

## NEC3 Term Service Contract (TSC)

entered into by and between

### Transnet SOC Ltd

Registration Number 1990/000900/30

(hereinafter referred to as the "Employer")

and

.....  
Registration Number .....

(hereinafter referred to as the "Contractor")

### Description of the Works

Provision of Specialised services for Planning, design, Wiring, Data Configuration and Installation of Railway Signalling Equipment in the Central Regions as & when required for a period of 24 (twenty four) months

### Contract Number

EFT-001-/2014

### Start Date

1 August 2014

### Completion Date

30 August 2016

## CONTRACT DOCUMENTS

### Form of Offer & Acceptance

### Contract Data

Part One – Data provided by the *Employer*

Part Two – Data provided by the *Contractor*

Conditions of Contract (3<sup>rd</sup> Edition – available separately)

### Prices

### Service Information

### Appendices

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## T1.1 Tender Notice and Invitation to Tender

Transnet SOC Ltd invites tenders for the provision of Specialized Services for Planning, Design, Wiring, Data Configuration & Installation of Railway Signalling Equipment in the Central Region as & when required for a period of twenty four (24) months.

Preferences are offered to tenderers who have a valid BBBEE certificate issued by a SANAS accredited agency.

The physical address for collection of tender document is:

Transnet Freight Rail  
Cnr Jet Park and North Reef Road  
Jet Park  
Elandsfontein

Documents may be collected during working hours after 09 hrs on Wednesday 04<sup>th</sup> June 2014 to 15 hrs on Thursday 12<sup>th</sup> June 2014

Queries relating to the issue of these documents may be addressed to

Ms Mosale Legwete  
Tel No 011 878 7082  
Email [mosale.legwete@transnet.net](mailto:mosale.legwete@transnet.net)

A **compulsory clarification** meeting with representatives of the Employer will take place at Cnr Jet Park and North Reef Road on Friday, 13<sup>th</sup> of June 2014 starting at 10hrs. Failure to attend the compulsory clarification meeting will lead to Bidders being disqualified.

The closing time for receipt of tenders is **10hrs** on Tuesday, **24<sup>th</sup> June 2014**.

Location of Tender Box is:

Tender Box 4  
Transnet freight Rail- RME  
Cnr. Jet Park & North Reef Road  
Elandsfontein

Telegraphic, telephonic, facsimile, e-mail and late tenders will not be accepted.

Tenders may only be submitted on the tender documentation that is issued.

Requirements for sealing, addressing, delivery, opening and assessment of tenders are stated in the Tender Data.

**Transnet urges Clients, Suppliers and Service Providers to report any acts of fraud and/or instances of corruption to Transnet's TIP-OFFS ANONYMOUS on 0800 003 056 or [Transnet@tip-offs.com](mailto:Transnet@tip-offs.com).**

**ACKNOWLEDGMENT OF RECEIPT OF DOCUMENTS****AND INTENTION TO TENDER**

(To be returned within 3 days after receipt)

FAX TO: Transnet Freight Rail

Project EFT-001/2014

No.:

Fax No.

Tender EFT-001/2014

No.:

Attention: Mosale Legwete

Closing **24<sup>th</sup> June 2014**

Date:

**For:**

Provision of specialised services for planning, design, wiring, data configuration & installation of railway signalling equipment in the Central, Eastern and Western regions as & when required for a period of 24 (twenty four) months.

**We:** **Do wish to tender** for the work and shall return our tender by the due date above

**Check****Yes** ☐

**Do not wish to tender** on this occasion and herewith return all your documents received

**No** ☐

REASON FOR NOT TENDERING:

COMPANY'S NAME, ADDRESS, CONTACT, PHONE AND TELEFAX NUMBERS

SIGNATURE : \_\_\_\_\_

TITLE: \_\_\_\_\_

## T1.2 Tender Data (Alternative Method 2)

The conditions of tender are the Standard Conditions of Tender as contained in Annex F of the CIDB Standard for Uniformity in Construction Procurement (January 2009) as published in Government Gazette No 31823, Board Notice 12 of 2009 of 30 January 2009, subsequently amended (May 2010), Board Notice 86 of 2010. (See [www.cidb.org.za](http://www.cidb.org.za))

The Standard Conditions of Tender make several references to Tender Data for details that apply specifically to this tender. This Tender Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the Standard Conditions of Tender.

Each item of data given below is cross-referenced in the left hand column to the clause in the Standard Conditions of Tender to which it mainly applies.

