

T2.2-40 : Evaluation Schedule - Transnet Supplier Development

1.0 Aim and Objectives:

Historically in South Africa there has been a lack of investment in infrastructure, skills, capability and 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) developed in 2010 aligns and builds on previous policies to ensure the achievement of Government's development objectives for South Africa. The key focuses of the NGP include:

- Increasing employment intensity of the economy;
- Increasing the responsiveness of infrastructure and addressing competitiveness;
- Balancing spatial development of rural areas and poorer provinces;
- Reducing the carbon intensity of the economy;
- Creating opportunities in changing regional and global environments, and
- Enabling transformation that benefits a wider range of social actors in society e.g. workers, rural communities, women etc.

Transnet, as a State Owned Enterprise (SOE), plays an important role to ensure these objectives are met. Therefore, the purchasing of goods and services needs to be aligned to government objectives of 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 black South Africans with a particular emphasis on:

- Youth;
- Black women;
- Small businesses;
- People with disabilities, and
- Rural integration.

2.0 Tenderer Requirements:

Failure to submit and comply with the tender requirements of this section in the tender will result in disqualification.

3.0 Supplier Development:

To aid its implementation of SD, 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 target SD initiatives. Supplier development initiatives aim to build local suppliers that are competitive through building capability and capacity. Hence the framework has been termed the Increased Competitiveness, Capability and Capacity (IC³) Supplier Development Classification Matrix. For a detailed understanding of the IC³ Matrix, the respective SD initiatives and their objectives please refer to Transnet's SD Guideline Document for completion of the SD Plan in *Annexure A*. Currently there are four quadrants of SD initiatives which Transnet considers according to the IC³ Matrix. This tender has been identified as a Focused which involves lower industrial leverage and high value.

Transnet fully endorses and supports Government's New Growth Path Policy which aims to create five million jobs by the year 2020. Accordingly, Transnet requests tenderers to submit a Proposed Supplier Development Plan demonstrating their commitment and support to the New Growth Path Policy and how an appointment in terms of this agreement would assist the policy in achieving its objectives.

The table below sets out the categories that the comprehensive Supplier Development Plan should contain.

The following Supplier Development (SD) focus areas have been identified which forms part of the evaluation criteria, namely:

Category	Description
Skills development	Future skills transfer within the industry, with an emphasis on the accumulation of the knowledge and experience, which will occur as a result of the transaction.
Job creation / preservation	The increase in the number of jobs, by the <i>Consultant</i> , as a result of the award of business from Transnet. The number of jobs that are preserved as a result of the award of business is also taken into consideration.
Small business promotion	The encouragement of growth and expansion of emerging microenterprises, qualifying small enterprises and start-ups through procurement and support mechanisms provided by the potential <i>Consultant</i> .

In response to this tender all tenderers are required to submit an appropriate SD Plan. Annexure A provides a SD Guideline Document for completion of the SD Plan.

- This is to be developed in the format provided in Annexure B which will represent a binding commitment on the part of the successful tenderers. The SD Plan should outline the type of activities the tenderer intends embarking upon should they be awarded the contract. This plan should provide an overview of what they intend to achieve and the mechanisms through which they will achieve their objectives. The SD Plan must further indicate how the following areas will be addressed as part of the SD Plan under each section.
- Small businesses;
- Job creation and skills transfer
- Rural integration.

Annexure B further indicates the detailed areas which need to be completed for each of the evaluation criteria listed above. The tenderer is required to address each aspect detailed in this document and indicated in Annexure B as a minimum in their submission. This list is not exhaustive and the tenderer must not be limited to these areas when completing each section. The tenderer must provide supported calculations on how the Estimated Rand Values (ZAR) are derived.

SD Plan Document:

Your **SD Plan** is to be submitted as part of this RFP bid in the format (Appendix B) attached which will represent a binding commitment on the part of the successful tenderer.

Attached herewith the following documentation:

- **SD Guideline Document – Annexure A**

This document must be used as a guideline to complete the SD Plan Document.

- **SD Plan Template – Annexure B**

This template must be completed as part of the bid which will represent a binding commitment on the part of the successful tenderer.

Please note Tenderers are required to submit T2.2-40 Annexure B for each discipline they are submitting a tender

4.0 Further requirements

The SD Plan represents further detail on the SD Commitment which includes an explicit breakdown of the nature, extent and estimated monetary value of the SD commitments which the preferred tenderer propose to undertake as well as specific milestones and targets to ensure that the plan is in line with Transnet's SD objectives. The SD Plan may require certain additions or updates from the initial SD proposal to ensure that Transnet is satisfied that development objectives will be met. The tenderer must also ensure that the relevant mechanisms and procedures are in place to allow for access to information to measure and verify the tenderer's compliance with their stated SD commitments. The information provided by the tenderer to measure their progress against their stated targets is auditable.

The preferred tenderer must submit this SD Plan to Transnet in writing, after which both parties must reach an agreement within the timelines given by Transnet. Transnet reserves the right to reduce the number of days in which the tenderer must submit their SD Plan if it is deemed necessary based on the nature and complexity of the SD initiative. The award of the task order is dependent on agreement being reached on the SD Plan, therefore failure to submit or agree on the SD Plan within the stipulated timelines will result in the task order not being awarded. The tenderers are further requested to report to Transnet on a monthly basis on the status of the SD Plan in an agreed format between Transnet and the tenderer.

Failure to adhere to the milestones and targets defined in the SD Plan will also result in the application of financial penalties equating to a minimum of the monetary value of the initiative not delivered, which will be ignored at Transnet's discretion as well as the potential for termination of the contract in certain cases where milestones are not met.

Signed _____

Date _____

Name _____

Position _____

Tenderer _____



Annexure A

REQUEST FOR PROPOSAL

GUIDELINES FOR COMPLETION OF A SUPPLIER DEVELOPMENT PROPOSAL

“PREVIEW COPY ONLY”

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Note

For the purposes of this document, any reference to a/the "**Service Provider**" shall be construed to mean a reference to a Respondent (in terms of this RFT) and/or to a successful Respondent (to whom the business is to be awarded), as so indicated by the context hereinafter.

WHAT IS SUPPLIER DEVELOPMENT?

The Supplier Development (SD) Programme is an initiative of the Department of Public Enterprises (DPE) supported by Transnet. The aim of SD is to increase the competitiveness, capacity and capability of the South African supply base where there are comparative advantages and potential competitive advantages of local or regional supply. This can be achieved through skills transfer, increasing the local content of items procured, as well as building new capability in the local supplier base. In addition, SD has its roots grounded firmly around the transformation of South Africa and the empowerment of previously disadvantaged individuals and enterprises.

BACKGROUND AND GUIDANCE ON THE SUPPLIER DEVELOPMENT OBJECTIVES FOR SOUTH AFRICA

As a developing economy with inherent structural and social imbalances, South Africa is facing the significant economic challenge of increasing growth in a manner that includes all South Africans. The historical lack of investment in infrastructure in South Africa has had significant negative impacts on local industry, resulting in a loss of key skills and a decrease in manufacturing industry capabilities. To respond to this, Government policies have been designed to address these imbalances and to act as a catalyst of change for the benefit of South Africa.

One of these Government policies, the New Growth Path (NGP) aims to enhance growth, employment creation and equity by reducing the dependencies of South African industries on imports, and promoting the development of skills and capabilities that are in short supply within the country. It identifies strategies that will enable South Africa to grow in a more equitable and inclusive manner and promotes the development of new industry to attain South Africa's developmental agenda.

Transnet's SD is closely aligned to the NGP objectives and as a result is able to fulfil its commitment to sustainability within South Africa whilst at the same time addressing other corporate objectives, including increasing productivity and efficiency, volume growth, capital investment, financial stability, funding, human capital, SHEQ regulatory compliance and improving customer service.

The combined objectives of Transnet and Government can be realised through:

- aggressively implementing capital investment plans which will result in competitive local industries;
- improving operational efficiency;
- using procurement to influence the development of the local supplier industry; and
- ensuring it creates sufficient opportunities for the participation of previously disadvantaged groups in the economy.

This will lead to Transnet achieving its long-term objective of increasing both shareholder and societal value using its procurement expenditure to ensure local development through sustainable localisation of its supply chain, and the inclusion of the previously disadvantaged individuals in the economy in a manner that is beneficial to Transnet, South African industry, and the population of South Africa. As a result this State Owned Enterprise (SOE) is able to fulfil its responsibility as the biggest player in the South African freight logistics chain whilst complementing the objectives of Government.

TRANSNET'S SUPPLIER DEVELOPMENT OBJECTIVES

To aid its implementation of SD, Transnet has adapted an existing framework from the DPE. This framework allows for a basic set of principles to be applied to appropriately target SD initiatives. Supplier Development initiatives aim to assist local suppliers in developing their competitive advantage through increasing their capability and capacity potential. Hence the framework has been termed the Increased Competitiveness, Capability and Capacity (IC3) Supplier Development Classification Matrix.

This contract encapsulates the types of SD opportunities which Transnet currently considers effective and allows Transnet to move its SD structure away from a dynamic policy environment towards a contract that is designed around general Supplier Development objectives. This enables Transnet to adopt a standard structure but also allows the flexibility to reconsider emphasis on certain aspects as objectives change. The IC3 Matrix (refer to Figure 1 below) categorises SD opportunities in a matrix based on their value, extent of industrial leverage and strategic importance to Transnet. Further categorisation of opportunities into the relevant quadrants is based on supplier-buyer power, industrial complexity, risk and the length of procurement period.

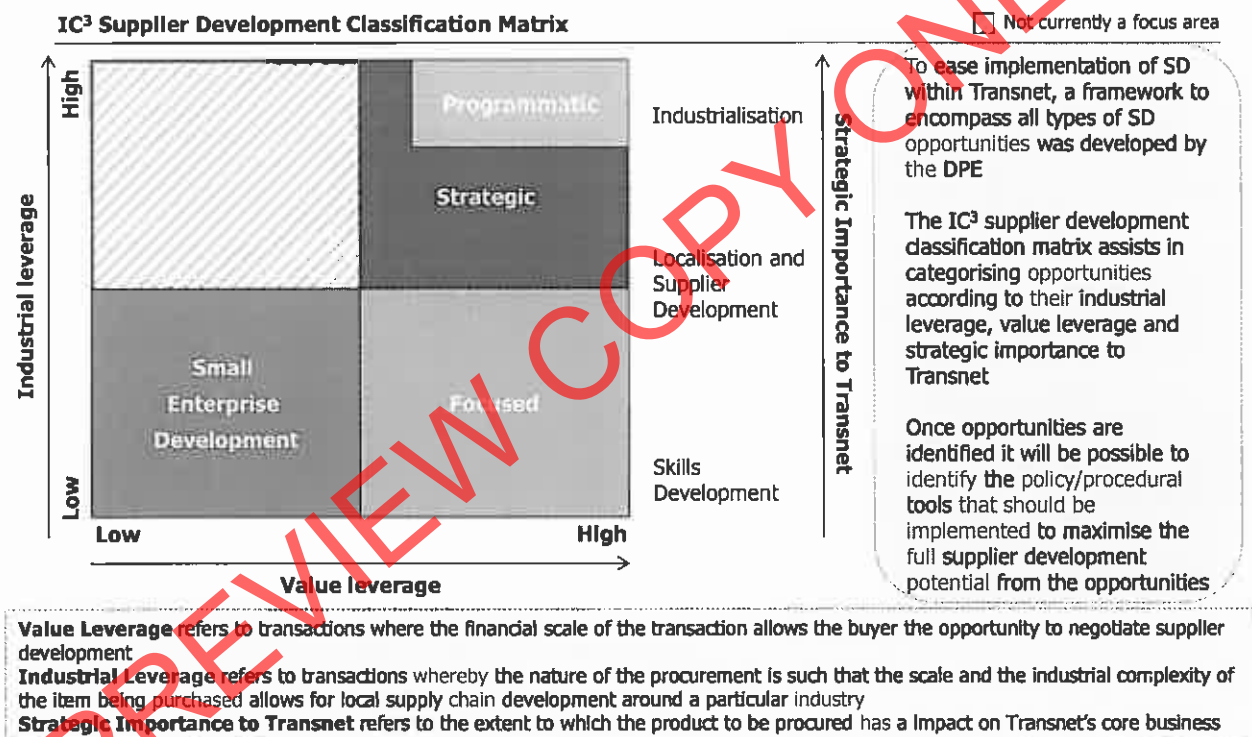


Figure 1: The IC³ Supplier Development Classification Matrix

In order for Service Providers to successfully meet the needs of a particular initiative, a detailed understanding of each quadrant is required.

Programmatic

Programmatic initiatives follow a longer than normal planning horizon and generally exceed the funding capacity of Transnet's balance sheet. They are identified either in the Industrial Policy Action Plan II (**IPAP II**) or through the SOE as a strategic fleet. Collaboration between the SOE and Government is achieved through focused task teams whereby infrastructure development and industrialisation is achieved through joint support and in some cases public spending. Investment is focused in plant, technology and skills in both intermediate and advanced capabilities to develop competitive advantage.

Strategic

Strategic initiatives follow a three to five year planning horizon, involving investment in at least plant, technology and/or skills in intermediate capabilities. This enforces the need for multinational corporations and Original Equipment Manufacturers (**OEMs**) to develop a certain percentage of their products locally. Strategic initiatives can therefore be used to achieve localisation objectives by increasing the competitiveness, capability and efficiency of local suppliers. Strategic initiatives can sometimes focus on advanced capabilities but will in most cases require Government support to develop local capability.

Focused

Focused initiatives include all high value transactions with limited industrial leverage and medium to low strategic importance. These initiatives address short to medium-term contracts that can be leveraged to encourage Supplier Development, with a focus on investment in technology or skills to enhance existing local capability. Emphasis will largely be placed on benefiting previously disadvantaged individuals. The overall result improves the socio-economic environment by creating competitive local suppliers and furthers objectives of empowerment, transformation and regional development.

Small Enterprise Development

Small Enterprise Development initiatives are typically of low value and have no industrial leverage as they are characterised by typically low complexity goods and high competition. These initiatives concentrate on increasing the capability of small local suppliers and are targeted toward historically disadvantaged individuals and communities, providing basic skills development and improving local employment and quality job creation. It includes a wide range of non-financial services that help entrepreneurs start new business and grow existing ones.

RESPONSE BASED ON THE IC3 MATRIX QUADRANTS

Based on the supplier-buyer power, industrial complexity, risk and the length of procurement period, the Service Provider is expected to formulate a SD Proposal to identify the opportunities that it will pursue. Ideally the SD Proposal should address factors that are specific to the applicable quadrant of the IC3 matrix.

Transnet has identified a number of opportunities which may aid a Service Provider in formulating its response based on each quadrant. Each of the opportunities identified by the Service Provider should have a direct or indirect effect on the value it creates for the country in order to maximise the socio-economic impact.

