnet contact person	
Contact number	
Transnet Operating Division	

<i>Duly authorised to sign for and on behalf of Company / Organisation:</i>			
Name		Designation	
Signature		Date	

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key "Supplier Development" Initiatives

Section 6 : NON-DISCLOSURE AGREEMENT [NDA]

THIS AGREEMENT is made between

Transnet SOC Ltd [Transnet] [Registration No. 1990/000900/06]

whose registered office is at 49th Floor, Carlton Centre, 150 Commissioner Street, Johannesburg 2001,

and

_____ **[the Company]** [Registration No. _____]

whose registered office is at _____

WHEREAS

Transnet and the Company wish to exchange Information [as defined below] and it is envisaged that each party may from time to time receive Information relating to the other in respect thereof. In consideration of each party making available to the other such Information, the parties jointly agree that any dealings between them shall be subject to the terms and conditions of this Agreement which themselves will be subject to the parameters of the Bid Document.

IT IS HEREBY AGREED

1 INTERPRETATION

In this agreement:

- 1.1 **Agents** mean directors, officers, employees, agents, professional advisers, contractors or sub-contractors, or any Group member;
- 1.2 **Bid** or **Bid Document** means Transnet's Request for Information [RFI] Request for Proposal [RFP] or Request for Quotation [RFQ], as the case may be;
- 1.3 **Confidential Information** means any information or other data relating to one party [the **Disclosing Party**] and/or the business carried on or proposed or intended to be carried on by that party and which is made available for the purposes of the Bid to the other party [the **Receiving Party**] or its Agents by the Disclosing Party or its Agents or recorded in agreed minutes following oral disclosure and any other information otherwise made available by the Disclosing Party or its Agents to the Receiving Party or its Agents, whether before, on or after the date of this Agreement, and whether in writing or otherwise, including any information, analysis or specifications derived from, containing or reflecting such information but excluding information which:

- a) is publicly available at the time of its disclosure or becomes publicly available [other than as a result of disclosure by the Receiving Party or any of its Agents contrary to the terms of this Agreement]; or
 - b) was lawfully in the possession of the Receiving Party or its Agents [as can be demonstrated by its written records or other reasonable evidence] free of any restriction as to its use or disclosure prior to its being so disclosed; or
 - c) following such disclosure, becomes available to the Receiving Party or its Agents [as can be demonstrated by its written records or other reasonable evidence] from a source other than the Disclosing Party or its Agents, which source is not bound by any duty of confidentiality owed, directly or indirectly, to the Disclosing Party in relation to such information;
- 1.4 **Group** means any subsidiary, any holding company and any subsidiary of any holding company of either party; and
- 1.5 **Information** means all information in whatever form including, without limitation, any information relating to systems, operations, plans, intentions, market opportunities, know-how, trade secrets and business affairs whether in writing, conveyed orally or by machine-readable medium.

2 CONFIDENTIAL INFORMATION

- 2.1 All Confidential Information given by one party to this Agreement [**the Disclosing Party**] to the other party [**the Receiving Party**] will be treated by the Receiving Party as secret and confidential and will not, without the Disclosing Party's written consent, directly or indirectly communicate or disclose [whether in writing or orally or in any other manner] Confidential Information to any other person other than in accordance with the terms of this Agreement.
- 2.2 The Receiving Party will only use the Confidential Information for the sole purpose of technical and commercial discussions between the parties in relation to the Bid or for the subsequent performance of any contract between the parties in relation to the Bid.
- 2.3 Notwithstanding clause 2.1 above, the Receiving Party may disclose Confidential Information:
- a) to those of its Agents who strictly need to know the Confidential Information for the sole purpose set out in clause 2.2 above, provided that the Receiving Party shall ensure that such Agents are made aware prior to the disclosure of any part of the Confidential Information that the same is confidential and that they owe a duty of confidence to the Disclosing Party. The Receiving Party shall at all times remain liable for any actions of such Agents that would constitute a breach of this Agreement; or
 - b) to the extent required by law or the rules of any applicable regulatory authority, subject to clause 2.4 below.
- 2.4 In the event that the Receiving Party is required to disclose any Confidential Information in accordance with clause 2.3b) above, it shall promptly notify the Disclosing Party and cooperate with the Disclosing Party regarding the form, nature, content and purpose of such disclosure or

any action which the Disclosing Party may reasonably take to challenge the validity of such requirement.

- 2.5 In the event that any Confidential Information shall be copied, disclosed or used otherwise than as permitted under this Agreement then, upon becoming aware of the same, without prejudice to any rights or remedies of the Disclosing Party, the Receiving Party shall as soon as practicable notify the Disclosing Party of such event and if requested take such steps [including the institution of legal proceedings] as shall be necessary to remedy [if capable of remedy] the default and/or to prevent further unauthorised copying, disclosure or use.
- 2.6 All Confidential Information shall remain the property of the Disclosing Party and its disclosure shall not confer on the Receiving Party any rights, including intellectual property rights over the Confidential Information whatsoever, beyond those contained in this Agreement.