Clause	Data
F.1.1 The <i>Employer</i> is	Transnet SOC Ltd (Reg No. 1990/000900/30)
F.1.2 The tender documents issued by the <i>Employer</i> comprise:	
<b>Part T: The Tender</b>	
<b>Part T1: Tendering procedures</b>	T1.1 Tender notice and invitation to tender T1.2 Tender data
<b>Part T2 : Returnable documents</b>	T2.1 List of returnable documents T2.2 Returnable schedules
<b>Part C: The contract</b>	
<b>Part C1: Agreements and contract data</b>	C1.1 Form of offer and acceptance C1.2 Contract data (Part 1 & 2)
<b>Part C2: Pricing data</b>	C2.1 Pricing instructions C2.2 Activity schedules / Bill of Quantities
<b>Part C3: Scope of work</b>	C3 Works Information
<b>Part C4: Site information</b>	C4 Site information
F.1.4 The Employer's agent is:	Contract Administrator
Name:	Mosale Legwete
Address:	Cnr Jet Park and North Reef Road
Tel No.	011 8787082
Fax No.	011 580 0006
E – mail	<a href="mailto:Mosale.legwete@transnet.net">Mosale.legwete@transnet.net</a>

Description of the Works: Provision of specialised services for Planning, Design, Wiring, Data Configuration and Installation of Railway Signalling Equipment in the Central Region as & when required for a period of 24 (twenty four) months

F1.6 The competitive negotiation procedure may be applied.

F1.6 1. Pre-Qualifying Supplier Development Criteria

Only those tenderers who attain a minimum of 20% for Supplier Development will be eligible for further evaluation, failure to meet the minimum threshold will result in the tender being disqualified and removed from further consideration.

## 2. Technical/ Functionality

Only those tenderers who attain a minimum number of 60% for functionality will be eligible for further evaluation, failure to meet the minimum threshold will result in the tender being disqualified and removed from further consideration.

The quality criteria and maximum score in respect of each of the criteria are as follows:

Quality criteria	Sub-criteria	Maximum number of points in %
Quality Plan	10	10
Previous Experience	20	20
Capacity and Ability to meet delivery schedules	30	30
Technical Compliance	10	10
Health & Safety Plan	10	10
Key Staff & CV's	20	20
Maximum possible score for quality (W <sub>Q</sub> )		100

Quality shall be scored by not less than three evaluators and averaged in accordance with the following schedule:

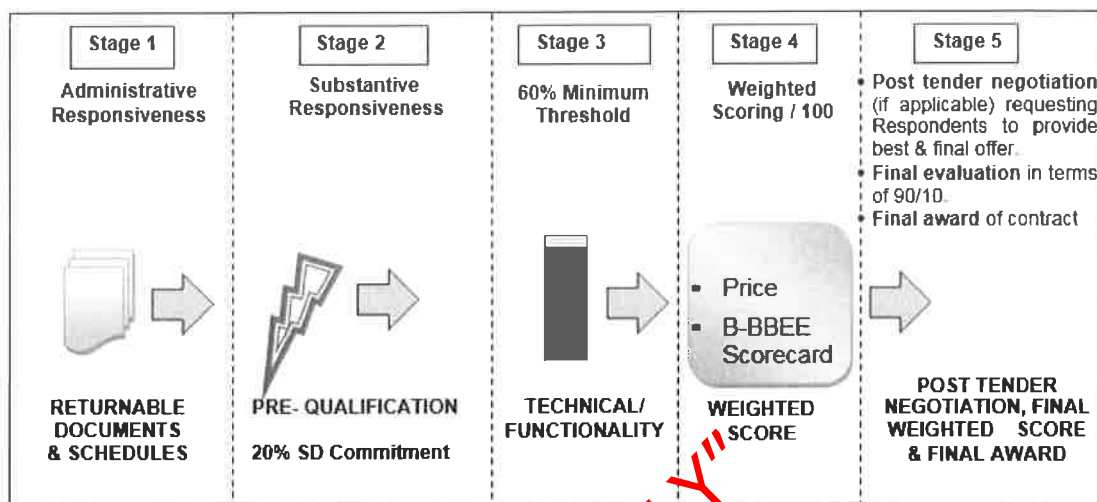
- T2.2-20 Quality Plan
- T2.2-25 Previous Experience
- T2.2-24 Capacity and availability to meet delivery schedules
- T2.2-47 Technical Compliance
- T2.2-22 Health & Safety plan
- T2.2-7 Key Staff & CV's

The minimum number of evaluation points in % for quality is : **60**

Transnet reserves the right to award a single contract or split the award.

## EVALUATION CRITERIA

Description of the Works: Provision of specialised services for Planning, Design, Wiring, Data Configuration and Installation of Railway Signalling Equipment in the Central Region as & when required for a period of 24 (twenty four) months



F.2.7 The arrangements for a compulsory clarification meeting are as stated in the Tender Notice and Invitation to Tender.

Tenderers must sign the attendance list in the name of the tendering entity. Addenda will be issued to and tenders will be received only from those tendering entities appearing on the attendance list.

F.2.12 No alternative tender offers will be considered

F.2.13.3 Parts of each tender offer communicated on paper shall be as an original, plus 1 (one) copies.

F.2.13.5 The Employer's details and address for delivery of tender offers and identification details that are to be shown on each tender offer package are:

Location of tender box      Transnet Freight Rail (RME)  
Cnr Jet Park and North Reef Road  
Jet Park  
Elandsfontein

Identification details:      The tender documents must be submitted in a sealed envelope labelled with:

- Name of Tenderer.....
- Contact person and details: .....
- The Tender Number: EFT-001/2014
- The Tender Description: Provision of specialised services for Planning, Design, Wiring, Data Configuration and Installation of Railway Signalling Equipment in the Central Region as & when required for a period of 24 (twenty four) months.