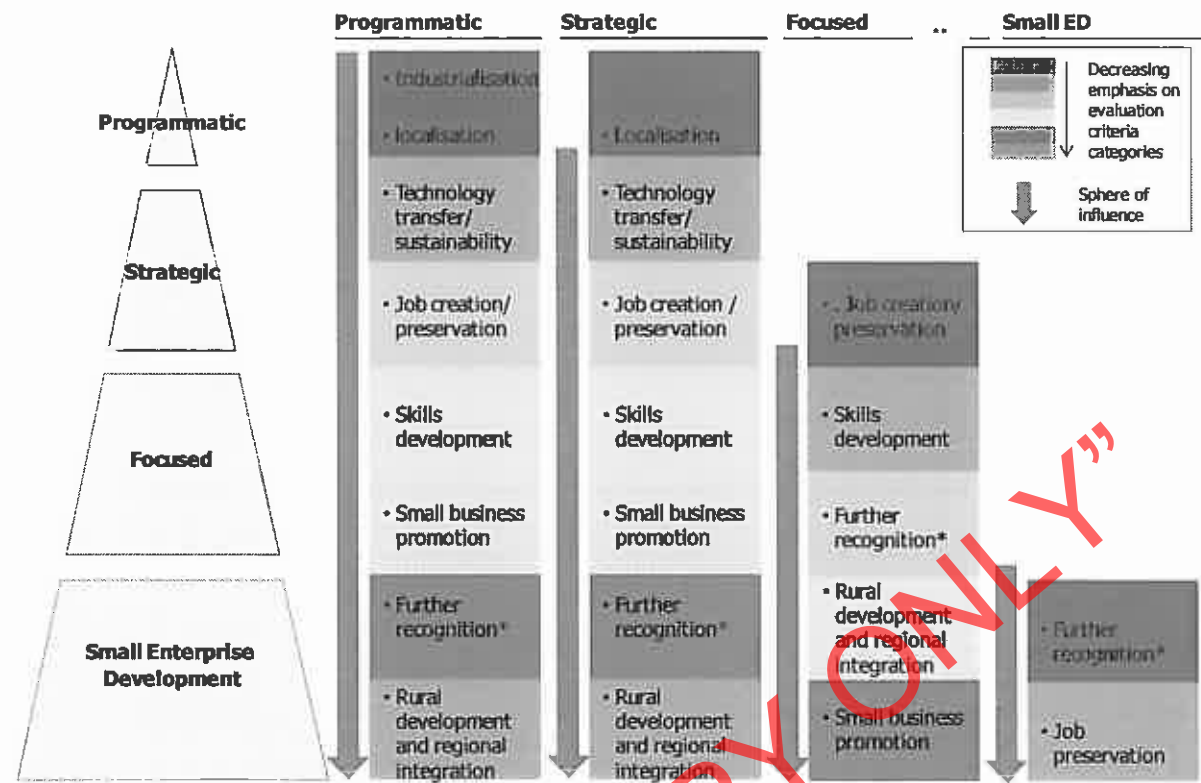


Figure 2: Transnet value capture through supplier influence

Programmatic

The strategic objective of "Programmatic transactions" is to assist Government to achieve its industrialisation objectives through the development of the local supplier base, in order to increase the cost efficiency of SOE procurement, support and maintenance programmes. In order to satisfy this objective a number of focus areas and key outcomes have been identified:

PROGRAMMATIC FOCUS AREAS -

- Technology transfer
- Skills development related to the manufacturing process and the industry
 - Development of new technology and innovation
 - Investment in plant
 - Development of local companies aligned to empowerment objectives

KEY OUTCOMES -

- Industrialisation/localisation
- Technology transfer
- Skills development

Strategic

The main objective of Strategic transactions is to leverage local downstream suppliers through large-scale SOE procurement in order to develop a competitive local supplier base. In response to these objectives the following are the specific focus areas and key outcomes applicable:

STRATEGIC FOCUS AREAS -

- Transfer of technology and innovation to local suppliers from foreign OEM's
- Skills development related to the industry
- Development of local companies aligned to empowerment objectives

KEY OUTCOMES -

- Localisation
- Increased technology transfer
- Skills development
- Job creation/preservation

Focused

Focused initiatives 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. In order to satisfy these objectives a number of focus areas and key outcomes have been identified:

FOCUSED FOCUS AREAS -

- Developing a local supplier base that supports preferential procurement outcomes
- Developing skills within the specific industry
- Creating opportunity for job preservation
- Reducing income inequality in specific regions

KEY OUTCOMES -

- Empowerment
- Skills development
- Rural development
- Job creation/preservation

Small Business Development

Enterprise Development (ED) objectives are centred around assisting local suppliers to improve their skills by placing increased emphasis on benefiting previously disadvantaged individuals and rural development in line with the Broad-Based Black Economic Empowerment (B-BBEE) strategy. The following focus areas and key outcomes have been identified:

SMALL BUSINESS DEVELOPMENT FOCUS AREAS -

- Providing small businesses with opportunities and preferential trading terms, increased focus on black woman-owned enterprises, focus on the youth, people with disabilities and region- specific initiatives
- Empowering previously disadvantaged individuals to create their own businesses resulting in quality job creation

KEY OUTCOMES -

- Empowerment
- Rural development
- Skills development

Job creation/preservation

Based on these focus areas and key outcomes, a Service Provider would need to actively focus on the quadrant-specific requirements in order to maximise the potential commercial benefit for Transnet, South Africa and themselves. In doing so value can be created across all lines of reporting resulting in continued relations.

SUPPLIER DEVELOPMENT CATEGORY DEFINITIONS AND HIGH LEVEL DESCRIPTIONS

Industrialisation

Refers specifically to industrial capability building that will result in globally leading capabilities developed within South Africa.

Criteria	Description
Value of investment in plant	Quantification of the monetary value invested in machinery, equipment and/or buildings as a result of this RFP
Percentage of local content utilised in the investment of plant	Percentage value invested in machinery, equipment and/or buildings that are sourced from local companies
Reduction in import leakage	A percentage indication of the increase in locally supplied products and therefore the resultant decrease in imports as a result of the award of a contract
Potential increase in export content	The percentage increase in exports that will result from increased industrial capability locally in relation to the award of a contract

Localisation

Refers specifically to industrial capability building that focuses on value-add activities of the local industry through manufacturing or service-related functions.

Criteria	Description
Percentage local content	Planned use of local parts as a percentage of the total contracted items
Value of local parts in relation to a bill of materials	Planned monetary value of the local parts utilised in a bill of materials (as a percentage of the total spend)
Value spent on local suppliers	Planned percentage monetary value spend on procurement of goods and services from SA suppliers
Number of local suppliers in the supply chain	Number of South African suppliers that are to be utilised in the fulfilment of a contract

Technology transfer/sustainability

Technology improvements are intangible assets with significant economic value. The Service Provider will be measured on its plan to transfer knowledge and IP to contribute towards capability building of the local supply base, which ultimately leads to improved efficiency and capability. Plans to assist in this by a Service Provider must be assessed to enable the local supply base to potentially export its newly-acquired technological know-how, thereby decreasing capital leakage.

Criteria	Description
Technology transfer including:	
➤ Methods of manufacturing	➤ Introduction of a new/improved method of manufacturing
➤ Introduction of new technologies	➤ Provision of new technologies: <ul style="list-style-type: none"> ○ For processes ○ ICT
➤ IP transfer (number and value)	➤ The provision of patents, trademarks and copyrights
Number of local suppliers to be evaluated for integration into the OEM supply chain	An indication of the number of South African suppliers that an OEM/Service Provider plans to evaluate for possible inclusion into its supply chain, should it meet the requirements

Skills development

Indicates the company's commitment to education and whether that fits in with targeted groups (artisans, technicians, etc.). Consideration needs to be directed towards the adequate quality and value of skills so developed in order to allow for better evaluation in line with Government's objectives.

Criteria	Description
Number of downstream supply chain individuals to be trained including: <ul style="list-style-type: none"> • Number of artisans trained • Number of technicians trained • Number of black people trained • Total number of people trained 	Number of individuals that the Service Provider plans to train in the local industry over the contract period; training undertaken in the previous year will be taken into account
Number of company employees to be trained	Number of individuals within the company (in South Africa) that the Service Provider plans to train over the contract period; training undertaken in the previous year will not be taken into account as past employee training appears in the skills development pillar of the B-BBEE scorecard; criteria broken down as for industry training above
Certified training (yes/ no)	Compliance with local and/or international skills accreditation
Rand value spent on training	Total planned monetary value spend (as a % of contract value) on skills development/training for the contract period within the industry; money spent in the previous year will be included in year 1 to make allowance for Service Providers who have just completed a training drive within the industry
Number of bursaries/ scholarships (specify field of study)	The number of higher education bursaries/scholarships provided in the previous year and planned for the length of the contract
Number of apprentices (sector must be specified)	The number of apprentices that the Service Provider plans to enlist during the course of the

Criteria	Description
	contract
Investment in Schools in specific sectors e.g. engineering	The monetary value that the Service Provider is prepared to invest in the development and running of schools to increase technical skills development

Job creation/preservation

Allows assessment of Government's objectives to increase labour absorption, focusing on unskilled workers and the youth.

Criteria	Description
Number of jobs created including:	Number of jobs to be created during the period of the contract
➤ New skilled jobs created	➤ Jobs for people who have undergone training in and/or outside the work environment and are in possession of a minimum level of secondary qualification
➤ New unskilled jobs created	➤ Jobs for people who have not undergone any formal training or from whom no minimum level of education is required
➤ Number of jobs created for youth	➤ Jobs created for individuals aged 16 – 30 years

Small business promotion

These criteria give an indication of the Service Provider's commitment to developing small business in line with NGP and B-BBEE requirements.

Criteria	Description
Percentage procurement from: <ul style="list-style-type: none"> • QSEs • EMEs • Start-ups 	Refers to the planned procurement from small business as a % of the total planned procurement spend
Non-financial support provided to small business	Service Providers will be credited for each non-financial ED support that they are planning to give to small business e.g. Professional support; employee time allocated to assisting small business
Financial support provided to small business	Service Providers will be credited for each financial ED support initiative that they are planning to undertake during the contract period e.g. Shorter payment terms; interest free loans
Joint ED initiatives with Transnet	The number of ED initiatives that the Service Provider will jointly run with Transnet: <ul style="list-style-type: none"> • That are aligned to Transnet's objectives • That are non-financial in nature

Rural development/integration

The Service Provider's planned use of local labour and business will contribute to Governments NGP objectives and result in supply chain efficiencies. Commitment to rural development will result in the alleviation of poverty and thereby contribute to development objectives. The development must be sustainable in order to have a long-term and meaningful impact.

Criteria	Description
Number of local employees	Number of people employed from within the town/city of operation
Value spent on local business	Monetary value spent on business within the town/city of operation
Proximity of business to operations	The locality of the business in relation to operations, preference is given for regional (provincial) locality
Number of rural businesses to be developed	The number of rural businesses that the Service Provider plans to develop as a result of the contract
Value of development to local community (sustainable)	The monetary value spent on rural community development that will result in long-term social improvements

Market Intelligence Assistance

Service Providers with limited knowledge of the local market, supply base and its capabilities may require assistance in identifying local suppliers and the development needs in order to develop its SD proposal. The United Nations Industrial Development Organisation (UNIDO) supplies a benchmarking service in South Africa which will be able to assist Service Providers in identifying potential local suppliers with which to work. In addition, this service will provide insight as to the type of support that these local suppliers require in order to become more competitive. UNIDO's benchmarking tool gives insight into the performance levels being seen in Service Providers' businesses and the practices used to deliver the products or services being offered. The benchmarking tool focuses on:

Performance data relating to -

FINANCIAL PERFORMANCE

CUSTOMER DATA

PROCESSES

LEARNING & GROWTH

Company's current business situation -

PLANS FOR THE BUSINESS AND CAPABILITIES TO MANAGE THEIR FULFILMENT

ABILITY TO GENERATE BUSINESS

EMPLOYEE RELATIONSHIPS

DEVELOPING NEW MARKETS

DEVELOPING PRODUCTS AND SERVICES

MANAGING MONEY

The UNIDO benchmarking tool provides a basic framework through which an understanding of the South African market can be established. Whilst the list of criteria may not be exhaustive, Service Providers are free to meet with UNIDO to further understand how they can work together to develop a deeper understanding of the market and the SD opportunities available.

GOVERNMENT POLICY DOCUMENTS

NIPP	http://www.thedti.gov.za/industrial_development/nipp.jsp
IPAP2	http://www.thedti.gov.za/DownloadFileAction?id=561
CSDP	http://www.dpe.gov.za/res/transnetCSDP1.pdf
NGP	http://www.thepresidency.gov.za/pebble.asp?relid=2323

OTHER REFERENCE WEBSITES

References	Website
Department of Public Enterprise (DPE)	www.dpe.gov.za
United Nations Industrial Development Organisation (UNIDO)	www.unido.org/spx

GLOSSARY OF WORDS

Broad-Based Black Economic Empowerment (B-BBEE)	A South African legal requirement that require all entities operating in the South African economy to contribute to empowerment and transformation
Enterprise Development (ED)	An element contained within the B-BBEE scorecard whereby a Measured Entity can receive recognition for any Qualifying Enterprise Development Contributions towards Exempted Micro-Enterprises or Qualifying Small Enterprises which are 50% black owned or 30% black woman owned. Enterprise Development Contributions consists of monetary and non-monetary, recoverable and non-recoverable contributions actually initiated in favour of a beneficiary entity by a measured entity with the specific objective of assisting or accelerating the development, sustainability and ultimate financial independence of the beneficiary. This is commonly accomplished through the expansion of a beneficiaries financial and/ or operation capacity.
Industrial Policy Action Plan II (IPAPII)	The implementation plan for the National Industrial Policy Framework (NIPF) which details key action plans (KAPs) and timeframes for the implementation of industrial policy actions in line with the NIPF.
Integrated Supply Chain Management (iSCM)	Refers to an integrated "one supply chain management" strategy within Transnet which has been developed with Centres of Excellence (COEs) with cross-functional teams comprising divisional and corporate task team members, to deliver value through improved efficiencies and compliance with the regulatory environment.
New Growth Path (NGP)	Developed by the Economic Development Department tabled in January 2010 frames a new approach to unlocking economic growth by knitting together the IPAP2 as well as policies and programmes in rural development, agriculture and, sciences & technology, education, skills development, labour, mining and beneficiation, tourism and social development with the aim to target limited capital and capacity at activities that maximise the creation of decent work opportunities. Key indicators include: Quality job creation, Youth employment, Labour intensive growth, and Equity.

Original Equipment Manufacturer (OEM)	Refers to a manufacturing company that owns the intellectual property rights and patents for the equipment it sells and services
Socio-economic Development	Refers to development which addresses social and economic aspects such as job creation, poverty reduction and increased national value add and which not only focuses on the business's financial bottom line.
State Owned Enterprise (SOE)	Refers to Government-owned corporations. They are legal entities created, and owned, by Government to undertake commercial activities on behalf of an owner Government, and are usually considered to be an element or part of the state. They are established to operate on a commercial basis.
Supplier Development (SD)	Improving the socio-economic environment by creating competitive local suppliers via Enterprise Development, CSDP and other initiatives such as Preferential Procurement. This results in a supply base that can eventually be competitive to market its goods on the international market leading to increased exports.
United Nations Industrial Development Organisation (UNIDO)	A specialised agency of the United Nations. Its mandate is to promote and accelerate sustainable industrial development in developing countries and economies in transition, and work towards improving living conditions in the world's poorest countries by drawing on its combined global resources and expertise.

ANNEXURE B
Supplier Development Plan Table

SD Category Tender Requirement	Tender Requirement Criteria	Description	Detailed Description of Bidder's Supplier Development (SD) Proposal	Estimated National Value Add (ZAR)
Job Creation / Preservation	No. of jobs created with emphasis on black youth and people with disabilities (focus area : jobs created in local community)	The increase in the number of jobs, as a result of the award of business from Transnet.		
		The number of jobs that are preserved as a result of the award of business is also taken into consideration		
Skills Development	Number of employees trained to be evaluated on basis of man hours of training	Future skills transfer within the industry, with an emphasis on the accumulation of the knowledge and experience, which will occur as a result of the transaction.		
Small Business Promotion	Percentage Procurement from: <ul style="list-style-type: none">• QSE's• EME's• Start-ups	The encouragement of growth and expansion of emerging microenterprises, qualifying small enterprises and start-ups through procurement and support mechanisms provided by the potential Consultant.		
	Non-Financial Support provided to small business	Service Providers will be credited for each non-financial ED support that they are planning to give to small business e.g. Professional support; employee time allocated to assisting small business		

Signed

Date

Name

Position

Tenderer

“PREVIEW COPY ONLY”

T2.2-43 : REQUEST FOR PROPOSAL – BREACH OF LAW

NAME OF COMPANY: _____

I / We _____ do hereby certify that
I/we have/have not been found guilty during the preceding 5 (five) years of a serious breach of law,
including but not limited to a breach of the Competition Act, 89 of 1998, by a court of law, tribunal or
other administrative body. The type of breach that the Respondent is required to disclose excludes
relatively minor offences or misdemeanours, e.g. traffic offences.

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

NATURE OF BREACH:

DATE OF BREACH: _____

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

SIGNED at _____ on this _____ day of _____ 20____

SIGNATURE OF WITNESS

SIGNATURE OF RESPONDENT

C1.1 Form of Offer & Acceptance

Offer

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract for the procurement of:

REPLACE EVERITE FLAT PRESS BOARDS FOR (BAYS 5-11 AND SIDE CLADDING 13-17), CUYLER MANOR, UITENHAGE

The tenderer, identified in the Offer signature block, has examined the documents listed in the Tender Data and addenda thereto as listed in the Returnable Schedules, and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the Contractor under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

The offered total of the Prices exclusive of VAT is	R
Value Added Tax @ 14% is	R
The offered total of the Prices inclusive of VAT is	R
(in words)	

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the Contractor in the *conditions of contract* identified in the Contract Data.