3 RECORDS AND RETURN OF INFORMATION

- 3.1 The Receiving Party agrees to ensure proper and secure storage of all Information and any copies thereof.
- 3.2 The Receiving Party shall keep a written record, to be supplied to the Disclosing Party upon request, of the Confidential Information provided and any copies made thereof and, so far as is reasonably practicable, of the location of such Confidential Information and any copies thereof.
- 3.3 The Company shall, within 7 [seven] days of receipt of a written demand from Transnet:
- a) return all written Confidential Information [including all copies]; and
 - b) expunge or destroy any Confidential Information from any computer, word processor or other device whatsoever into which it was copied, read or programmed by the Company or on its behalf.
- 3.4 The Company shall on request supply a certificate signed by a director as to its full compliance with the requirements of clause b) above.

4 ANNOUNCEMENTS

- 4.1 Neither party will make or permit to be made any announcement or disclosure of its prospective interest in the Bid without the prior written consent of the other party.
- 4.2 Neither party shall make use of the other party's name or any information acquired through its dealings with the other party for publicity or marketing purposes without the prior written consent of the other party.

5 DURATION

The obligations of each party and its Agents under this Agreement shall survive the termination of any discussions or negotiations between the parties regarding the Bid and continue thereafter for a period of 5 [five] years.

6 PRINCIPAL

Each party confirms that it is acting as principal and not as nominee, agent or broker for any other person and that it will be responsible for any costs incurred by it or its advisers in considering or pursuing the Bid and in complying with the terms of this Agreement.

7 ADEQUACY OF DAMAGES

Nothing contained in this Agreement shall be construed as prohibiting the Disclosing Party from pursuing any other remedies available to it, either at law or in equity, for any such threatened or actual breach of this Agreement, including specific performance, recovery of damages or otherwise.

8 PRIVACY AND DATA PROTECTION

8.1 The Receiving Party undertakes to comply with South Africa's general privacy protection in terms of the Bill of Rights [Section 14] in connection with this Bid and shall procure that its personnel shall observe the provisions of such Act [as applicable] or any amendments and re-enactments thereof and any regulations made pursuant thereto.

8.2 The Receiving Party warrants that it and its Agents have the appropriate technical and organisational measures in place against unauthorised or unlawful processing of data relating to the Bid and against accidental loss or destruction of, or damage to such data held or processed by them.

9 GENERAL

9.1 Neither party may assign the benefit of this Agreement or any interest hereunder except with the prior written consent of the other, save that Transnet may assign this Agreement at any time to any member of the Transnet Group.

9.2 No failure or delay in exercising any right, power or privilege under this Agreement will operate as a waiver of it, nor will any single or partial exercise of it preclude any further exercise or the exercise of any right, power or privilege under this Agreement or otherwise.

9.3 The provisions of this Agreement shall be severable in the event that any of its provisions are held by a court of competent jurisdiction or other applicable authority to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law.

9.4 This Agreement may only be modified by a written agreement duly signed by persons authorised on behalf of each party.

9.5 Nothing in this Agreement shall constitute the creation of a partnership, joint venture or agency between the parties.

9.6 This Agreement will be governed by and construed in accordance with South African law and the parties irrevocably submit to the exclusive jurisdiction of the South African courts.

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RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key "Supplier Development" Initiatives

Section 7 : BREACH OF LAW

NAME OF COMPANY:

I/We _____

do hereby certify that I/we **have/have not** been convicted during the preceding 5 [five] years by a court of law, tribunal or other administrative body of a serious breach of any law, including but not limited to corruption, extortion or contravention of the Competition Act, 89 of 1998.

Where convicted of such a serious breach, please disclose:

NATURE OF SERIOUS BREACH:

DATE OF SERIOUS BREACH: _____

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

SIGNED at _____ on this _____ day of _____ 20__

SIGNATURE OF WITNESS

SIGNATURE OF RESPONDENT

RFI/EOI for the Sale and Disposal of Scrap Metals incorporating key "Supplier Development" Initiatives

Section 8 : RFI/EOI CLARIFICATION REQUEST FORM

RFI/EOI Number **HOAC/Var/8195**

RFI/EOI deadline for questions or clarifications: Before 12:00 on 9 March 2012

TO: Transnet SOC Ltd
ATTENTION: The Secretary, Transnet Freight Rail Acquisition Council
EMAIL: Arthur.Branford@transnet.net
DATE: _____
FROM: _____

RFI/EOI Clarification No [to be inserted by Transnet]

REQUEST FOR RFI/EOI CLARIFICATION:

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