Documents must be marked for the attention

Description of the Works: Provision of specialised services for Planning, Design, Wiring, Data Configuration and Installation of Railway Signalling Equipment in the Central Region as & when required for a period of 24 (twenty four) months

of: Contract Administrator: Ms Mosale Legwete

The measurements of the "tender slot" are 490mm wide x 240mm high, and Respondents must please ensure that response documents or files are no larger than the above dimensions. Responses which are too bulky [i.e. exceeding the abovementioned dimensions] must be split into two or more files, and placed in separate envelopes, each such envelope to be addressed as required in paragraph above.

Prior arrangement on the submittal of large tender documents should be made with the Procurement Manager.

F.2.13.9	Telephonic, telegraphic, facsimile or e-mailed tender offers will not be accepted.
F.2.15	The closing time for submission of tender offers is as stated in the Tender Notice and Invitation to Tender.
F.2.16	The tender offer validity period is 90 days from closing date of this tender
F.2.18	Provide, on request by the <i>Employer</i> , any other material information that has a bearing on the tender offer, the tenderer's commercial position (including notarized joint venture agreements), preferencing arrangements, or samples of materials, considered necessary by the <i>Employer</i> for the purpose of a full and fair risk assessment. Should the tenderer not provide the material, or a satisfactory reason as to why it cannot be provided, by the time for submission stated in the <i>Employer's</i> request, the <i>Employer</i> may regard the tender offer as non-responsive.
F.3.4	The time and location for opening of the tender offers are: Time 10h00 on 24 June 2014 Location: Transnet Freight Rail (RME) Cnr Jet Park and North Reef Road Jet Park Elandsfontein



- F.3.11.3 The procedure for the evaluation of responsive tenders is Method 2.  
F.3.13.7

**Transnet will utilise the following formula in its evaluation of price**

$$PS = 90 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

**Where:** Ps = Score for Bid under consideration

Pt = Comparative price of Bid under consideration

Pm = The comparative price of the lowest priced bid passing the functionality test (i.e. technically acceptable)

Note: Negative values will result in the formula above where  $P > 2 \times P_m$ .

**Broad-Based Black Economic Empowerment criteria (Weighted 10%)**

Up to 100 minus  $W_1$  tender evaluation points will be awarded to tenderers who complete the preferencing schedule and who are found to be eligible for the preference claimed.

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 tenderers scorecard components at any stage from the date of close of the tenders until completion of the contract. Tenderers with no accreditation will score zero points for preferencing.

- F.3.13 Tender offers will only be accepted if:
- the tenderer submits an original valid Tax Clearance Certificate issued by the South African Revenue Services or has made arrangements to meet outstanding tax obligations;
  - the tenderer submits a letter of intent from an insurer undertaking to provide the Performance Bond to the format included in Part T2.2 of this procurement document
  - the tenderer is registered with the Construction Industry Development Board in an appropriate contractor grading designation;
  - the tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector;
  - the tenderer does not appear on Transnet list for restricted tenderers.
  - the tenderer has completed the Compulsory Enterprise Questionnaire and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the Employer or potentially compromise the tender process and persons in the employ of the state are permitted to submit tenders or participate in the contract;
  - the tenderer is registered and in good standing with the compensation fund or with a licensed compensation insurer;
  - the Employer is reasonably satisfied that the tenderer has in terms of the Construction Regulations, 2003, issued in terms of the Occupational Health and Safety Act, 1993, the necessary competencies and resources to carry out the work safely.

Transnet Freight Rail

ENQUIRY / CONTRACT NUMBER: EFT-001/2014

Description of the Works: Provision of specialised services for Planning, Design, Wiring, Data Configuration and Installation of Railway Signalling Equipment in the Central Region as & when required for a period of 24 (twenty four) months

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F.3.17      The number of paper copies of the signed contract to be provided by the Employer is 1 (one).

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## T2.1 List of Returnable Documents

### 1. Returnable Schedules- Essential Documents

T2.2-1	Changes to tender documents
T2.2-3	Risk Elements
T2.2-4	Availability of equipment and other resources
T2.2-5	Price Adjustment for Inflation
T2.2-8	Schedule of proposed Subcontractors/consultants
T2.2-9	Insurance provided by the Contractor
T2.2-10	Site Establishment requirements
T2.2-14	Authority to submit tender
T2.2-15	Certificate of attendance at tender clarification meeting
T2.2-16	Record of addenda to tender documents
T2.2-17	Compulsory Enterprise Questionnaire
T2.2-27	Broad-Based Black Economic Empowerment (BBBEE)
T2.2-31	Supplier Code of Conduct
T2.2-33	Mutual Non-Disclosure Agreement
T2.2-36	RFP Declaration Form
T2.2-43	RFP – Breach of Law
T2.2-44	Assembly site requirements
T2.2-50	Preference Points Claim Form (SBD 6.1)
Appendix (iv) SD Guidelines	
(iiv) Declaration of SD Commitments	
Annexure 1 – BBBEE Improvement Plan	