Signature(s)

Name(s)

Capacity

For the
tenderer:

Name &
signature of
witness

Date

Tenderer's CIDB registration number:

Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the *conditions of contract* identified in the Contract Data. Acceptance of the tenderer's Offer shall form an agreement between the Employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

Part C1	Agreements and Contract Data, (which includes this Form of Offer and Acceptance)
Part C2	Pricing Data
Part C3	Scope of Work: Works Information
Part C4	Site Information

and drawings and documents (or parts thereof), which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The tenderer shall within two weeks of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed original copy of this document, including the Schedule of Deviations (if any).

Unless the tenderer (now Contractor) within five working days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the Parties.

Signature(s)

Name(s)

Capacity

**for the
Employer**

Transnet SOC Ltd
Bellville Square, off Modderdam
Behind Transnet Park, Bellville South

Name &
signature of
witness

Date

Note: If a tenderer wishes to submit alternative tenders, use another copy of this Form of Offer and Acceptance.

Schedule of Deviations

Note:

1. To be completed by the Employer prior to award of contract. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

No.	Subject	Details
1		
2		
3		
4		
5		
6		
7		

By the duly authorised representatives signing this Schedule of Deviations below, the Employer and the tenderer agree to and accept this Schedule of Deviations as the only deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender Schedules, as well as any confirmation, clarification or changes to the terms of the Offer agreed by the tenderer and the Employer during this process of Offer and Acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Form shall have any meaning or effect in the contract between the parties arising from this Agreement.

For the tenderer:

Signature _____

Name _____

Capacity _____

On behalf of _____
(Insert name and address of organisation)

Name & signature of witness _____

Date _____

For the Employer

Transnet SOC Ltd
Bellville Square, off Modderdam
Behind Transnet Park, Bellville South

C1.2 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option	
	dispute resolution Option	B: Priced contract with bill of quantities
	and secondary Options	W1: Dispute resolution procedure
		X7: Delay damages
		X13: Performance Bond
		X16: Retention
	of the NEC3 Engineering and Construction Contract June 2005 (with amendments June 2006) ¹	
10.1	The <i>Employer</i> is:	Transnet SOC Ltd (Registration No. 1990/00090/30)
	Address	Registered address: Carlton Centre 150 Commissioner Street Johannesburg 2001
	Having elected its Contractual Address for the purposes of this contract as:	Transnet Freight Rail RME Bellville Square Off Modderdam Road, Behind Transnet Park Bellville South 7533
		Postal Address:
		P.O. Box 338 Kasselsvlei 7535
	Tel No.	(021) 940 1800
	Fax No.	(021) 940 1940

¹ Available from Engineering Contract Strategies Tel 011 803 3008, Fax 011 803 3009

10.1	The <i>Project Manager</i> is: (Name)	Phoebus Quantoi
	Address	Transnet Freight Rail RME, 85 Burman Road, Deal Party, Port Elizabeth
	Tel	(041) 507 6129
	Fax	(041) 507 6017
	e-mail	phoebus.quantoi@transnet.net
10.1	The <i>Supervisor</i> is: (Name)	Putumani Mbambe
	Address	Freight Rail, Precast Building, Saldanha
	Tel No.	(041) 507 6129
	Fax No.	(041) 507 6017
	e-mail	putumani.mbambe@transnet.net
11.2(13)	The <i>works</i> are	Replace everite flat press boards for (bays 5-11 and side cladding bays 13-17)
11.2(14)	The following matters will be included in the Risk Register	1. Working at heights 2. Asbestos Contamination 3. Operational Area 24/7
11.2(15)	The <i>boundaries of the site</i> are	Cuyler Manor, Uitenhage
11.2(16)	The Site Information is in	Part C4
11.2(19)	The Works Information is in	Part C3
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa subject to the jurisdiction of the Courts of South Africa.
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	1 week
2	The Contractor's main responsibilities	No additional data is required for this section of the <i>conditions of contract</i> .
3	Time	
11.2(3)	The <i>completion date</i> for the whole of the <i>works</i> is	20 (twenty) weeks from award
31.2	The <i>starting date</i> is.	Contract Date
32.2	The <i>Contractor</i> submits revised programmes at intervals no longer than	2 weeks.
35.1	The <i>Employer</i> is not willing to take over the <i>works</i> before the Completion Date.	

4	Testing and Defects	
42.2	The <i>defects date</i> is	52 (fifty two) weeks after Completion of the whole of the works.
43.2	The <i>defect correction period</i> is	2 weeks
5	Payment	
50.1	The <i>assessment interval</i> is monthly on the	10th (tenth) day of each successive month.
51.1	The <i>currency of this contract</i> is the	South African Rand.
51.2	The period within which payments are made is	Payment will be effected on or before the last day of the month following the month during which a valid Tax Invoice and Statement were received.
51.4	The <i>interest rate</i> is	the prime lending rate of the Standard Bank of South Africa.
6	Compensation events	
60.1(13)	The <i>weather measurements</i> to be recorded for each calendar month are,	<p>the cumulative rainfall (mm)</p> <p>the number of days with rainfall more than 10 mm</p> <p>the number of days with minimum air temperature less than 0 degrees Celsius</p> <p>the number of days with snow lying at 08:00 hours South African Time</p> <p>and these measurements supplied by the South African Weather Services</p> <p>The place where weather is to be recorded (on the Site) is:</p> <p>The <i>weather data</i> are the records of past <i>weather measurements</i> for each calendar month which were recorded at:</p> <p>and which are available from:</p> <p>The nearest weather recording to Uitenhage</p> <p>at the nearest weather recording to the Site and which are available from the South African Weather Services</p> <p>Pretoria Weather Bureau 012 367 6023 or info3@weathersa.co.za.</p>
7	Title	No additional data is required for this section of the <i>conditions of contract</i>.

8 Risks and insurance

84.2 The minimum limit of indemnity for insurance in respect of loss of or damage to property (except the *works*, Plant, Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) caused by activity in connection with this contract for any one event is

Whatever the *Contractor* requires in addition to the amount of insurance taken out by the *Employer* for the same risk.

The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the *Contractor* arising out of and in the course of their employment in connection with this contract for any one event is

The *Contractor* must comply at a minimum with the provisions of the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 as amended.

84.2 The insurance against loss of or damage to the *works*, Plant and Materials as stated in the insurance policy for contract works and public liability selected from:
 Blanket Principal Controlled Insurance (BPCI),
 Principal Controlled Insurance (PCI),
 Principal Controlled Contractors Liability Insurance,
 Principal Controlled Insurance One-off, and
 Project Specific Insurance

Select one	
BPCI	
PCI	V
PCI Liab only	
PCI One Off	
PSI	

84.1 The *Employer* provides these insurances from the Insurance Table

1 Insurance against:

Loss of or damage to the *works*, Plant and Materials is as stated in the Principal Controlled Insurance policy for Contract Works / Public Liability.

Cover / indemnity:

to the extent as stated in the Principal Controlled insurance policy for Contract Works / Public Liability

The deductibles are:

as stated in the Blanket Principal Controlled insurance policy for Contract Works / Public Liability (Principal Controlled Insurance)

2 Insurance against:

Loss of or damage to property (except the *works*, plant, materials & equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) arising out of or in connection with the performance of the Contract as stated in the Principal Controlled insurance policy for Contract Works / Public Liability

Cover / indemnity

Is to the extent as stated in the Principal Controlled insurance policy for Contract Works / Public Liability

	The deductibles are	as stated in the Principal Controlled insurance policy for Contract Works / Public Liability
84.1	3 Insurance against:	Loss of or damage to Equipment (Temporary Works only) as stated in the Principal Controlled insurance policy for contract Works and Public Liability
	Cover / indemnity	Is to the extent as stated in the Controlled insurance policy for Contract Works / Public Liability
	Cover / indemnity:	Cover / indemnity is to the extent provided by the SASRIA coupon
	The deductibles are:	The deductibles are as stated in the Principal Controlled insurance policy for Contract Works/Public Liability
	4 Insurance against:	Contract Works SASRIA Insurance subject to the terms, exceptions and conditions of the SASRIA coupon
	Cover/Indemnity:	Cover/Indemnity is to the extent provide by the SASRIA coupon
	The deductibles are:	The deductibles are in respect of each and every theft claim 0.1% of contract value subject to a minimum of R2,500 and a maximum of R 25,000
84.1	The Contractor provides these additional insurances.	<p>1 Motor Vehicle Liability Insurance comprising (as a minimum) "Balance of Third Party" Risks including Passenger and Unauthorised Passenger Liability indemnity with a minimum indemnity limit of R5,000,000</p> <p>2 The insurance coverage referred to in 1 above shall be obtained from an insurer(s) in terms of an insurance policy approved by the <i>Employer</i>. The <i>Contractor</i> shall arrange with the insurer to submit to the <i>Project Manager</i> the original and the duplicate original of the policy or policies of insurance and the receipts for payment of current premiums, together with a certificate from the insurer or insurance broker concerned, confirming that the policy or policies provide the full coverage as required. The original policy will be returned to the <i>Contractor</i></p>
9	Termination	There is no Contract Data required for this section of the <i>conditions of contract</i> .
10	Data for main Option clause	
B	Priced contract with bill of quantities	

60.6	The <i>method of measurement</i> is	As indicated in the measurement clauses of SANS 1200 and amended as stated in the preambles to the bill of quantities
11	Data for Option W1	
W1.1	The <i>Adjudicator</i> is	Both parties will agree as and when a dispute arises. If the parties cannot reach an agreement on the <i>Adjudicator</i> , the chairman of the Association of Arbitrators will appoint an <i>Adjudicator</i> .
W1.2(3)	The <i>Adjudicator nominating body</i> is: If no <i>Adjudicator nominating body</i> is entered, it is:	The Chairman of the Association of Arbitrators (Southern Africa) the Association of Arbitrators (Southern Africa)
W1.4(2)	The <i>tribunal</i> is:	Arbitration
W1.4(5)	The <i>arbitration procedure</i> is The place where arbitration is to be held is The person or organisation who will choose an arbitrator - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	The Rules for the Conduct of Arbitrations of the Association of Arbitrators (Southern Africa) Port Elizabeth The Chairman of the Association of Arbitrators (Southern Africa)
12	Data for secondary Option clauses	
X7	Delay damages (but not if Option X5 is also used)	
X7.1	Delay damages for Completion of the whole of the works are	R 1000.00 per day
X13	Performance bond	
X13.1	The amount of the performance bond is	10 % of the contract value
X16	Retention	
X16.1	The <i>retention free amount</i> is	R0.00
	The <i>retention percentage</i> is	10% on all payments certified.

C1.2 Contract Data

Part two - Data provided by the Contractor

The tendering contractor is advised to read both the NEC3 Engineering and Construction Contract - June 2005 (with amendments June 2006) and the relevant parts of its Guidance Notes (ECC3-GN)² in order to understand the implications of this Data which the tenderer is required to complete. An example of the completed Data is provided on pages 152 to 154 of the ECC3 Guidance Notes.

Completion of the data in full, according to Options chosen, is essential to create a complete contract.

Clause	Statement	Data
10.1	The Contractor is (Name): Address Tel No. Fax No.	
11.2(8)	The direct fee percentage is _____ % The subcontracted fee percentage is _____ %	
11.2(18)	The working areas are the Site and	Cuyler Manor, Uitenhage
24.1	The Contractor's key persons are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job: Responsibilities: Qualifications: Experience:	CV's (and further key persons data including CVs) are appended to Tender Schedule entitled T2.2-7.
11.2(3)	The completion date for the whole of the works is	20 (twenty) weeks from award

² Available from Engineering Contract Strategies Tel 011 803 3008, Fax 011 803 3009

				(in
			excluding VAT)
Data for Schedules of Cost Components	<i>Note "SCC" means Schedule of Cost Components starting on page 56 of ECC3, and "SSCC" Shorter Schedule of Cost Components starts on page 59 of ECC3.</i>			
Priced contract with bill of quantities	Data for the Shorter Schedule of Cost Components			
The percentage for people overheads is:		%		
The published list of Equipment is the last edition of the list published by				
The percentage for adjustment for Equipment in the published list is		% (state plus or minus)		
The rates of other Equipment are:	Equipment	Size or capacity		

C1.3 Forms of Securities

Pro formas for Bonds & Guarantees

For use with the NEC3 Engineering & Construction Contract - June 2005 (with amendments June 2006).

The *conditions of contract* stated in the Contract Data Part 1 may include one or more of the following Secondary Options:

Option X13: Performance Bond

Each of these Secondary Options requires a bond or guarantee "in the form set out in the Works Information".

Pro forma documents for these bonds and guarantees are provided here for convenience but are to be treated as part of the Works Information.

The organisation providing the bond / guarantee does so by copying the pro forma document onto his letterhead without any change to the text or format and completing the required details. The completed document is then given to the *Employer* within the time stated in the contract.

Pro forma Performance Bond (for use with Option X13)

(to be reproduced exactly as shown below on the letterhead of the Surety)

Transnet SOC Ltd
Transnet Capital Projects
Building 9
Harrowdene Office Park
Western Service Road
Woodmead

Date:

Dear Sirs,

Performance Bond for Contract No.

With reference to the above numbered contract made or to be made between

Transnet SOC Ltd}

(the Employer) and

{Insert registered name and address of the Contractor}

(the Contractor), for

**REPLACE EVERITE FLAT PRESS BOARDS FOR (BAYS 5-11 AND SIDE
CLADDING 13-17), CUYLER MANOR, UITENHAGE**

(the works).

I/We the undersigned

on behalf of the Surety

of physical address

and duly authorised thereto do hereby bind ourselves as Guarantor and co-principal debtors in solidum for the due and faithful performance of all the terms and conditions of the Contract by the Contractor and for all losses, damages and expenses that may be suffered or incurred by the Employer as a result of non-performance of the Contract by the Contractor, subject to the following conditions:

1. The terms *Employer*, *Contractor*, *Project Manager*, *works* and *Completion Certificate* have the meaning as assigned to them by the *conditions of contract* stated in the Contract Data for the aforesaid Contract.
2. We renounce all benefits from the legal exceptions "Benefit of Excussion and Division", "No value received" and all other exceptions which might or could be pleaded against the validity of this bond, with the meaning and effect of which exceptions we declare ourselves to be fully acquainted.
3. The *Employer* has the absolute right to arrange his affairs with the *Contractor* in any manner which the *Employer* deems fit and without being advised thereof the Guarantor shall not have the right to claim his release on account of any conduct alleged to be prejudicial to the Guarantor. Without derogating from the foregoing compromise, extension of the construction period, indulgence, release or variation of the *Contractor's* obligation shall not affect the validity of this performance bond.

4. This bond will lapse on the earlier of
- the date that the Guarantor receives a notice from the *Project Manager* stating that the Completion Certificate for the whole of the *works* has been issued, that all amounts due from the *Contractor* as certified in terms of the contract have been received by the *Employer* and that the *Contractor* has fulfilled all his obligations under the Contract, or
 - the date that the Surety issues a replacement Performance Bond for such lesser or higher amount as may be required by the *Project Manager*.
5. Always provided that this bond will not lapse in the event the Guarantor is notified by the *Project Manager*, (before the dates above), of the *Employer's* intention to institute claims and the particulars thereof, in which event this bond shall remain in force until all such claims are paid and settled.
6. The amount of the bond shall be payable to the *Employer* upon the *Employer's* demand and no later than 7 days following the submission to the Guarantor of a certificate signed by the *Project Manager* stating the amount of the *Employer's* losses, damages and expenses incurred as a result of the non-performance aforesaid. The signed certificate shall be deemed to be conclusive proof of the extent of the *Employer's* loss, damage and expense.
7. Our total liability hereunder shall not exceed the sum of:
- (say) _____
- R _____
8. This Performance Bond is neither negotiable nor transferable and is governed by the laws of the Republic of South Africa, subject to the jurisdiction of the courts of the Republic of South Africa.

Signed at _____ on this _____ day of _____ 200_

Signature(s)

Name(s) (printed)

Position in Guarantor company

Signature of Witness(s)

Name(s) (printed)

Pro forma Performance Bond (for use with Option X13) – Alternative format

(to be reproduced exactly as shown below on the letterhead of the Surety)

Transnet SOC Ltd
Transnet Capital Projects
Building 9
Harrowdene Office Park
Western Service Road
Woodmead

Date :

Guarantee number :

PERFORMANCE BOND

FOR CONTRACT NUMBER: RME 1514058.001

With reference to the above numbered contract (the Contract) made or to be made between

Transnet SOC Ltd

(the Employer) and

{Insert registered name and address of the Contractor}

(the Contractor), for

**REPLACE EVERITE FLAT PRESS BOARDS FOR (BAYS 5-11 AND SIDE
CLADDING 13-17), CUYLER MANOR, UITENHAGE**

(the works).