**This schedule is required for payment purposes only:**

T2.2-34	Supplier Declaration Form
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### 2. Returnable Documents- Mandatory

T2.2-7	Management and CV's of key persons
T2.2-20	Quality Plan
T2.2-22	Health and Safety Plan
T2.2-24	Capacity and ability to meet delivery schedule
T2.2-25	Previous experience
T2.2-47	Contractor's Design and Technical Compliance

**3. C1.1 Offer portion of Form of Offer & Acceptance**

**4. C1.2 Contract Data Part 2: Data by Contractor**

**5. C2.2 Bill of Quantities / Activity Schedule**

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## T2.2 Returnable Schedules

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## T2.2-1 : Changes to Tender Document

Changes to the tender documents are only allowed if a main tender complying fully with the tender documents has also been provided.

Do not return this schedule if no alternative tender is submitted.

The Conditions of Tender state that the tenderer may:

**F.2.12.1** Submit alternative tender offers only if a main tender offer, strictly in accordance with all the requirements of the tender documents, is also submitted. The alternative tender offer is to be submitted with the main tender offer together with a schedule that compares the requirements of the tender documents with the alternative requirements the tenderer proposes.

**F.2.12.2** Accept that an alternative tender offer may be based only on the criteria stated in the tender data or criteria otherwise acceptable to the employer.

Having examined the criteria stated in the Tender Data for this tender the proposed changes to the tender documents are:

Document No.	Subject of the proposed change	Propose to change to:

Signed

Date

Name

Position

Tenderer

Tenderers to review the potential risk element associated with the Project. The risk elements are to be priced separately in this Schedule. If No Risks are identified "No Risks" must be stated on this schedule.

NEW COPY ONLY"

Tenderer

Tenderers to submit a list of all Equipment and other resources that he proposes to use to execute the work as described in the Service Information, as well as the availability and details of ownership for each item.

[illegible]

Signed \_\_\_\_\_ Date \_\_\_\_\_

Name	Position
John Smith	CEO
Jane Doe	CTO
Bob Johnson	COO
Alice Brown	CMO
Charlie Davis	COO
Eve White	CMO
Frank Green	COO
Grace Black	CMO
Henry Blue	COO
Ivy Red	CMO
Jack Purple	COO
Karen Yellow	CMO
Leo Orange	COO
Mia Silver	CMO
Noah Gold	COO
Olivia Bronze	CMO
Peter Platinum	COO
Quinn Diamond	CMO
Rachel Ruby	COO
Sam Sapphire	CMO
Tina Emerald	COO
Victor Amethyst	CMO
Wendy Garnet	COO
Xavier Topaz	CMO
Yara Malachite	COO
Zoe Opal	CMO

Tenderer



## T2.2-5 : Price Adjustment for Inflation

Tenderers to submit the proposed price adjustment indices as per secondary option clause X1.1 (c) in terms of the NEC3 which will then be included in the Contract Data.

Prices will be fixed for the duration of twelve (12) months from date of award of contract, thereafter adjusted as per below table, or similar provided by contractor.

Only one (1) Price Adjustment after the initial 12 months will be allowed.

The proportions used to calculate the Price Adjustment Factor are:

**Proportion (to be completed by tenderer)**      Index prepared by: .....

**linked to index for:**

..... "L" is the "Labour Index" and shall be the "Consumer Price Index" for the urban area nearest to the Site as published in the Statistical News Release, P0141.1, Table 21, Statistics South Africa.

..... "P" is the "Plant Index" and shall be the "Civil Engineering Plant Index" as published in the Statistical News Release P0142.1, Table 16, Statistics South Africa.

..... "M" is the "Materials Index" and shall be the "Civil Engineering Materials Index" as published in the Statistical News Release P0142.1, Table 15, Statistics South Africa.

..... "F" is the "Fuel Index" and shall be the "Diesel Index" as published in the Statistical News Release P0142.1, Table 16, Statistics South Africa.

..... non-adjustable

**1.00      Total sum equal to 1.00**

Signed \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_ Position \_\_\_\_\_

Tenderer \_\_\_\_\_

## T2.2-8 : Schedule of Proposed Subcontractors / sub consultants

We notify you that it is our intention to employ the following subcontractors / sub consultants for work in this contract.

If we are awarded a contract we agree that this notification does not change the requirement for us to submit the names of proposed Subcontractors / Sub consultants in accordance with requirements in the contract for such appointments. If there are no such requirements in the contract, then your written acceptance of this list shall be binding between us.

	Name and address of proposed Subcontractor	Nature and extent of work	Previous experience with Subcontractor.
1.			
2.			
3.			
4.			

Signed

Date

Name

Position

Tenderer

## T2.2-9 : Insurance provided by the Contractor

Clause 83.1 in NEC3 Term Service Contract (June 2005)(amended June 2006) requires that the *Contractor* provides the insurance stated in the insurance table except any insurance which the *Employer* is to provide as stated in the Contract Data.