We, the undersigned, _____ and _____

on behalf of the Guarantor _____ (Bank name) (the Guarantor)

of _____ (address)

and duly authorised thereto do hereby bind ourselves as guarantor for the due and faithful performance of all the terms and conditions of the Contract by the Contractor and for all losses, damages and expenses that may be suffered or incurred by the Employer as a result of non-performance of the Contract by the Contractor, subject to the following conditions:

1. The terms Employer, Contractor and Works have the meaning as assigned to them above, which meaning we are informed has the same meaning as assigned to them by the conditions of contract stated in the contract data for the aforesaid Contract.
2. We renounce all benefits from the legal exceptions "Benefit of Excussion and Division", "No value received" and all other exceptions which might or could be pleaded against the validity of this performance bond, with the meaning and effect of which exceptions we declare ourselves to be fully acquainted.
3. The Employer has the absolute right to arrange his affairs with the Contractor in any manner which the Employer deems fit and without being advised thereof the Guarantor shall not have the right to claim his release on account of any conduct alleged to be prejudicial to the Guarantor. Without derogating from the foregoing compromise, extension of the construction period, indulgence, release or variation of the Contractor's obligation shall not affect the validity of this performance bond.
4. This Performance Bond will lapse on the earlier of

- the date that the Guarantor receives a notice from the Project Manager, whose authority and appointment need not be proved by the Guarantor, stating that the Completion Certificate for the whole of the *works*, that all amounts due from the *Contractor* as certified in terms of the Contract have been received by the *Employer* and that the *Contractor* has fulfilled all his obligations under the Contract, or
 - the date that the Guarantor issues a replacement Performance Bond for such lesser or higher amount as may be required by the Project Manager, whose authority and appointment need not be proved by the Guarantor.
5. Always provided that this performance bond will not lapse in the event the Guarantor is notified by the Project Manager (before the dates above), whose authority and appointment need not be proved by the Guarantor, of the *Employer's* intention to institute claims and the particulars thereof, in which event this performance bond shall remain in full force until all such claims are paid and settled.
6. The amount of the performance bond shall be payable to the *Employer* upon the *Employer's* demand and no later than 7 days following the submission to the Guarantor of a certificate signed by the Project Manager, whose authority and appointment need not be proved by the Guarantor, stating the amount of the *Employer's* losses, damages and expenses incurred as a result of the non-performance aforesaid. The signed certificate shall be deemed to be conclusive proof of the extent of the *Employer's* loss, damage and expense.
7. The Guarantors total liability hereunder is limited to the payment of money only and shall not exceed the sum of:
(Words)
R
8. This Performance Bond is neither negotiable nor transferable and is governed by the laws of the Republic of South Africa, subject to the jurisdiction of the courts of the Republic of South Africa.

For and on behalf of _____

PART 2: PRICING DATA

Document reference	Title	No of pages
C2.1	Pricing instructions: Option B	3
C2.2	The <i>bill of quantities</i>	5

C2.1 Pricing instructions: Option B

1. The conditions of contract

1.1. How the contract prices work and assesses it for progress payments

Clause 11 in NEC3 Engineering and Construction Contract, June 2005 (ECC3) Option B states:

Identified and defined terms	11	
	11.2	<p>(21) The Bill of Quantities is the <i>bill of quantities</i> as changed in accordance with this contract to accommodate implemented compensation events and for accepted quotations for acceleration.</p> <p>(22) Defined Cost is the cost of the components in the Shorter Schedule of Cost Components whether work is subcontracted or not excluding the cost of preparing quotations for compensation events.</p> <p>(28) The Price for Work Done to Date is the total of</p> <ul style="list-style-type: none">• the quantity of the work which the <i>Contractor</i> has completed for each item in the Bill of Quantities multiplied by the rate and• a proportion of each lump sum which is the proportion of the work covered by the item which the <i>Contractor</i> has completed. <p>Completed work is work without Defects which would either delay or be covered by immediately following work.</p> <p>(31) The Prices are the lump sums and the amounts obtained by multiplying the rates by the quantities for the items in the Bill of Quantities.</p>

This confirms that Option B is a re-measurement contract and the bill comprises only items measured using quantities and rates or stated as lump sums. Value related items are not used. Time related items are items measured using rates where the rate is a unit of time.

1.2. Function of the Bill of Quantities

Clause 55.1 in Option B states, "Information in the Bill of Quantities is not Works Information or Site Information". This confirms that instructions to do work or how it is to be done are not included in the Bill, but in the Works Information. This is further confirmed by Clause 20.1 which states, "The *Contractor* Provides the Works in accordance with the Works Information". Hence the *Contractor* does **not** Provide the Works in accordance with the Bill of Quantities. The Bill of Quantities is only a pricing document.

1.3. Guidance before pricing and measuring

Employers preparing tenders or contract documents, and tendering contractors are advised to consult the sections dealing with the bill of quantities in the NEC3 Engineering and Construction Contract (June 2005) Guidance Notes before preparing the *bill of quantities* or before entering rates and lump sums into the *bill*.

Historically bill of quantities based contracts in South Africa have been influenced by the different approaches of the civil engineering and building sectors of the industry through their respective discipline based standard forms of contract and methods of measurement. This is particularly apparent in the approach to the Preliminary and General bill. On the other hand, because ECC3 caters for a number of disciplines in the same contract, including electrical works, a different approach not currently found in local methods of measurement to the Preliminary & General bill items may have been used.

The NEC approach to the P & G bill assumes use will be made of method related charges for Equipment

applied to Providing the Works based on durations shown in the Accepted Programme, fixed charges for the use of Equipment that is required throughout the construction phase, time related charges for people working in a supervisory capacity for the period required, and lump sum charges for other facilities or services not directly related to performing work items typically included in other parts of the bill.

2. Measurement and payment

2.1. Symbols

The units of measurement described in the Bill of Quantities are metric units abbreviated as follows:

Abbreviation	Unit
%	percent
h	hour
ha	hectare
kg	kilogram
kl	kilolitre
km	kilometre
km-pass	kilometre-pass
kPa	kilopascal
kW	kilowatt
l	litre
m	metre
mm	millimetre
m ²	square metre
m ² -pass	square metre pass
m ³	cubic metre
m ³ -km	cubic metre-kilometre
MN	meganeutron
MN.m	meganeutron-metre
MPa	megapascal
No.	number
Prov sum ¹	provisional sum
PC-sum	prime cost sum
R/only	Rate only
sum	Lump sum
t	ton (1000kg)
W/day	Work day

2.2. General assumptions

¹ Provisional Sums should not be used unless absolutely unavoidable. Rather include specifications and associated bill items for the most likely scope of work, and then change later using the compensation event procedure if necessary. This is because tenderers cannot programme effectively for unknown scopes of work

- 2.2.1. Unless otherwise stated, items are measured net in accordance with the drawings, and no allowance has been made in the quantities for waste.
- 2.2.2. The Prices and rates stated for each item in the Bill of Quantities shall be treated as being fully inclusive of all work, risks, liabilities, obligations, overheads, profit and everything necessary as incurred or required by the *Contractor* in carrying out or providing that item.
- 2.2.3. Clause 63.13 in Option B provides that these rates and Prices may be used as a basis for assessment of compensation events instead of Defined Cost.
- 2.2.4. Where this contract requires detailed drawings, designs or other information to be provided, and no rates or prices are included in the *bill* specifically for such matters, then the *Contractor* is deemed to have allowed for all costs associated with such requirements within the tendered rates and Prices in the Bill of Quantities.
- 2.2.5. An item against which no Price is entered will be treated as covered by other Prices or rates in the *bill of quantities*. If a number of items are grouped together for pricing purposes, this will be treated as a single lump sum.
- 2.2.6. The quantities contained in the Bill of Quantities may not be final and do not necessarily represent the actual amount of work to be done. The quantities of work assessed and certified for payment by the *Project Manager* at each assessment date will be used for determining payments due and not the quantities given in the Bill of Quantities.
- 2.2.7. The short descriptions of the items of payment given in the *bill of quantities* are only for the purposes of identifying the items. More detail regarding the extent of the work entailed under each item is provided in the Works Information.

C2.2 the *bill of quantities*

Use this page as a summary page or as a cover page to the *bill of quantities*.

“PREVIEW COPY ONLY”

Item	Description	Unit	Quantity	Rate	Total Amount
1	PRELIMINARY AND GENERAL				
1.1	GENERAL; (SMALL WORKS)				
	FIXED-CHARGE ITEMS: CIVIL				
1.1.1	Contractual requirements	sum	1		
1.1.2	Site establishment	sum	1		
1.1.3	Facilities for contractor	sum	1		
1.1.4	Other fixed charged obligations	sum	1		
1.1.5	Site de-establishment	sum	1		
1.1.6	Insurances	sum	1		
1.2	TIME RELATED ITEMS: CIVIL				
1.2.1	Contractual requirements	wks	20		
1.2.2	Operate and maintain facilities on site	wks	20		
1.2.3	Facilities for contractor	wks	20		
1.2.4	Supervision for duration of construction	wks	20		
1.2.5	Company and head office overheads costs	wks	20		
1.2.6	Other time - related obligations	wks	20		
	Preliminary and General Carried to Final Summary				

Item	Description	Unit	Quantity	Rate	Total Amount
2	BAY 5 to 11				
2.1	BAY 5				
2.1.1	Strip existing roof sheeting for reuse	m2	2901		
2.1.2	Remove existing Everite boards and dispose at hazardous waste site	m2	2901		
2.1.3	Supply and fit new sisalation FR 430	m2	2901		
2.1.4	Replace existing sheeting with new stainless steel fasteners.	m2	2901		
2.2	BAY 6				
2.2.1	Strip existing roof sheeting for reuse	m2	2901		
2.2.2	Remove existing Everite boards and dispose at hazardous waste site	m2	2901		
2.2.3	Supply and fit new sisalation FR 430	m2	2901		
2.2.4	Replace existing sheeting with new stainless steel fasteners.	m2	2901		
2.3	BAY 7				
2.3.1	Strip existing roof sheeting for reuse	m2	2901		
2.3.2	Remove existing Everite boards and dispose at hazardous waste site	m2	2901		
2.3.3	Supply and fit new sisalation FR 430	m2	2901		
2.3.4	Replace existing sheeting with new stainless steel fasteners.	m2	2901		
2.4	BAY 8				
2.4.1	Strip existing roof sheeting for reuse	m2	2901		
2.4.2	Remove existing Everite boards and dispose at hazardous waste site	m2	2901		
2.4.3	Supply and fit new sisalation FR 430	m2	2901		
2.4.4	Replace existing sheeting with new stainless steel fasteners.	m2	2901		
	Bays 5 - 11 carried forward				

Item	Description	Unit	Quantity	Rate	Total Amount
	Bays 5 - 11 brought forward				
2.5	BAY 9				
2.5.1	Strip existing roof sheeting for reuse	m2	7564		
2.5.2	Remove existing Everite boards and dispose at hazardous waste site	m2	7564		
2.5.3	Supply and fit new sisalation FR 430	m2	7564		
2.5.4	Replace existing sheeting with new stainless steel fasteners.	m2	7564		
2.6	BAY 10				
2.6.1	Strip existing roof sheeting for reuse	m2	7564		
2.6.2	Remove existing Everite boards and dispose at hazardous waste site	m2	7564		
2.6.3	Supply and fit new sisalation FR 430	m2	7564		
2.6.4	Replace existing sheeting with new stainless steel fasteners.	m2	7564		
2.8	BAY 11				
2.8.1	Strip existing roof sheeting for reuse	m2	7564		
2.8.2	Remove existing Everite boards and dispose at hazardous waste site	m2	7564		
2.8.3	Supply and fit new sisalation FR 430	m2	7564		
2.8.4	Replace existing sheeting with new stainless steel fasteners.	m2	7564		
2.9	Side Cladding BAY 5 to 11				
2.9.1	Strip existing roof sheeting for reuse	m2	4942		
2.9.2	Remove existing Everite boards and dispose at hazardous waste site	m2	4942		
2.9.3	Supply and fit new sisalation FR 430	m2	4942		
2.9.4	Replace existing sheeting with new stainless steel fasteners.	m2	4942		
	Bays 5 - 11 Carreid to Final Summary				

Item	Description	Unit	Quantity	Rate	Total Amount
3	BAY 13 to 17				
3.1	Side Cladding BAY 13 to 17				
3.1.1	Strip existing roof sheeting for reuse	m2	2194		
3.1.2	Remove existing Everite boards and dispose at hazardous waste site	m2	2194		
3.1.3	Supply and fit new sisalation FR 430	m2	2194		
3.1.4	Replace existing sheeting with new stainless steel fasteners.	m2	2194		

Item	Final Summary	Page No.	Amount
1	Preliminary and General	1	
2	Bays 5 - 11	2	
		3	
3	Bays 13 - 17	4	
<p style="text-align: center;">Total excluding VAT carried to C1.1 Form of Offer and Acceptance</p>			

Part 3 : Scope of Work

Document reference	Title	No of pages
	This cover page	1
C3.1	Works Information	25
Annexure 1	HAS-STD-001 Health and Safety Specification	83
Annexure 2	ENV-STD-001 Standard Environmental Specification	14
Annexure 3	ENV-STD-002 Construction Environmental Plan	33
Annexure 4	Asbestos Regulations, 2001	22
Total number of pages		178

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C3.1 Works Information

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1. Description of the Works

1.1 Executive Overview

The *Works* to be carried out by the *Contractor* shall include, but not be limited to the following items of work as summarized below:

- Loosen fatteners (pop rivets and screws) to remove existing cladding.
- Remove existing, isolation and stockpile aluminium trimming.
- Replace Everite flat press boards with FR 430.
- Reinstall existing sheeting and flashings
- Use stainless steel fasteners and pop rivets.

1.2 Employer's Objectives

It is the objective of the *Employer* to achieve completion of the above works as soon as possible whilst still maintaining the highest quality and safety standards, without interfering with the normal day to day operations at Cuyler Manor.

1.3 The Contractor

The *Contractor*, for the purpose of this project must be registered with the Chief Inspector as a registered Asbestos Contractor.

1.4 Interpretation and Terminology

If required include here definitions additional to those used in the conditions of contract which are required only for the purpose of making the Works Information easier to draft and read. Also list abbreviations used and provide a full interpretation of each one, for example:

The following abbreviations are used in this Works Information:

Abbreviation	Meaning given to the abbreviation
BBBEE	Broad Based Black Economic Empowerment
CEMP	Construction Environmental Management Plan
COIDA Act	The Compensation for Occupational Injuries and Diseases Act
CSHEO	Contractor's Safety, Health and Environmental Officer
CM	Construction Manager
DTI	Department of Trade and Industry
DGN	Filename extension for Microstation Drawings

Abbreviation	Meaning given to the abbreviation
DWG	Filename extension for Autocad Drawings
EDMS	Electronic Document Management System
EO	Environmental Officer
HSR	Health and Safety Representative
PES	Project Environmental Specifications
PHA	Preliminary Hazard Assessment
PSPM	Project Safety Program Manager
PSSM	Project Site Safety Manager
QA	Quality Assurance
QC	Quality Control
SANS	South African National Standards
SASRIA	South African Special Risks Insurance Association
SES	Standard Environmental Specification
SHE	Safety, Health and Environment
SHEC	Safety, Health and Environment Co-ordinator
SHEO	Safety, Health and Environmental Officer
SIP	Site Induction Programme
SMP	Safety Management Plan
SSRC	Site Safety Review Committee
iPAS DM	Primary software tool used for Document Management

2. Management and Start Up

2.1 Management Meetings

The *Contractor* shall attend management meetings at the *Project Manager's* request. It is envisaged that at least one monthly contract management meeting will be held. The *Contractor* will also be required to attend a safety meeting once a month. The *Contractor* will also attend a kick off meeting and a close off meeting. The *Contractor* will be required to present all relevant information including early warnings of compensation events, quality plans, schedules, (including progress) subcontractor management, and health, environmental and safety issues at such meetings.

All meetings are to be recorded using minutes or a register prepared and circulated by the person who convened the meeting. Such minutes or register are not to be used for the purpose of confirming actions or instructions under the contract as these are to be done separately by the person identified in the *conditions of contract* to carry out such actions or instructions.

2.2 Documentation Control

The *Contractor* shall submit all documentation complying with the *Employer's* standards and requirements. The *Employer* will issue all relevant documentation and drawings, including revisions, to the *Contractor*, but control, maintenance and handling of these documents will be the *Contractor's* sole responsibility and at its expense, and managed with a suitable document control system.