Please provide the following details for insurance which the *Contractor* is still to provide. Notwithstanding this information all costs related to insurance are deemed included in the tenderer's rates and prices.

Insurance against (See clause 83.2 of the TSC)	Name of Insurance Company	Cover	Premium
Loss of or damage caused by the Contractor to the Employer's property			
Loss of or damage to Plant and Materials			
Loss of or damage to Equipment			
The Contractor's liability for loss of or damage to property (except the Employer's property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) arising from or in connection with the Contractor's Providing the Service.			
Liability for 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			
(Other)			

Signed

Date

Name

Position

Tenderer

**Tenderers to indicate their Site establishment and/or laydown area requirements:**

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## Tenderer

## T2.2-14 : Authority to submit a Tender

Indicate the status of the tenderer by ticking the appropriate box hereunder. The tenderer must complete the certificate set out below for his category of organisation or alternatively attach a certified copy of a company / organisation document which provides the same information for the relevant category as requested here.

A - COMPANY	B - PARTNERSHIP	C - JOINT VENTURE	D - SOLE PROPRIETOR

### A. Certificate for Company

I, \_\_\_\_\_, chairperson of the board of directors of \_\_\_\_\_  
 \_\_\_\_\_ hereby confirm that by resolution of the  
 board taken on \_\_\_\_\_ (date), Mr/Ms \_\_\_\_\_, acting in  
 the capacity of \_\_\_\_\_, was authorised to sign all documents in  
 connection with this tender offer and any contract resulting from it on behalf of the company.

Signed

Date

Name

Position

Chairman of the Board of Directors

## B. Certificate for Partnership

We, the undersigned, being the **key partners** in the business trading as \_\_\_\_\_  
\_\_\_\_\_ hereby authorise Mr/Ms \_\_\_\_\_, acting in the  
capacity of \_\_\_\_\_, to sign all documents in connection with the tender  
offer for Contract \_\_\_\_\_ and any contract resulting from it on our behalf.

Name	Address	Signature	Date

NOTE: This certificate is to be completed and signed by the full number of Partners necessary to commit the Partnership. Attach additional pages if more space is required.

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## C. Certificate for Joint Venture

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorise Mr/Ms \_\_\_\_\_, an authorised signatory of the company \_\_\_\_\_, acting in the capacity of lead partner, to sign all documents in connection with the tender offer for Contract \_\_\_\_\_ and any contract resulting from it on our behalf.

This authorisation is evidenced by the attached power of attorney signed by legally authorised signatories of all the partners to the Joint Venture.

Furthermore we attach to this Schedule a copy of the joint venture agreement which incorporates a statement that all partners are liable jointly and severally for the execution of the contract and that the lead partner is authorised to incur liabilities, receive instructions and payments and be responsible for the entire execution of the contract for and on behalf of any and all the partners.

Name of firm	Address	Authorising signature, name (in caps) and capacity

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**D. Certificate for Sole Proprietor**

I, \_\_\_\_\_, hereby confirm that I am the sole owner of the business trading as \_\_\_\_\_

Signed	_____	Date	_____
Name	_____	Position	Sole Proprietor

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## T2.2-15 : Certificate of Attendance at Tender Clarification Meeting

This is to certify that

(Tenderer)

of

(address)

was represented by the person(s) named below at the compulsory tender clarification meeting

Held at:		
On (date)		Starting time:

As the tenderer we undertake that by said persons attending the clarification meeting we have made it our business to familiarise ourselves with all aspects of the works / service / supply specified in the tender documents in order for us to take account of everything necessary to provide a responsive tender offer and to compile our rates and prices included in the tender offer.

We further understand that in addition to any queries raised on behalf of us at the meeting we may still approach the *Employer / Service Manager* to request clarification of the tender documents until no later than five working days before the tender closing time stated in the Tender Data.

**Particulars of person(s) attending the meeting:**

Name

Signature

Capacity

Name

Signature

Capacity

**Attendance of the above persons at the meeting was confirmed by the procuring organisation's representative as follows:**

Name

Signature

Capacity

Date & time

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## T2.2-16 : Record of Addenda to Tender Documents

We confirm that the following communications received from the Employer before the submission of this tender offer, amending the tender documents, have been taken into account in this tender offer:

	Date	Title or Details
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

Attach additional pages if more space is required.

Signed

Date

Name

Position

Tenderer

## T2.2-17 : Compulsory Enterprise Questionnaire

The following particulars must be furnished. In the case of a joint venture, separate enterprise questionnaires in respect of each partner must be completed and submitted.

**Section 1: Name of enterprise:** . . . . .

**Section 2: VAT registration number, if any:** . . . . .

**Section 3: CIDB registration number, if any:** . . . . .

### Section 4: Particulars of sole proprietors and partners in partnerships

Name	Identity number	Personal income tax number

\* Complete only if sole proprietor or partnership and attach separate page if more than 3 partners

### Section 5: Particulars of companies and close corporations

Company registration number . . . . .

Close corporation number . . . . .

Tax reference number . . . . .

**Section 6: Record in the service of the state**

Indicate by marking the relevant boxes with a cross, if any sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- |  |   |
|--|---|
| <input type="checkbox"/> a member of any municipal council                                     | <input type="checkbox"/> an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) |
| <input type="checkbox"/> a member of any provincial legislature                                |   |
| <input type="checkbox"/> a member of the National Assembly or the National Council of Province |   |
| <input type="checkbox"/> a member of the board of directors of any municipal entity            | <input type="checkbox"/> a member of an accounting authority of any national or provincial public entity  |
| <input type="checkbox"/> an official of any municipality or municipal entity                   | <input type="checkbox"/> an employee of Parliament or a provincial legislature  |

If any of the above boxes are marked, disclose the following:

Name of sole proprietor, partner, director, manager, principal shareholder or stakeholder	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months

\*insert separate page if necessary

**Section 7: Record of spouses, children and parents in the service of the state**

Indicate by marking the relevant boxes with a cross, if any spouse, child or parent of a sole proprietor, partner in a partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months been in the service of any of the following:

- |  |   |
|--|---|
| <input type="checkbox"/> a member of any municipal council                                     | <input type="checkbox"/> an employee of any provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act 1 of 1999) |
| <input type="checkbox"/> a member of any provincial legislature                                | <input type="checkbox"/> a member of an accounting authority of any national or provincial public entity  |
| <input type="checkbox"/> a member of the National Assembly or the National Council of Province | <input type="checkbox"/> an employee of Parliament or a provincial legislature  |
| <input type="checkbox"/> a member of the board of directors of any municipal entity            |   |
| <input type="checkbox"/> an official of any municipality or municipal entity                   |   |

Name of spouse, child or parent	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months

\*insert separate page if necessary

The undersigned, who warrants that he / she is duly authorised to do so on behalf of the enterprise:

- i) authorizes the Employer to obtain a tax clearance certificate from the South African Revenue Services that my / our tax matters are in order;
- ii) confirms that the neither the name of the enterprise or the name of any partner, manager, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears on the Register of Tender Defaulters established in terms of the Prevention and Combating of Corrupt Activities Act of 2004;
- iii) confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears, has within the last five years been convicted of fraud or corruption;
- iv) confirms that I / we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest; and
- v) confirms that the contents of this questionnaire are within my personal knowledge and are to the best of my belief both true and correct.

Signed

Date

Name

Position

Enterprise  
name

## T2.2-27: Broad-Based Black Economic Empowerment (B-BBEE)

### B-BBEE and preferencing scheme:

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

Transnet would therefore prefer to do business with local business enterprises who share these same values and who are prepared to contribute to meaningful B-BBEE initiatives (including, but not limited to subcontracting and Joint Ventures) as part of their tender responses. Transnet will accordingly allow a "preference" in accordance with the 90/10 preference system, as per the Preferential Procurement Policy Framework Act 5 of 2000 (as amended), to companies who provide a valid B-BBEE verification Certificate. All procurement and disposal transactions will be evaluated accordingly.

Consequently, when Transnet invites prospective suppliers to submit tenders for its various capital expenditure programmes, it urges tenderers (Large Enterprises and QSE's - see below) to have themselves accredited by any one of the various Accreditation Agencies approved by SANAS (the South African National Accreditation Systems, under the auspices of the Department of Trade and Industry) and IRBA (Independent Regulatory Board for Auditors).

In terms of Government Gazette No 34612, Notice No. 754 dated 23 September 2011, as from 1 October 2011 only B-BBEE Accreditation Certificates issued by SANAS approved Verification Agencies or Registered Auditors approved by IRBA will be valid.

**All certificates are to display the B-BBEE Verification Agency Body Name and BVA Body number or a Registered Auditor's Body Name and IRBA number.**

Enterprises will be rated by such agencies based on the following:

Scorecard Types	Exempted Micro Enterprise	Qualifying Small Enterprise	Generic Construction
<b>Discipline</b>	Parameters are based on annual turnover of the Measured Entity		
<b>Contractor</b>	Annual turnover < R 5 million	Annual turnover > R 5 million and equal to or , < R 35 million	Annual turnover > R 35 million
<b>Built Environment Professionals (BEP)</b>	Annual turnover < R 1,5 million	Annual turnover > R 1,5 million and equal to or , < R 11,5 million	Annual turnover > R 11,5 million



**a) Large Enterprises**

- Rating level based on all seven elements of the B-BBEE scorecard

**b) Qualifying Small Enterprises – QSE**

- Rating level based on any four of the elements of the B-BBEE scorecard

**c) Exempted Micro Enterprises –**

- EMEs are exempted from B-BBEE verification as indicated in the DTI Codes, Statement 000 (Page 9)
- Automatic rating of Level 4 B-BBEE irrespective of race of ownership, i.e. 100% B-BBEE recognition
- Black ownership >50% or Black Women ownership >30% automatically qualify as Level 3 B-BBEE, i.e. 110% B-BBEE recognition
- Tenderers who qualify as EMEs in terms of the B-BBEE Act must submit a certificate (Which may be in the form of a letter) issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. The certificate must confirm the company turnover Black Ownership and Black Woman Ownership and B-BBEE status level.