2.3 Safety Risk Management

2.3.1 General

The *Contractor's* attention is directed to the Health and Safety Specification HAS-STD-001, and in particular to his Health & Safety Program, which must be submitted with his tender, as well as the requirements of the Occupational Health and Safety Act, 1993 (Act 85 of 1993) as amended and Regulations issued in terms thereof or un-repealed regulations issued in terms of the former Act no. 6 of 1983, in their entirety.

Without derogating from the Act or any un-repealed regulations issued in terms of legislation, or without purporting to limit the *Contractor's* responsibilities, the following are brought to the *Contractor's* attention:

- (a) For the purpose of the Act the site/s, to be demarcated as agreed to between the *Contractor* and the *Project Manager* before the works start, will be transferred to the control of the *Contractor* for the duration of the contract.
- (b) The *Contractor* shall appoint a health and safety coordinator to liaise at least fortnightly with the *Project Manager* on matters pertaining to occupational health and safety.
- (c) The *Contractor* is an 'employer' in his own right as defined in Section 1 of the Act 85 of 1993 and he shall fulfil all his obligations as an employer in terms of the Act.
- (d) The *Contractor* shall furnish the *Project Manager* with full particulars of any Sub-Contractor which he may involve in the contract and the Sub-Contractor shall be made aware of all the clauses in this contract pertaining to health and safety.

- (e) The *Contractor* shall advise the *Project Manager* of any hazardous or potentially hazardous situation, which may arise from, work being performed either by the *Contractor* or Sub-Contractor.
- (f) A letter of good standing in terms of Section 80 (*Employer* to register with the Compensation Commissioner) of the Compensation for Occupational Injuries and Deceases Act 1993 (Act 130 of 1993), must also be furnished.
- (g) The *Contractor* shall comply with the current Transnet Specification HAS-STD-001, Safety Arrangements and Procedural Compliance with the Occupational Health and Safety Act, Act 85 of 1993 and Regulations, and shall, before commencement with the execution of the Contract, which shall include site establishment and delivery of construction plant, equipment or materials, submit to the *Project Manager*:
- documentary proof of his procedural compliance with the Act, and
 - particulars of the Health and Safety Program to be implemented on the site in accordance with the Transnet Specification HAS-STD-001.
 - The *Contractor's* Health and Safety Program will be subject to agreement by the *Project Manager*, who may order supplementary and/or additional safety arrangements and/or different safe working methods to ensure full compliance by the *Contractor* with his obligations as an employer in terms of the Act.
- (h) All clauses in this contract pertaining to health and safety form an integral part of this contract and if not complied with may be construed as breach of contract entitling the *Employer* to the appropriate remedies.

NB: The *Contractor* and his employees shall have valid safety inductions and medical certificates when accessing or working on site. Copies of which shall be submitted to the *Project Manager*. This will be at a time and location Transnet will arrange.

2.3.2 Hazard identification and risk assessment

The *Contractor's* appointed Site Representative and the *Project Manager* shall finalize a site-specific HIRA (Hazard Identification and Risk Assessment) document, on the day of site handover to the *Contractor*. This site-specific HIRA document, based on a continuous HIRA, must cover site-specific hazards and the safe management of these hazards. The HIRA document must be signed by the abovementioned representatives as well as the Depot Safety Manager, and be accepted by the *Project Manager*, before any construction work can commence.

2.3.3 Substance abuse

The OHSA (Act 85 of 1993) clearly states in the Safety Regulations no. **2A "INTOXICATION" An employer or user, as the case may be, shall not permit any person who appears to be under the influence of intoxicating liquor or drugs, to enter or remain at a workplace".** Transnet Capital Projects enforces this legislation by means of its Substance Abuse Policy, and therefore reserves the right to do substance abuse testing on anyone who enters their premises.

2.3.4 Safety meetings

The *Contractor* shall ensure that a safety representative is appointed and regular safety meetings are held. Written minutes of these safety meetings shall be forwarded to the *Project Manager*. All costs related to the safety aspects required under this contract will be carried by the *Contractor's* and therefore be covered under the rates tendered.

- NB: The tendered amount shall include for all costs to confirm to the Health and Safety requirements.

2.4 Environmental Constraints and Management

All work is to be conducted in accordance with the principles of the National Environmental Management Act, 1998 (Act no. 107 of 1998) and accepted environmental good practices. The following documents, included in the Works Information, provide the minimum acceptable standards that shall be adhered to:

- Construction Environmental Management Plan – HMG-EM-M-002 (CEMP)
- Standard Environmental Standard – HMG-EM-STD-001 (SES)
- Project Environmental Specification (PES)

The *Contractor* shall perform the works and all construction activities within the Site and Working Areas having due regard for the environment and environmental management practices.

The SES describes the minimal acceptable standard for environmental management for the range of environmental aspects commonly encountered on construction projects and sets environmental objectives and targets, with which the *Contractor* must comply.

Alternative: The PES describes the specific environmental standards applicable to the *works* (the site and the working areas) as required by the relevant project environmental authorisations, and is supplementary to the SES. The PES may require higher minimal standards than those described in the SES.

The *Contractor* shall, as required by the CEMP, provide activity based environmental method statements for particular planned construction activities at the Site and/or Working Area and/or where requested by the Construction Manager or Environmental Manager.

Where relevant, the *Contractor* shall provide detailed method statements, as required by the suitably qualified and experienced SES and PES, within the timeframes as stipulated.

The *Contractor* shall appoint an Environmental Officer.

The contractor shall maintain records of checks, audits and environmental monitoring, as required by the CEMP, SES and PES.

Progressive and systematic finishing and tidying-up will form an essential part of this contract. Under no circumstances shall spoil, rubble, materials, equipment or unfinished operations be allowed to accumulate unnecessarily.

No material shall be dumped on the *Employer's* property and no suitable material shall be disposed of if it is required elsewhere for the proper completion of the contract.

All non-hazardous and hazardous (asbestos) materials shall be covered when stored on site and removed from site and transported by dedicated transport companies approved to transport such materials. The *Contractor* shall supply the name and credentials of the company selected for approval by the *Project Manager*. The *Contractor* shall furnish the *Project Manager* with receipts and official disposal certificates from the dumpsite

The *Contractor* shall make good all damages to the environment to the satisfaction of the *Project Manager* Waste Management Objective.

USE OF CEMENT & CONCRETE:

Cement and concrete are regarded as hazardous to the natural environment on account of the very high pH of the material, and the chemicals contained therein. The contractor shall therefore ensure that concrete is not mixed directly on the ground and that the visibility remains of concrete, either solid, or from washings, are physically removed immediately and disposed of as waste. Washing the visible remains into the ground will not be acceptable.

NOISE POLLUTION:

Equipment used on the site shall be properly muffled and maintained so as to reduce noise generation to the minimum. Working procedures shall be structured so as to avoid the unnecessary generation of noise.

Dust Control

Dust has been identified as having a serious environmental impact. The *Contractor* is required to prevent the creation of dust.

The *Contractor* shall ensure that no dust is generated during the mixing process of construction materials used during any stage of the construction process.

The Contractor shall, at all times, comply with the statutes that prohibit pollution of any kind. These statutes are enacted in the following legislation:

- The National Environmental Management Act, 107/1998
- The Environmental Conservation Act, 73/1989; and
- The National Water Act, 36/1998

The *Contractor* shall appoint a responsible person to ensure that no incident shall occur on site that could cause pollution. Where the *Contractor* was negligent and caused any form of pollution the damage shall be rectified at the Contractors cost.

2.5 Quality Management System

The *Contractor* shall, maintain, implement and demonstrate its use to the *Project Manager* (and/or the *Supervisor*) the documented Quality Management System to be used in the performance of the works. The *Contractor's* Quality Management System shall conform to International Standard ISO 9001 (or an equivalent standard acceptable to the *Project Manager*).

The *Contractor* shall comply with the requirements as stipulated in HMG-QM-STD-001, General Requirements for Suppliers and Contractors (latest revision).

The *Contractor* submits his Quality Management System documents to the *Project Manager* as part of his programme under ECC3 Clause 31.2 to include details of:

- Quality Plan for the contract
- Quality Policy
- Index of Procedures to be used
- A schedule of internal and external audits during the contract

The *Contractor* develops and maintains a comprehensive register of documents that will be generated throughout the contract including all quality related documents as part of its Quality Plan.

The *Project Manager* indicates those documents required to be submitted for information, review or acceptance and the *Contractor* indicates such requirements within his register of documents. The register shall indicate the dates of issue of the documents with the *Project Manager* responding to documents submitted by the *Contractor* for review or acceptance within the period for reply prior to such documents being used by the *Contractor*.

The Quality Plan means the *Contractor's* statement, which outlines strategy, methodology, resources allocation, QA and Quality Control co-ordination activities to ensure that the works meet the standards stated in the Works Information.

2.6 Programming Constraints

2.6.1 General

The programme, progress reports, subsequent updates, revisions and supplementary programmes as detailed in this section are an essential part of the iPAS project control system used by the *Employer* for managing the Works and in monitoring the progress of the work under the Contract. The information and data provided by the *Contractor* pursuant to this procedure must therefore be reliable, accurate and timely in presentation.

2.6.2 Programme submission

As identified in the Contract Data Part 2, a program is to be submitted with the tender. This program shall comply with the requirements as indicated in the Works Information and with specific reference 31.2 of the NEC3 Engineering Construction Contract. The program shall be submitted in both hard and soft copy forms using a computer software package accepted by the *Project Manager*.

The preferred software package is Primavera 3, but Microsoft Projects will also be accepted.

2.6.3 Progress Reporting

To demonstrate the actual progress of the work under the Contract the *Contractor* shall, on a weekly basis, update and submit to the *Project Manager*,

- a) The revised program, in the form of a three week look-ahead, that shall show two (2) separate bars for each activity as per i) and ii) below so as to enable a comparison of the actual progress with the first program;
 - (i) the first programme activity bar, and
 - (ii) the revised activity bar identifying the currently forecast start and finish dates of the activity,
and the status (% complete of each activity)
- b) the progress 'S curves' based on the latest Accepted Programme
- c) Deviations of the "current" activity schedule from the "baseline" activity schedule together with the 'S curves' will form the basis for assessing progress and performance.

2.6.4 Progress monitoring and review

Monitoring and review of the progress of work under the Contract shall consist of an assessment of all activities currently in progress. The following shall be determined:

- percentage complete;
- forecast completion date;
- S-curves showing actual versus baseline figures;
- deviations from the Accepted Programme; and
- Actions required to remedy any deviations.

Weekly progress reviews shall be conducted to assist control of the work under the Contract. The *Contractor* shall provide this information upon request from the *Project Manager*, however any identified deviations shall be automatically reported to the *Project Manager*.

2.6.5 Monthly Status Report

The Contractor shall provide a written status report by the 20th of each month or such other reporting period as may be required by the *Project Manager* from time-to-time. The report shall summarise progress and problems encountered during that month in respect of all parts of the work under the Contract.

As a minimum the report shall include:

- progress against the Accepted Programme;
- summary of progress achieved during the period using progress 'S curves';
- list of milestones achieved during the period;
- status of design, procurement, and off-site works;
- status of on-site works;
- deviations from the Accepted Programme and in particular, the forecast completion dates of activities which have or should have commenced;
- status of approvals;
- actual or anticipated problems with corresponding action plans to minimise the impact;
- summary of works planned for the following period, and
- Cash flow status versus the original forecast.

The progress report shall form the basis of the monthly progress meeting between the *Project Manager* and the *Contractor*.

2.7 Contractor's Management, Supervision and Key People

The *Contractor* shall provide an organogram showing his key people and their lines of authority and communication.

2.8 Insurance Provided by the Employer

Procedures for making insurance claims can be obtained from the *Project Manager*.

2.9 Contract Change Management

The standard reporting forms that shall be used will be provided to the *Contractor*.

No additional requirements apply to ECC3 Clause 60 series.

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3. Engineering and the *Contractor's* Design

3.1 Employer's Design

3.1.1 The *Employer's* design for the works is:

- Works Information
- Technical specifications

3.2 Parts of the Works which the *Contractor* is to Design

3.2.1 The *Contractor* is to design the following parts of the works:

- All temporary works
- All other items required for the works

3.3 Procedure for Submission and Acceptance of *Contractor's* Design

3.3.1 The *Contractor* shall address the following procedures:

The *Contractor* submits details of his temporary works and all other items required for the works to the *Project Manager* for review and acceptance.

Roof Cover and Structural Roof should comply, to General building regulations A19 in respect of appointment of a responsible person for the design and inspection of the structural system

The *Contractor* shall submit to the *Project Manager* samples of all materials to be used in the *Works* and which are to be supplied by the *Contractor* for the approval of the *Project Manager* prior to their incorporation into the work. If accepted, the samples so submitted will be kept by the *Project Manager* as standards for the duration of the Contract. No materials inferior in quality, workmanship or appearance to the accepted samples shall be used.

All alternative materials not defined herein or SANS proposed by the *Contractor* shall be tested for acceptability by the *Contractor* and the results of the tests made available to the *Project Manager*. All such materials then require the approval of the *Project Manager*. The costs of the tests shall be borne by the *Contractor*.

The *Project Manager's* approval is required for any manufacturer's published instructions prior to their use by the *Contractor*.

3.4 Equipment required to be included in the *works*

3.4.1 None

4. Procurement

4.1 The *Contractor's* Invoices

4.1.1 When the *Project Manager* certifies payment (see ECC3 Clause 51.1) following an assessment date, the *Contractor* complies with the *Employer's* procedure for invoice submission.

4.1.2 The invoice must correspond to the *Project Manager's* assessment of the amount due to the *Contractor* as stated in the payment certificate.

4.1.3 The invoice states the following:

- Invoice addressed to Transnet SOC Ltd
- Transnet Limited VAT No: 4720103177
- Invoice number
- The *Contractor's* VAT Number
- The Contract number RME 1514058.001

4.1.4 The invoice contains supporting detail.

4.1.5 The invoice is presented either by post or by hand delivery.

4.1.6 Invoices submitted by post are addressed to:
Transnet Freight Rail RME
P.O. Box 338
Kasselsvlei
7535

For the attention of Phoebe Quantoi Transnet Freight Rail RME

4.1.7 Invoices submitted by hand are presented to:

Transnet Freight Rail RME
Off Modderdam Road
Behind Transnet Park
Bellville South

For the attention of Phoebe Quantoi, Transnet Freight Rail RME

4.1.8 The invoice and statement are presented as originals. The originals must be in receipt by the *Project Manager* on or before the last working day of the month.

4.2 People

4.2.1 BBBEE and preferencing scheme

Points will be awarded to tenderers based on preferencing using the balanced Department of Trade and Industry (DTI) scorecard. The application of the Broad Based Black Economic Empowerment recognition levels and score preferencing points are as follows:

Contribution Level	Qualification Points on the generic scorecard	Broad-Based BEE Recognition Level	Preferencing Points Scored
Level 1	Greater than or equal to 100 points	135%	10
Level 2	Greater than or equal to 85 points but less than 100 points	125%	9
Level 3	Greater than or equal to 75 points but less than 85 points	110%	8
Level 4	Greater than or equal to 65 points but less than 75 points	100%	7
Level 5	Greater than or equal to 55 points but less than 65 points	80%	6
Level 6	Greater than or equal to 45 points but less than 55 points	60%	5
Level 7	Greater than or equal to 40 points but less than 55 points	50%	4
Level 8	Greater than or equal to 30 points but less than 40 points	10%	2
Non-compliant	Less than 30 points	0%	0

On the basis the *Contractor* with a BBBEE recognition level of 135% will achieve 10 points, and the points will be allocated accordingly on a pro-rata basis as per the table above.

In addition to the above, provision is made for the case where a *Contractor* has greater than 50% black ownership. In this instance, provided the requisite documentary evidence is supplied, the *Contractor* will then be awarded preference points one level above that awarded based on the DTI scorecard. For example, a *Contractor* with > 50% black ownership obtaining a Level 6 contribution equating to 5 points will be awarded 6 preferencing points (Level 5).

Contractors claiming Preference Points must submit together with the tender document their BEE verification certificates issued by Accredited Verification Agencies or Verification Agencies that are in possession of a valid pre-assessment letter from the South African National Accreditation System (SANAS). Despite this provision, all verification certificates issued by non-accredited verification agencies before 31 January 2010 will remain valid for 12 month from the date of issue (Refer Government Gazette Notice No. 810 of 2009 – 31 July 2009).

Should the BBBEE rating not be provided, Transnet reserves the right to award no points and/or declare the tender void. Transnet also reserves the right to carry out an independent audit of the *Contractor's* scorecard components at any stage from the date of close of the tenders until completion of the contract.

4.3 Subcontracting

4.3.1 Preferred Subcontractors

The *Contractor* shall not appoint or bring subcontractors onto site without the prior approval of the *Project Manager*, and all subcontractors will be required to conform to the requirements as set out herein as if they were employees of the *Contractor*.

The *Contractor* shall not deviate from the accepted subcontractor's list without prior approval of the *Project Manager*.

4.3.2 Subcontract documentation, and assessment of subcontract tenders

The *Contractor* shall appoint his subcontractors under the NEC3 Engineering Contract Sub Contract unless accepted otherwise by the *Project Manager*.

4.4 Plant and Materials

The *Contractor* provides Plant and Materials for inclusion in the works in accordance with SANS 1200A sub-paragraph 3.1, unless otherwise stated elsewhere in the Works Information provided by the *Employer*. All Plant and Materials are new, unless the use of old or refurbished goods and/or Materials are expressly permitted as stated elsewhere in this Works Information or as may be subsequently instructed by the *Project Manager*.

Where Plant and Materials for inclusion in the works originate from outside the Republic of South Africa, all such Plant and Materials are new and of merchantable quality, to a recognised national standard, with all proprietary products installed to manufacturers' instructions.

The *Contractor* replaces any Plant and Materials subject to breakages (whether in the Working Areas or not) or any Plant and Materials not conforming to standards or specifications stated and notifies the *Project Manager* and the *Supervisor* on each occasion where replacement is required.

The *Contractor* provides all other Plant and Materials necessary for the works not specifically stated to be provided "free issue" by the *Employer*.

4.5 Marking Plant and Materials outside the Working Areas

The *Contractor* prepares and marks items of Plant and Materials outside the Working Areas with the *Contractors* Logo.

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5. Construction

5.1 Temporary works, Site Services & Construction Constraints

5.1.1 Employer's Site entry and security control, permits, and Site regulations

The location of the site is Cuyler Manor, Uitenhage. The *Contractor* shall organise the work to **cause the least possible inconvenience** to any operations within Cuyler Manor. Access to adjacent areas shall be maintained at all times.

The Contractor shall ensure the safe passage of traffic to and around the site at all times. This shall entail the provision of flagmen, protective barriers, lanterns, signs, etc for protection, direction and control of traffic. No lights are to be fixed without written approval from the *Project Manager*.

It is an operational area therefore the *Contractor* shall ensure that his working area's are properly demarcated and isolated by means of tarpaulins or any other means that may be deemed necessary by the *Project Manager*

The *Contractor* should employ and Approved Asbestos Inspector Authority (AAIA) and all work should comply with AAIA plan.

Access permits shall be made by the *Contractor* to a standard acceptable to the *Project Manager*, be allowed for within the *Contractor's* access control provision and shall include at least the following information:

- Company name and logo.
- Employees name and ID number.
- Date of issue and period of validity.
- Company details
 - ♦ Telephone number
 - ♦ Fax number
 - ♦ E-mail address

5.1.2 Restrictions to Access on Site, hours of work, conduct and records

The working hours shall be in accordance with the requirements of the Department of Labour or with the agreement of the relevant trade unions. This information relating to working hours shall be supplied to the *Project Manager* prior to commencement of the proposed working hours.

The *Contractor* keeps daily records of his people engaged on the Site and Working Areas (including Subcontractors) with access to such daily records available for inspection by the *Project Manager* at all reasonable times.

5.1.3 Health and safety facilities on Site

The provision of security for the *Contractor's* site establishment shall be his own responsibility.

Both the "Factories, Machinery and Building work Act (Act 22 of 1941) and the "Machinery and Occupational Safety Act (Act 6 of 1983)" shall, wherever they appear in the SANS 1200 standardized specifications, be substituted by the "Occupational Health and Safety Act (Act 85 of 1993)".

5.1.4 Materials from Demolition and Excavation

Before any material arising from the demolitions is removed from site, the material must be offered to Transnet at no cost.

5.1.5 Cooperating with and Obtaining Acceptance of Others

The *Contractor* shall not commit or permit any act that may interfere with the performance of the other parties operating in the area and shall carry out work in close liaison with the *Project Manager*.

5.1.6 Publicity and Progress Photographs

The *Contractor* shall obtain the permission and approval of the *Employer* before erecting any notice boards or using the details of the contract in any advertising media.

The *Contractor* does not advertise the contract or the project to any third party, nor communicate directly with the media (in any jurisdiction) whatsoever without the express written notification and consent of the *Project Manager*.

5.1.7 Contractor's Equipment

The *Contractor* keeps daily records of his Equipment used on Site and the Working Areas (distinguishing between owned and hired Equipment) with access to such daily records available for inspection by the *Project Manager* at all reasonable times.

The tender should include all tools and equipment required for the completion of the *Works*.

5.1.8 Equipment Provided by the Employer

No equipment will be provided by the *Employer*.

5.1.9 Site Services and Facilities

The *Contractor* shall make his own arrangements for the supply of services such as electricity, potable water, ablutions, fire protection, lighting and all other services required for undertaking the *works*. The *Contractor* shall provide, maintain and finally remove proper portable latrines of sufficient number at his cost. Latrines shall be properly constructed and placed in suitable positions and maintained in a clean and sanitary working condition.

Where any of the above services can be made available by the *Employer*, the cost of meters, connections, reticulation and all other usage costs associated with the provision of services shall be to the *Contractor's* account. The applicable tariffs will be those that the Local Authority charges Transnet and shall be obtained by the *Contractor*.

5.1.10 Facilities Provided by the *Employer*

A suitable construction site will be made available free of charge to the *Contractor* for the duration of the contract.

The construction site shall be clearly sign posted as being a construction camp and be compliant with the relevant prevailing safety regulations and restrictions that might be in place until the *Contractor* has de-established on site and this has been accepted by the *Project Manager* or his duly appointed representative.

The layout of any construction site, if required, shall be submitted to the *Project Manager* for his acceptance before the *Contractor* starts erecting his camp.

5.1.11 Facilities Provided by the *Contractor*

The *Contractor* shall make his own arrangements for the accommodation of all labour and comply with the requirements of the respective authorities.

No accommodation for the *Contractor's* and/ or Sub-contractor's employees will be available on site. No employee, with the exception of security watchmen, may without written approval from the *Project Manager*, be accommodated on site.

The *Contractor* shall, at his own expense, provide for security and access to his construction sites as he may require. Control of access for construction plant onto public roads shall be in accordance with the requirements of the relevant roads authority and *Project Manager*.

No liability will be accepted by Transnet for the safekeeping of the *Contractor's* materials. The *Contractor* will not be required to provide any facilities for the use of the *Project Manager*.

5.1.12 Existing Premises, Inspection of Adjoining Properties and Checking Work of Others

The *Contractor* and the *Project Manager* will inspect the immediate surroundings and record any damage before work is started.

5.1.13 Underground services, other existing services, cable and pipe trenches and covers

The *Contractor* is required to liaise with the *Project Manager* and establish as accurately as possible, the location of the various existing services situated within the Works area and record all such information on a suitable "marked-up" drawing for reference at all times. No services drawings are to be supplied.

In addition to the above, the *Contractor* shall consult the *Project Manager* prior to undertaking any excavation work. The *Contractor* must thereafter exercise due care and attention in carrying out the agreed excavation work as may be directed by the *Project Manager* to avoid damage or disruption to existing services.

The *Contractor* shall be liable for all claims arising out of any damage caused by such excavation if the *Contractor* fails to exercise the requisite care and attention in carrying out the excavation.

All existing services shall at all times be protected and/or barricaded where these may be affected by the *Works* or where these may endanger the safety of personnel.

Should relocation of existing services be necessary, this will either be carried out by the relevant authority or the *Contractor* under day works rates where instructed by the *Project Manager* in writing. Should known services be damaged by construction, the cost of repairs will be for the *Contractors* account.

Where the *Contractor* damages a service due to negligence, he shall bear full cost of repairs to the service. These repairs will be carried out by the relevant authority, or at their discretion, by the *Contractor* to the satisfaction of the relevant authority.

The *Contractor*, shall before commencement of any work, ascertain from the *Project Manager* whether any live overhead or underground electrical cables are affected by the *Works* and shall ensure that all precautionary measures required by the *Employers Representative* are strictly observed.

5.1.14 Giving notice of work to be covered up

The *Contractor* shall give 24 hours notice to the *Supervisor* before covering any work.

5.2 Completion, Testing, Commissioning and Correction of Defects

5.2.1 The Work to be done by the Completion Date

On or before the Completion Date the *Contractor* shall have done everything required to provide the *Works*. The *Employer* cannot certify Completion until all the work has been done and is also free of Defects, which would have, in his opinion, prevented the *Employer* from using the *Works* and Others from doing their work.

5.2.2 Materials facilities and samples for tests and inspections

The *Supervisor* shall inspect the soil conditions at founding level and either accept the conditions or instruct the *Contractor* how to proceed. The *Contractor* shall give notice to the *Supervisor* of the required inspection not less than 24 hours before the inspection is required.

The *Contractor* provides the cube moulds, labour for making the test cubes and transport to an accepted laboratory for testing.

5.2.3 Access Given by the *Employer* for Correction of Defects

The *Project Manager* arranges for the *Employer* to allow the *Contractor* access to and use of part of the *works* which he has taken over if they are needed for correcting a Defect. In this case the *defect correction period* begins when the necessary access and use have been provided.

6. Plant and Materials Standards and Workmanship

6.1 Stripping including side cladding (bays 5-11)

- 6.1.1 Remove existing IBR cladding for access and reinstate.
- 6.1.2 Remove the asbestos materials and existing Everite flat press boards and dispose of at an approved hazardous waste dump site

6.2 Refurbishment including side cladding (bays 5-11)

- 6.2.1 Replace existing asbestos cement materials or Everite flat press panels with sisalation FR 430 as per manufacturer's specification.

6.3 Cladding including side cladding (bays 5-11)

- 6.3.1 Reinstate existing cladding with new stainless-steel fasteners and pop rivets.

6.4 Damage due to installation

- 6.4.1 Any damaged caused during installation shall be replaced at the *Contractors* expense

6.5 Stripping side cladding (bays 13-17)

- 6.5.1 Remove existing IBR cladding for access and reinstate.
- 6.5.2 Remove the asbestos materials and existing Everite flat press boards and dispose of at an approved hazardous waste dump site.

6.6 Refurbishment side cladding (bays 13-17)

- 6.6.1 Replace existing asbestos cement materials or Everite flat press panels with sisalation FR 430 as per manufacturer's specification.

6.7 Side Cladding (bays 13-17)

- 6.7.1 Reinstate existing cladding with new stainless-steel fasteners and pop rivets.

6.8 Damage due to installation

- 6.8.1 Any damaged caused during installation shall be replaced at the *Contractors* expense.

6.9 Installation procedures

- 6.9.1 The *Contractor* shall remove sufficient sheeting each day and **immediately** replace the equivalent quantity to prevent openings left overnight.

6.10 Asbestos Material Handling and Disposal

- 6.10.1 All asbestos products, i.e. fibre, asbestos wool, fibre insulation etc will also be handled and disposed of in terms of the existing regulations as contained in the Occupational Health and Safety Act (Act 85 of 1993) which shall be read in conjunction with the provisions of the Asbestos Regulations, 2001 contained in Government Notice No. 23108 Vol. 40 dated 10th February 2002. These products must be disposed of at accepted dedicated landfill sites.
- 6.10.2 Whole asbestos sheeting has been de-listed and may be disposed of at a GMB+ graded site. The asbestos sheeting must be wetted prior to transporting in covered skips; Removal of the sheeting to the landfill site shall be by a dedicated Waste Removal company.
- 6.10.3 The delivery note must clearly describe the material. This will be accepted and signed at the weighbridge entry point as acceptance of the product, and becomes the Disposal Certificate. The Contractor shall supply the technical Officer with copies of the Disposal Certificates.
- 6.10.4 Any Asbestos sheeting which is removed shall immediately be stored in terms of the regulation 19 of the said Government Notice 23108.
- 6.10.5 Any containers used on site for the storage of such redundant Asbestos sheeting shall comply with regulations.
- 6.10.6 Only waste disposal companies registered to transport waste asbestos products for disposal to approved recognised Waste Landfill Sites designated for asbestos shall be used.
- 6.10.7 All regulations pertaining to the transport and disposal of such redundant Asbestos materials shall be complied with.
- 6.10.8 The *Contractor* shall supply full details of the transport system and manner of disposal at the time of tender. Each and every load removed from site shall have a disposal certificate from a registered

6.11 Safe work access

- 6.11.1 The *Contractor* shall specify and submit with his tender the type and quality of safe access to be provided for approval by the *Project Manager*.
- 6.11.2 Walking on asbestos roofs must be avoided except on the purlin lines.
- 6.11.3 All workers shall wear full body harnesses attached to safety lifelines.

6.12 Erection of scaffolding

- 6.12.1 In the event of scaffolding, Suspended Work Platforms etc. being erected to provide the safe access such scaffolding shall only be erected by a qualified scaffold erector.
- 6.12.2 Any such scaffolding shall be certified on completion and the required safe to the tag shall be prominently displayed on each such scaffolding structure.
- 6.12.3 The *Contractor* shall provide as name of his preferred scaffold erector together with a copy of the scaffold erectors certificates and inspection compliance certificates when submitting his tender.

6.13 Plant and material

- 6.13.1 All plant used by the *Contractor* on site shall be properly maintained and operated. All vehicles on public roads shall be roadworthy, with the necessary licenses, permits and safety requirements.

6.14 Information to be obtained from site

- 6.14.1 Prospective *Contractors* shall visit the site of the proposed Works and acquaint themselves with the nature of the *Works*, the conditions under which the work is to be performed, the means of access, any limitations or other authorities and in general with all matters that influence or affect the contract.
- 6.14.2 *Contractors* shall be deemed to have allowed in their tender for **any additional cost** to be involved due to the foregoing.

6.15 Technical Requirements

- 6.15.1 The contract work must conform to current Professional Engineering Practices, Standards and Specifications and the work must be completed to the satisfaction of the *Project Manager*.
- 6.15.2 The *Contractors Project Manager* for the project shall have experience in cladding installation and be conversant with the current practices.
- 6.15.3 The *Contractor* and his sub-contractors, if any shall have suitably qualified *Supervisors* in charge of the project. The names and qualifications of the *Supervisors* together with full details of their experience in this field of work must be furnished. The tenderer must furnish the names and addresses of all proposed sub-contractors, which is subject to approval.
- 6.15.4 The *Contractor* shall not change the project team as detailed in the organogram submitted by the *Contractor* and accepted by the *Project Manager* without the prior written approval of the *Project Manager*, which approval will not unreasonably be withheld by the *Project Manager*

6.16 Site Conditions

The *Contractor* must take cognisance of the following:

- 6.16.1 Cladding operations may take place directly above working areas in some instances. The *Contractor* must take cognizance of the fact that the building is occupied and he shall take adequate precautions.
- 6.16.2 The condition of the asbestos cement materials and Everite flat press panels must be considered unsafe and dangerous. A special Risk Assessment document will be compiled specifically for this discipline of the *Works*.
- 6.16.3 A work method statement detailing the approach method that will be adopted accessing, walking on and working on the roof safely. No work may commence until these requirements are met and approved.

“PREVIEW COPY ONLY”

PART 4: SITE INFORMATION

1. Description of the Site and its surroundings

1.1. General description

The site is located at Transnet Rail Engineering, Uitenhage +/- 25 km (straight distance) North West from Port Elizabeth and close to the intersection of roads: R75 and R367. Entrance to the site is off the R367 and coordinates of the site is approximately 33 47 19, 22 S and 25 27 00'10 E.

1.2. Hidden and other services within the site

It is important to note that the site is an operational area and only adequate coordination of critical items may take place. The operations of the workshops take priority and in no way may this be hampered/ halted.

1.3. Details of existing buildings / facilities which Contractor is required to work on

- Bay 5 to 11, replace isolation on roof and sides and Bay 13 to 17, replace isolation on sides only



DEPARTMENT OF LABOUR

Government Notice. R: 155

10 February 2002

OCCUPATIONAL HEALTH AND SAFETY ACT, 1993 (ACT NO. 85 OF 1993)

Asbestos Regulations, 2001

The Minister of Labour has under section 43 of the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993), after consultation with the Advisory Council for Occupational Health and Safety, made the regulations in the Schedule.