In addition to the above, a trust, consortium or joint venture will qualify for its B-BBEE status level only if such consortium or joint venture submits a **consolidated** B-BBEE status certificate which covers the consortium or joint venture as if it were a single enterprise. Tenderers anticipating tendering in consortium or joint venture must allow sufficient time for obtaining such level verification.

A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate Tender.

Respondents must furnish B-BBEE certificates for all proposed subcontractors / sub-consulting, A bidder will not be awarded the points claimed for B-BBEE status level of contribution if it is indicated in the bid documents that such a bidder intends subcontracting / sub-consulting more than 25% of the contract value to any other enterprise that does not qualify for at least the same number of points that the bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract. A contractor is not allowed to sub-contract more than 25% of the contract value to another enterprise that does not have equal or higher B-BBEE status level, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

Respondents will be required to furnish proof to Transnet (i.e. a detailed scorecard as stipulated above in respect of Large Enterprises and QSEs, or proof of turnover in respect of EMEs). Failure to do so will result in a score of zero being allocated for B-BBEE.

When confirming the validity of a certificate in respect of an EME, the following should be detailed on the face of the certificate:

1. The Accounting Officer's or Registered Auditor's letter head with full contact details;
2. The Accounting Officer's or Registered Auditor's practice numbers;
3. The name and the physical location of the measured entity;
4. The registration number and, where applicable, the VAT number of the measured entity;
5. The date of issue and date of expiry;
6. The B-BBEE Status Level of Contribution obtained by the measured entity; and
7. The total black shareholding and total black female shareholding.

Turnover:

Kindly indicate your company's annual turnover for the past year

ZAR.....

- For Contractors:

- If annual turnover >R5m, please attach an accreditation certificate issued by an Accreditation Agency or Registered Auditor, together with all the relevant score sheets pertaining thereto;
- If annual turnover <R5m, please attach an accreditation certificate issued by an Accreditation Agency or Registered Auditor; or an Auditor's certificate or similar certificate issued by an Accounting Officer or Verification Agency which meets the definition for EME certificates mentioned above.

- For BEPs:

- If annual turnover >R1.5m, please attach an accreditation certificate issued by an Accreditation Agency, together with all the relevant score sheets pertaining thereto;
- If annual turnover < R 1,5 million, please attach an accreditation certificate issued by an Accreditation Agency or Registered Auditor; or an Auditor's certificate or similar certificate issued by an Accounting Officer or Verification Agency which meets the definition for EME certificates mentioned above.

In addition to the accreditation certificate, Transnet also requires that tenderers register their B-BBEE compliance and supporting documentation on the Department of Trade and Industry's ("DTI")

National B-BBEE IT Portal and Opportunities Network and **provide Transnet with proof of registration in the form of an official B-BBEE Profile issued by the DTI.**

Transnet will use the DTI B-BBEE IT Portal as a single data source for its B-BBEE supplier selection criteria and procurement improvement programme by tracking compliance, understanding spend and by sourcing future procurement opportunities.

**1. Instructions for registration and obtaining a DTI B-BBEE Profile:**

1. Go to <http://bee.thedti.gov.za>;
2. Click on B-BBEE Registry;
3. Click on *Register or Login*;
4. Click on *Click Here to Register*;
5. Complete the registration page;
6. Once registered, click on *List on Registry*;
7. Follow all 'on-screen' and e-mailed instructions to submit your documentation and obtain your Profile.

Signed

Date

Name

Position

Tenderer

## T2.2-31 : Supplier Code of Conduct

Transnet SOC Limited aims to achieve the best value for money when buying or selling goods and obtaining services. This however must be done in an open and fair manner that supports and drives a competitive economy. Underpinning our process are several acts and policies that any supplier dealing with Transnet must understand and support. These are:

- The Transnet Procurement Policy – A guide for Tenderers.
- Section 217 of the Constitution - the five pillars of Public PSCM (Procurement and Supply Chain Management): fair, equitable, transparent, competitive and cost effective;
- The Public Finance Management Act (PFMA);
- The Broad Based Black Economic Empowerment Act (BBBEE)
- The Prevention and Combating of Corrupt Activities Act (PRECCA); and
- The Construction Industry Development Board Act (CIDB Act).

This code of conduct has been included in this contract to formally appraise Transnet Suppliers of Transnet's expectations regarding behaviour and conduct of its Suppliers.

### ***Prohibition of Bribes, Kickbacks, Unlawful Payments, and Other Corrupt Practices***

Transnet is in the process of transforming itself into a self-sustaining State Owned Enterprise, actively competing in the logistics industry. Our aim is to become a world class, profitable, logistics organisation. As such, our transformation is focused on adopting a performance culture and to adopt behaviours that will enable this transformation.