SCHEDULE

Definitions

1. In these Regulations, any word or expression to which a meaning has been assigned in the Act shall have the meaning so assigned and, unless the text otherwise indicates—

"approved asbestos inspection authority" means an approved inspection authority for the monitoring of asbestos concentrations in the air;

"asbestos" means any of the following minerals:

- (a) Amosite
- (b) Chrysotile
- (c) Crocidolite
- (d) Fibrous actinolite
- (e) Fibrous anthophyllite; and
- (f) Fibrous tremolite;

or any mixture containing any of these minerals;

"asbestos dust" means airborne or settled dust, which contains or is likely to contain regulated asbestos fibres;

"asbestos waste" means an undesirable or superfluous asbestos-containing by-product, emission or residue of any process or activity that has been—

- (a) discarded by any person;
- (b) accumulated and stored by any person with the purpose of eventually discarding it with or without prior treatment connected with the discarding thereof; or
- (c) stored by any person with the purpose of recycling, re-using or extracting a usable product from such matter.

"asbestos work" means work that exposes or is likely to expose any person to asbestos dust;

"demolition work" includes demolition, alteration, stripping, removing, repair, gleaning of any spilt asbestos, or high-pressure water jetting of any structure containing

asbestos lagging or insulation, but does not include work performed on asbestos cement sheeting and related products and asbestos cement products that form part of the structure of a workplace, building, plant or premises;

"exposed to asbestos" means exposed or likely to be exposed to asbestos dust while at the workplace, and "exposure" has a corresponding meaning;

"HSG 173" means the Monitoring Strategies for Toxic Substances, HSG 173, published by the Health and Safety Executive of the United Kingdom;

"MDHS 39/4" means the Methods for the Determination of Hazardous Substances 39/4 of the Health and Safety Executive of the United Kingdom: *Asbestos fibres in air, sampling and evaluation by phase contrast microscopy (PCM)* under the Control of Asbestos at Work Regulations, 1995 HSE ISBN 0 7176 0913 8, as revised from time to time;

"measurement programme" means a programme according to the monitoring strategy as contemplated in OESSM and HSG 173;

"monitoring" means the planning and carrying out of a measurement programme and the recording of the results thereof;

"occupational exposure limit" or "OEL" means a limit value set by the Minister for a stress factor in the workplace;

"OESSM" means the *Occupational Exposure Sampling Strategy Manual*, published by the National Institute for Occupational Safety and Health (NIOSH), United States of America: Department of Health, Education and Welfare;

"occupational exposure limit for asbestos" means an occupational exposure limit of 0,2 regulated asbestos fibres per milliliter of air averaged over any continuous period of four hours measured in accordance with MDHS 39/4;

"provincial director" means the provincial director as defined in regulation 1 of the General Administrative Regulations published under Government Notice R. 1449 of September 1996;

"registered asbestos contractor" means a mandatory or employer conducting demolition work, who is registered with the chief inspector;

"regulated asbestos fibre" means a particle of asbestos with a length-to-diameter ratio greater than 3 to 1, a length greater than 5 micrometres and a diameter less than 3 micrometres;

"respiratory protective equipment" means a device which is worn over at least the mouth and nose to prevent the inhalation of air that is not safe, and which device conforms to a standard approved by the Minister;

"respirator zone" means a respirator zone contemplated in regulation 10(a);

"SABS 0228" means the Code of Practice for the Identification and Classification of Dangerous Substances and Goods, SABS 0228, published by the South African Bureau of Standards (SABS);

"SABS 0229" means the Code of Practice for Packaging of Dangerous Goods for Road and Rail Transportation in South Africa, SABS 0229, published by the South African Bureau of Standards (SABS);

"short-term exposure limit" means the concentration to which workers can be exposed continuously for a short period of time, which is a 10-minute Time-Weighted Average (TWA) exposure for asbestos, which should not be exceeded at any time during the working day even if the 4-hour TWA is within the OEL-TWA;

"short term exposure limit for asbestos" means an exposure limit of 0,6 regulated asbestos fibres per milliliter of air averaged over any 10 minutes;

"the Act" means the Occupational Health and Safety Act, 1993 (Act No. 85 of 1993).

Scope of application

2. (1) Subject to subregulation 2, these Regulations shall apply to every employer and self-employed person who carries out work at a workplace that may expose any person to asbestos dust at that workplace.
- (2) Regulations 5(1), 5(2), 5(3), 5(4), 5(6), 7(2), 8, 9, 11(2)(f), 14(2), 14(3), 14(4) 16(c), 16(f) and 17(6) shall not apply in the case of self-employed persons.

Notification of asbestos work

3. No employer or self-employed person shall carry out any asbestos work unless he or she has notified the provincial director in writing thereof prior to the commencement of such work.

Exposure to asbestos

4. Subject to regulation 17(1) no employer or self-employed person shall require or permit any person to work in an environment in which he or she would be exposed to asbestos in excess of the prescribed occupational exposure limit.

Information and training

5. (1) An employer shall, before any employee is exposed or may be exposed to asbestos dust, after consultation with the health and safety committee established for that section of the workplace, ensure that the employee is adequately and comprehensively informed and trained, on both practical aspects and theoretical knowledge, with regard to—
 - (a) the contents and scope of these Regulations;

- (b) the potential sources of exposure, including the recognition of derelict asbestos-containing materials;
- (c) the potential health risk caused by exposure to asbestos, including the health risks to employees' families and others, which could result from taking home asbestos contaminated equipment and clothing, and the dramatically increased risk of lung cancer for asbestos workers who smoke;
- (d) the measures taken by the employer to protect an employee against any risk from exposure;
- (e) the precautions to be taken by the employee to protect himself or herself against the health risks associated with the exposure, which precautions include the wearing and use of protective clothing and respiratory protective equipment;
- (f) the necessity, correct use, maintenance and limitations of protective equipment, facilities and engineering control measures provided;
- (g) the assessment of exposure, the purpose of air sampling, the necessity for medical surveillance and the long term benefits and limitations thereof;
- (h) the occupational exposure limit and its meaning;
- (i) the importance of good housekeeping at the workplace and personal hygiene;
- (j) the safe working procedures regarding the use, handling, processing, and storage of any material containing asbestos, which procedures include the correct use of control measures to limit the spread of asbestos dust outside the work area, and to limit the exposure of workers inside the work area as far as is reasonably practicable;
- (k) procedures to be followed in the event of an accidental spillage or any other similar emergency situation likely to result in the release of asbestos dust;
- (l) procedures for reporting and correcting defects likely to result in the release of asbestos dust;
- (m) safe disposal of asbestos waste;
- (n) procedures for record keeping; and
- (o) matters contemplated in regulation 6.

- (2) Refresher training on matters contemplated in subregulation (1) shall be given at least every year or at more frequent intervals that may be recommended by the health and safety committee.
- (3) Training should be given more frequently than once a year if—
 - (a) work methods change;
 - (b) the type of work carried out changes significantly; or
 - (c) the type of equipment used to control exposure changes.
- (4) Training shall be provided by somebody who is competent to provide it and has adequate personal practical experience and theoretical knowledge of all aspects of the work being carried out by the employer.
- (5) An employer or a self-employed person shall ensure, as far as is reasonably practicable, that his or her mandatory or any person other than employees who may be exposed to asbestos at the workplace are given adequate information, instruction and training.
- (6) An employer shall keep a record of any training, both practical and theoretical, that was given to an employee.
- (7) An employer or a self-employed person shall give instructions in writing of the procedures contemplated in subregulation (1)(k) to the drivers of vehicles carrying asbestos or asbestos-containing material, that has the potential of causing environmental pollution or affecting human health.

Duties of persons who may be exposed

6. Any person who is or may be exposed to asbestos in the workplace, shall obey any lawful instruction given by or on behalf of the employer or a self-employed person, regarding—
 - (a) the prevention of asbestos dust from becoming airborne;
 - (b) the wearing and use of personal protective equipment and clothing;
 - (c) the wearing of monitoring equipment to measure personal exposure to asbestos;
 - (d) the reporting for medical surveillance as required by Regulation 9;
 - (e) the cleaning up and disposal of any material containing asbestos;
 - (f) housekeeping at the workplace, personal hygiene, good environmental and health practices, including eating, drinking and smoking in designated places provided; and

- (g) information and training received contemplated in regulation 5.

Assessment of potential exposure

7. (1) An employer or self-employed person shall cause—
- (a) his or her undertaking to be assessed within six months after the commencement of these regulations, and thereafter at intervals not exceeding two years, to determine if any person may be exposed to asbestos; and
 - (b) the assessment results contemplated in paragraph (a) to be recorded as required by regulation 16.
- (2) An employer contemplated in subregulation (1) shall, before causing an assessment to be made, consult with the relevant health and safety representative or relevant health and safety committee and thereafter inform them in writing of the arrangements made for the assessment, give them reasonable time to comment thereon and ensure that the results of the assessment are made available to them for comment.
- (3) When making the assessment contemplated in subregulation (1)(a), the employer or self-employed person shall take the following into account:
- (a) The presence of any material containing asbestos being used, processed, handled or stored;
 - (b) where asbestos may be present, the ease with which the asbestos dust may be released and the extent to which a person may be exposed;
 - (c) the nature of the work, process and any likely deterioration in or failure of any control measures;
 - (d) the details of expected exposures, in particular—
 - (i) whether the expected exposure is above the OEL for asbestos, so that the appropriate respiratory protective equipment can be selected pending the implementation of engineering control measures;
 - (ii) whether such exposures are intermittent, including the frequency and duration of exposures;
 - (iii) the number of employees exposed and any other person who may be exposed, and their expected exposure values; and
 - (iv) where applicable, results which may be available from any previous monitoring performed at that workplace;

- (e) the steps to be taken to reduce exposure to the lowest level reasonably practicable and the steps to be taken to reduce the release of asbestos dust into the environment;
 - (f) procedures for dealing with emergencies; and
 - (g) procedures for the removal of asbestos waste from the workplace, and the disposal thereof.
- (4) If the assessment or any of its reviews made in accordance with subregulation (1) and (5) indicates that any person is likely to be exposed to asbestos, the employer or self-employed person shall ensure that the exposure is adequately controlled as contemplated in regulation 11.
- (5) An employer or self-employed person shall forthwith review the assessment required by subregulation (1) if—
- (a) there is reason to believe that the previous assessment is no longer valid;
 - (b) control measures are no longer efficient;
 - (c) technological or scientific advances allow for more efficient control methods; or
 - (d) there has been a significant change in—
 - (i) work methods;
 - (ii) the type of work carried out; or
 - (iii) the type of equipment used to control exposure;
- and subregulations (2) and (3) shall apply.

Air monitoring

8. (1) Where exposure is in excess of half the OEL for asbestos, an employer shall ensure that a measurement programme of the concentration of airborne regulated asbestos fibres to which an employee is exposed, is—
- (a) carried out in accordance with these Regulations;
 - (b) carried out only after the relevant health and safety representative or relevant health and safety committee has been informed thereof and was given a reasonable opportunity, as mutually agreed upon, to comment thereon;

- (c) carried out by—
 - (i) an approved asbestos inspection authority; or
 - (ii) a person whose ability to do the measurements is verified by an approved asbestos inspection authority;
 - (d) representative of the exposure of employees to the airborne asbestos fibres in accordance with subregulation (2); and
 - (e) verified in accordance with subregulation (3) if the measurements are carried out by a person contemplated in subregulation (1)(c)(ii).
- (2) In order to comply with the provisions of subregulation (1)(d), an employer shall ensure—
- (a) that the measurement programme—
 - (i) in the case of a group measurement, makes provision for the selection of the number of persons for a sample to be done as contemplated in chapters 3 and 4 and table A-2 of Technical Appendix A of the OESSM: Provided that measurements of exposure shall be by personal sampling taken in accordance with MDHS 39/4: Provided further that in so far as any provision of the OESSM and the MDHS 39/4 is repugnant to a provision of the Occupational Health and Safety Act, 1993, and these Regulations, the provisions of the Act and these Regulations shall take precedence; and
 - (ii) if in the case of the most exposed employee measurement, the exposure exceeds the OEL for asbestos, then any other employee whose exposure could be above the OEL for asbestos is identified and that measurements representative of typical exposure shall be carried out on every employee identified; and
 - (b) that representative measurements contemplated in subregulation 1(d) are carried out at least every 12 months: Provided that whenever the OEL for asbestos is exceeded, regulation 11 shall apply.
- (3) In order to comply with subregulation (1)(e), an employer shall obtain the services of an approved asbestos inspection authority who shall, at intervals not exceeding 12 months, do the required verification—
- (a) by examining the measurement and analysis equipment of the employer;
 - (b) by questioning the person contemplated in subregulation (1)(c)(ii) regarding the measurement programme;

- (c) by carrying out, together with the person contemplated in subregulation (1)(c)(ii), the measurement programme required by subregulation (2) for any one group; and
- (d) by ensuring that the results of the measurement and investigation as contemplated in subregulation (2) and (3) respectively, have been recorded as required by regulation 16.

Medical surveillance

9. (1) An employer shall ensure that an employee is under the medical surveillance of an occupational medical practitioner if—
 - (a) an employee is exposed or is likely to be exposed to asbestos dust exceeding the OEL for asbestos; or
 - (b) an occupational medicine practitioner certifies that the relevant employee should be under medical surveillance.
- (2) In order to comply with subregulation (1), an employer shall, as far as is reasonably practicable, ensure that a structured medical surveillance programme be drawn up by an occupational medicine practitioner which shall include at least the following:
 - (a) An initial health evaluation, carried out by an occupational health practitioner immediately or within 14 days after a person commences employment, which comprises—
 - (i) an evaluation of the employee's medical and occupational history;
 - (ii) medical examinations and tests which should include chest X-rays, pulmonary function testing and an appropriate physical examination; and
 - (iii) any other essential medical examination which in the opinion of the occupational medicine practitioner is necessary in order to enable such practitioner to do a proper evaluation; and
 - (b) subsequent to the initial health evaluation contemplated in paragraph (a), evaluations of the relevant employee as contemplated in paragraph (a)(ii) and (iii), at intervals not exceeding two years, or at shorter intervals specified by an occupational medicine practitioner.
- (3) An employer shall not permit or allow an employee who has been certified unfit for work by an occupational medicine practitioner to work in a workplace or part of a workplace in which he or she will be exposed or is likely to be exposed to asbestos dust: Provided that the relevant employee may be permitted to return to work if he or she is certified fit for that work beforehand by an occupational medicine practitioner.

- (4) Where the reason for the employee being certified unfit as contemplated in subregulation (3) is as a result of exposure to asbestos in that workplace, the employer shall record and investigate the incident in compliance with regulation 8 of the General Administrative Regulations.

Respirator zone

10. An employer or self-employed person shall ensure that—
- (a) any workplace or part of a workplace under his or her control, where the concentration of regulated asbestos fibres in the air is, or may be, such that the exposure of persons in that workplace exceeds the OEL for asbestos without the wearing of respiratory protective equipment, is zoned as a respirator zone;
 - (b) a respirator zone is clearly demarcated and identified by notice indicating that the relevant area is a respirator zone and that the respiratory protective equipment and protective clothing contemplated in regulation 17 must be worn there;
 - (c) no person enters or remains in a respirator zone unless he or she wears the required respiratory protective equipment and protective clothing; and
 - (d) the reason why the OEL for asbestos is exceeded is identified and action is taken, as soon as is reasonably practicable, to lower the concentration of asbestos in the air by means other than respiratory protective equipment, so that it does not exceed the OEL for asbestos.

Control of exposure to asbestos

11. (1) An employer or self-employed person shall ensure that the exposure of a person to asbestos is either prevented, or, where this is not reasonably practicable, adequately controlled: Provided that the control of the exposure shall be regarded as adequate if the level of exposure is—
- (a) at or below the OEL for asbestos; or
 - (b) above the OEL for asbestos but the reason has been identified and action is taken, as soon as is reasonably practicable to lower exposure by means other than respiratory protective equipment, so that it does not exceed the OEL for asbestos.
- (2) Where reasonably practicable, an employer or self-employed person shall control the exposure of a person—
- (a) by using a substitute for asbestos;

- (b) by limiting the number of persons who will be exposed or may be exposed;
- (c) by limiting the period during which persons will be exposed or may be exposed;
- (d) by limiting the amount of asbestos dust that may contaminate the working environment;
- (e) by introducing, inter alia, the following engineering control measures for the control of exposure:
 - (i) Process separation, automation or enclosure;
 - (ii) bonding of asbestos fibres with other material to prevent the release of asbestos dust;
 - (iii) the installation of local extraction ventilation systems to processes, equipment or tools for the control of emissions of asbestos dust;
 - (iv) the use of wet methods where appropriate;
 - (v) separate workplaces for carrying out different processes; and
 - (vi) a fault indicator to enable early corrective action to be taken; and
- (f) by introducing appropriate written work procedures that an employee must follow to ensure that —
 - (i) asbestos is safely handled, used and disposed of;
 - (ii) process machinery, installations, equipment, tools and local extraction and general ventilation systems are safely used and maintained; and
 - (iii) early corrective action regarding the control exposure.

Cleanliness of premises and plant

12. Every employer or self-employed person shall take steps to ensure, as far as is reasonably practicable, that—
- (a) workplaces are maintained in a clean state and are free of asbestos waste and, whenever asbestos is accidentally spilled or asbestos dust is accidentally released into the workplace, that remedial measures are taken immediately before work is resumed;

- (b) machinery, plant and equipment, as well as external surfaces of ventilation equipment and internal surfaces of buildings, are kept free of asbestos dust;
- (c) cleaning is carried out by vacuum-cleaning equipment with a filtration efficiency of at least 99 per cent for particles one micrometre in size, or in such other manner that asbestos dust neither escapes nor is discharged into the air to such an extent that it contaminates any workplace or the environment;
- (d) the vacuum-cleaning equipment is regularly serviced and its external surfaces are kept in a clean state and free from asbestos dust; and
- (e) where the use of vacuum-cleaning equipment is impracticable, the relevant surfaces are first dampened and that persons undertaking such cleaning are wearing appropriate protective clothing and respiratory protective equipment.

Control of exposure to asbestos of persons other than employees

13. (1) An employer or self-employed person shall ensure that the release of asbestos dust into any environment or water system complies with the provisions of the Atmospheric Pollution Prevention Act, 1965 (Act No. 45 of 1965), the Environment Conservation Act, 1989 (Act No. 73 of 1989), the National Water Act, 1998 (Act No. 36 of 1998), and the National Environmental Management Act, 1998 (Act No. 107 of 1998).

(2) In respect of asbestos dust which may be released from a workplace into any environment or water system which may affect the health of persons other than persons at his or her workplace, an employer or self-employed person shall ensure—

(a) with regard to airborne emissions—

- (i) that all work performed with asbestos be controlled as far as is reasonably practicable; and
- (ii) that suitable filtration systems are used to control the release of asbestos dust into the environment to levels as low as is reasonably practicable;

(b) with regard to the contamination of water with asbestos—

- (i) that any water that is contaminated with asbestos as a result of work being performed is passed through a filtration system before being released into any environment or water system; and
- (ii) that a suitable water filtration system is used which will ensure that the asbestos being released or entering into any

environment or water system are reduced as far as is reasonably practicable;

- (c) that contaminated parts of the filtration system, when discarded, are disposed of as asbestos waste; and
- (d) that appropriate measures are taken to prevent the release of asbestos dust into the environment arising from the transport of asbestos.

Asbestos that forms part of structure of workplace, building, plant or premises

- 14.** (1) Where asbestos forms part of the structure of a workplace, building, plant or premises, the employer or self-employed person shall—
- (a) take reasonable steps to ensure that he or she determines the location of asbestos in such workplace, buildings, plant or premises, where that asbestos is likely to release asbestos dust that could impact on health or pollute the environment;
 - (b) make and maintain a written inventory of the location of asbestos in such workplace, buildings, plant or premises.
- (2) An employer shall inform the relevant health and safety representative or relevant health and safety committee in writing of the arrangements made for the identification and location procedure contemplated in subregulation (1), give them reasonable time to comment thereon and ensure that the asbestos inventory is made available to the relevant representative or committee who may comment thereon.
- (3) The health or safety representative, or a person nominated by the health and safety committee, shall be entitled to take part in the identification and location procedure contemplated in subregulation (1).
- (4) With regard to any dispute as to whether any substance is in fact asbestos, the health and safety representative or a person nominated by the employees may require that a sample of that substance be taken and the true nature of the substance be determined by an approved asbestos inspection authority: Provided that the cost of the identification shall be borne by the employer.
- (5) The employer or self-employed person shall regularly examine the condition of asbestos recorded in the inventory for deterioration or damage.
- (6) The employer or self-employed person shall assess the risk of exposure to such asbestos as contemplated in subregulation (1) and document the action necessary to ensure that—
- (a) information about the location and condition of material containing asbestos is given to anyone likely to disturb it;

- (b) any material containing asbestos is maintained in a good state of repair and that, where necessary, a planned maintenance program is implemented;
- (c) any material containing asbestos and which may create a risk of exposure because of its state and location, is repaired or, if necessary, removed: Provided that, if the removal constitutes demolition work, the asbestos shall be removed in accordance with regulation 21; and
- (d) procedures and arrangements are in place so that work that may disturb the material complies with all other requirements of these Regulations.

Asbestos cement sheeting and related products

15. (1) An employer or self-employed person who erect, maintain, alter, renovate, repair, dismantle or add asbestos-cement roof sheeting, wall paneling, gutters, fascia boards and related products to a building shall ensure that—
- (a) if any roof work is performed, suitable roof ladders or duckboards or crawling boards are used in accordance with regulation 12 of the General Safety Regulations published by Government Notice No. R. 1031 of 30 May 1986;
 - (b) written work procedures are laid down and followed to prevent the release of asbestos dust into the environment;
 - (c) any water which contains asbestos dust as a result of the activities contemplated in subregulation (1), shall be treated in accordance with regulation 13(2)(b) and (c);
 - (d) the work procedures contemplated in paragraph (b) shall be available for perusal by the relevant health and safety representative or relevant health and safety committee and for inspection by an inspector;
 - (e) removal work is conducted under controlled conditions in accordance with regulations 11 and 13;
 - (f) cutting or drilling is performed under controlled conditions in accordance with regulation 11 and 13, including the use of wet methods where possible, and a suitable slow-speed cutter is used, provided that a respirator shall be used by the operator and others at risk of exposure;
 - (g) asbestos waste of any form, including dust, is collected and disposed of in accordance with regulation 20;

- (h) once installed and where reasonably practicable, the relevant items are painted or otherwise sealed with a protective coating to limit the release of asbestos dust, combat weathering and inhibit growth of lichen or moss;
- (i) cleaning is done under controlled conditions ensuring that—
 - (i) dry-brushing, scraping, sanding or abrasion techniques are not used;
 - (ii) where reasonably practicable, high-pressure water jetting is not used unless in conjunction with a suitable profiled hood that limits dispersal of contaminated water and, if the said jetting is used, that suitable control methods are used in accordance with regulation 13(2)(b); and
 - (iii) when fungicidal solution or moss killer is applied, a standing time of 24 hours or any other period specified by the manufacturer is allowed, and a low-pressure hose is used after such period to keep the sheets wet whilst employing a stiff broom or any similar means to remove any moss or lichens.

Records

16. An employer shall—

- (a) keep records of the results of all assessments, air monitoring, medical surveillance reports and the asbestos inventory required by regulations 7, 8, 9 and 14(1)(b), respectively: Provided that personal medical records shall only be made available to an occupational health practitioner;
- (b) subject to paragraph (c), make the records contemplated in paragraph (a), excluding personal medical records, available for inspection by an inspector;
- (c) allow any person, subject to formal consent in writing of an employee, to peruse the records with respect to that particular employee;
- (d) make the records of all assessments and air monitoring, and the asbestos inventory available for perusal by the relevant health and safety representative or relevant health and safety committee;
- (e) keep all records of assessments and air monitoring, and the asbestos inventory for a minimum period of 40 years;
- (f) keep all medical surveillance records for a minimum period of 40 years and, if the employer ceases activities relating to asbestos work, shall hand over or forward by registered post all these records to the

relevant provincial director: Provided that those records contain at least the following information:

- (i) Surname, forenames, gender, date of birth, name of spouse or closest relative and where available, permanent address and postal code;
- (ii) a record of types of work carried out with asbestos and, where relevant, its location, the starting and ending dates of exposure and average duration of exposure in hours per week;
- (iii) a record of any work with asbestos prior to this employment; and
- (iv) dates of medical surveillance reports;
- (g) keep a record of the tests and investigations carried out in terms of regulation 18 (b) and of any repairs resulting from the relevant tests and investigations, and keep that record for at least three years; and
- (h) keep a record of training given to an employee in terms of regulation 5(5) for as long as the employee remains employed at the workplace in which he or she is being exposed to asbestos.

Personal protective equipment and facilities

17. (1) An employer or self-employed person shall provide—
- (a) all persons exposed to asbestos at the workplace with suitable protective clothing; and
 - (b) a person with suitable respiratory protective equipment to ensure that the person's exposure is adequately controlled as contemplated in regulation 11(1).
- (2) Where respiratory protective equipment is provided, the employer or self-employed person shall ensure that—
- (a) the relevant equipment is capable of keeping the exposure level at or below the OEL for asbestos;
 - (b) the relevant equipment is correctly and properly used;
 - (c) information, instruction, training and supervision that are necessary with regard to the use of the equipment are provided to the persons; and
 - (d) the equipment is kept in good condition and efficient working order.

(3) An employer or self-employed person shall, as far as is reasonably practicable—

- (a) issue no personal protective equipment to a person, unless such equipment is cleaned, decontaminated and, where appropriate, sterilised;
- (b) provide separate containers or storage facilities for personal protective equipment when not in use; and
- (c) ensure that all personal protective equipment not in use is stored only in the place provided.

(4) An employer or self-employed person shall, as far as is reasonably practicable, ensure that all personal protective equipment contaminated with asbestos dust is cleaned and handled in accordance with the following procedures:

- (a) Where the equipment is cleaned on the premises of the employer or self-employed person, care shall be taken to prevent contamination during handling, transport and cleaning;
- (b) Where the equipment is sent off the premises to a contractor for cleaning purposes—
 - (i) the equipment shall be packed in impermeable containers;
 - (ii) the container shall be tightly sealed and clearly labeled in the form of Annexure 1; and
 - (iii) the relevant contractor shall be informed of these Regulations and the precautions to be taken for the handling of the asbestos contaminated equipment; and
- (c) water that is used for decontamination or cleaning of equipment shall be filtered in accordance with regulation 13(2)(b) before being released into any water system.

(5) Subject to subregulation (4)(b), an employer or self-employed person shall ensure that no person removes dirty or contaminated personal protective equipment from the workplace: Provided that where personal protective equipment contaminated with asbestos dust has to be disposed of, it shall be treated as asbestos waste as contemplated in regulation 20.

(6) Subject to the provisions of the Facilities Regulations published by Government notice R. 1593 of 12 August 1988, the employer shall, where reasonably practical, provide employees who use personal protective equipment as contemplated in subregulation (1), with—

- (a) adequate washing facilities which are readily accessible and located in an area where the facilities will not become contaminated, in order to enable the employees to meet a standard of personal hygiene consistent with the adequate control of exposure, and to avoid the spread of asbestos dust;
- (b) two separate lockers labeled "protective clothing" and "personal clothing" respectively, and shall ensure that the clothing is kept separately in the lockers concerned; and
- (c) separate change rooms labeled "clean change room" and "dirty change room", with suitable barrier and bathing facilities between to prevent the contamination of personal clothes with asbestos dust.

Maintenance of control measures

18. An employer or self-employed person shall ensure that—
- (a) all control equipment and facilities provided in terms of regulations 11, 12, 13, and 17 are maintained in good working order; and
 - (b) examinations and tests of engineering control measures are carried out at intervals not exceeding 24 months by an approved inspection authority or by a person whose ability to do such examinations and tests is verified by an approved inspection authority.

Labeling, packaging, transportation and storage

19. An employer or self-employed person shall, in order to avoid the spread of asbestos dust, take steps, as far as is reasonably practicable, to ensure that—
- (a) the asbestos in storage or being distributed is properly identified, classified and handled in accordance with SABS 0228;
 - (b) a container or a vehicle in which asbestos is transported is clearly identified, classified and packed in accordance with SABS 0228 and SABS 0229; and
 - (c) any article or substance which contains asbestos is clearly labeled, in the form of Annexure 1.

Disposal of asbestos

20. An employer or self-employed person shall as far as is reasonably practicable ensure that—
- (a) all asbestos waste is placed in containers that will prevent the likelihood of exposure during handling;

- (b) all vehicles, re-usable containers or any other similar articles which have been in contact with asbestos waste are cleaned and decontaminated after use, in such a way that such vehicles, containers or similar articles do not cause a hazard inside or outside the workplace concerned;
- (c) all asbestos waste which can cause exposure, is disposed of only on sites specifically designated for this purpose in terms of the Environment Conservation Act, 1989 (Act No. 73 of 1989), and the National Environmental Management Act, 1998 (Act No. 107 of 1998), and in such a manner that it does not cause a hazard inside or outside the site concerned;
- (d) all persons occupied in the collection, transport and disposal of asbestos waste, who may be exposed to that waste, are provided with suitable personal protective equipment; and
- (e) where the services of a contractor for the disposal of asbestos waste are used, a provision is incorporated into the contract stating that the contractor shall also comply with the provisions of these Regulations.

Demolition

21. Any person who intends to have demolition work carried out, shall—

- (a) before the commencement of that work, take steps to ensure that—
 - (i) demolition work is carried out by a person who is a registered asbestos contractor;
 - (ii) all asbestos materials likely to become airborne are identified;
 - (iii) a plan of work is submitted for approval at least 30 days prior to the commencement of that work to an approved asbestos inspection authority who may at its discretion allow a shorter period of time for such submission and may approve standardised procedures for routine alterations or repairs: Provided that the stipulated time period shall not apply if the plan of work is drawn up by an approved asbestos inspection authority;
 - (iv) a copy of the approved plan of that work, which has been signed by the approved asbestos inspection authority, the employer and, if the person performing that work is not the employer or self-employed person, the mandatory of the employer or self-employed person, is submitted to the provincial director at least 14 days prior to commencement of such demolition work: Provided that an inspector may allow a shorter period for such submission; and

- (v) copies of approved standardised procedures for demolition work are submitted to the provincial director at least 14 days prior to commencement of that work; and
- (b) during and after the completion of demolition work, take steps to ensure that—
 - (i) all asbestos and materials containing asbestos are handled and disposed of in accordance with these regulations;
 - (ii) all persons exposed to or likely to be exposed to asbestos are issued with appropriate personal protective equipment and that such equipment is used properly; and
 - (iii) the premises, structure or area are thoroughly checked to ensure that all asbestos waste has been removed.

Prohibition

22. No person shall—

- (a) use compressed air or permit the use of compressed air to remove asbestos dust from any surface or person;
- (b) smoke, eat, drink or keep food or beverages in an area not specifically designated for it or require or permit any other person to smoke, eat, drink or keep food or beverages in such area; or
- (c) apply asbestos by means of spraying or any other similar process or require or permit any other person to apply asbestos by means of such process.

Offences and penalties

- 23.** Any person who contravenes or fails to comply with any provision of regulations 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13(2), 14, 15, 16, 17, 18, 19, 20, 21 or 22 shall be guilty of an offence and liable on conviction to a fine not exceeding R1000 or imprisonment for a period not exceeding 12 months and, in the case of a continuous offence, to an additional fine of R200 for each day on which the offence continues or to additional imprisonment of one day for each day on which the offence continues: Provided that the period of such additional imprisonment shall in no case exceed 90 days.

Repeal of regulations

- 24.** The Asbestos Regulations published under Government Notice No. R. 773 of 10 April 1987, as Government notice No. R. 1637 of 4 August 1989, are hereby repealed.

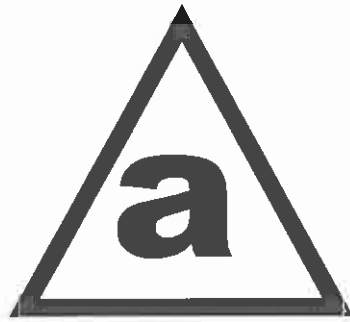
Short title

25. These Regulations shall be called the Asbestos Regulations, 2001.

“PREVIEW COPY ONLY”

ANNEXURE 1

OCCUPATIONAL HEALTH AND SAFETY ACT, 1993



**WARNING!!! ASBESTOS
INHALATION OF ASBESTOS DUST IS DANGEROUS TO HEALTH. FOLLOW
THE SAFETY INSTRUCTIONS**