#### ***1. Transnet SOC Limited will not participate in corrupt practices. Therefore, it expects its suppliers to act in a similar manner.***

- Transnet and its employees will follow the laws of this country and keep accurate business records that reflect actual transactions with, and payments to, our suppliers.
- Employees must not accept or request money or anything of value, directly or indirectly, from suppliers.
- Employees may not receive anything that is calculated to:
  - Illegally influence their judgement or conduct or to ensure the desired outcome of a sourcing activity;
  - Win or retain business or to influence any act or decision of any person involved in sourcing decisions; or
  - Gain an improper advantage.

- There may be times when a supplier is confronted with fraudulent or corrupt behaviour of Transnet employees. We expect our Suppliers to use our "Tip-offs Anonymous" Hot line to report these acts. (0800 003 056).

**2. Transnet SOC Limited is firmly committed to the ideas of free and competitive enterprise.**

- Suppliers are expected to comply with all applicable laws and regulations regarding fair competition and antitrust practices.
- Transnet does not engage with non-value adding agents or representatives solely for the purpose of increasing BBBEE spend (fronting).

**3. Transnet's relationship with suppliers requires us to clearly define requirements, to exchange information and share mutual benefits.**

- Generally, suppliers have their own business standards and regulations. Although Transnet cannot control the actions of our suppliers, we will not tolerate any illegal activities. These include, but are not limited to:
  - Misrepresentation of their product (origin of manufacture, specifications, intellectual property rights, etc);
  - Collusion;
  - Failure to disclose accurate information required during the sourcing activity (ownership, financial situation, BBBEE status, etc.);
  - Corrupt activities listed above; and
  - Harassment, intimidation or other aggressive actions towards Transnet employees.
- Suppliers must be evaluated and approved before any materials, components, products or services are purchased from them. Rigorous due diligence is conducted and the supplier is expected to participate in an honest and straight forward manner.
- Suppliers must record and report facts accurately, honestly and objectively. Financial records must be accurate in all material respects.

### **Conflicts of Interest**

A conflict of interest arises when personal interests or activities influence (or appear to influence) the ability to act in the best interests of Transnet SOC Limited.

- Doing business with family members.
- Having a financial interest in another company in our industry

Where possible, contracts will be negotiated to include the above in the terms of such contracts. To the extent such terms are not included in contractual obligations and any of the above code is breached, then Transnet reserves its right to review doing business with these suppliers.

I, \_\_\_\_\_ of \_\_\_\_\_  
(insert name of Director or as per Authority Resolution from Board of Directors) (insert name of Company)

hereby acknowledge having read, understood and agree to the terms and conditions set out in the "Transnet Supplier Code of Conduct."

Signed this on day \_\_\_\_\_ at \_\_\_\_\_

\_\_\_\_\_  
Signature

## T2.2-33 : Mutual Non-Disclosure Agreement

**Note to tenderers: This Non-Disclosure Agreement is to be completed and signed by an authorised signatory:**

**THIS AGREEMENT** is made effective as of..... day of ..... 20..... by and between:

**Transnet SOC Ltd** (Registration No. 1990/000900/30), a company incorporated and existing under the laws of South Africa, having its principal place of business at Carlton Centre, 150 Commissioner Street, Johannesburg, 2001, South Africa,

and

..... (Registration No. ....), a private company incorporated and existing under the laws of South Africa having its principal place of business at .....

.....

"PREVIEW COPY ONLY"

## 1. Purpose

The parties to this Agreement have a business relationship under which each party may disclose its Confidential Information to the other for the purpose of planning, developing and/or constructing a new [.....] ('the Purpose'). Each party ('the receiving party') shall treat as confidential all information and know-how which it may receive from the other party ('the disclosing party') in terms of this Agreement (hereinafter referred to as "confidential information"), and shall not divulge to any other party in any circumstances any such confidential information, and, in particular, any such confidential information as is covered by the National Key Points Act (Act No. 102 of 1980), whether during the currency of this Agreement or at any time thereafter, without the prior written consent of the disclosing party.

## 2. Definition

"**Confidential Information**" means any information, technical data, or know-how, including, but not limited to, that which relates to research, product plans, products, services, customers, markets, software, developments, inventions, processes, designs, drawings, engineering, hardware configuration information, marketing or finances.

## 3. Exclusions

Confidential Information does not include information, technical data or know-how which:

- 3.1. is in the possession of the receiving party at the time of disclosure as shown by the receiving party's files and records immediately prior to the time of disclosure;
- 3.2. prior or after the time of disclosure becomes part of the public knowledge or literature, not as a result of any inaction or action of the receiving party;
- 3.3. is developed by the receiving party through its independent resources without reference to the disclosing party's Confidential Information;
- 3.4. is disclosed to the receiving party by a third party without restriction and, to the knowledge of the receiving party, without violation of any obligation of confidentiality; or
- 3.5. is approved for release by the disclosing party in writing.

## 4. Non-Disclosure of Confidential Information

- 4.1. The parties to this Agreement agree not to use the Confidential Information disclosed to it by the other party for its own use or for any purpose except to carry out the Purpose as contained in this Agreement. Neither party will disclose any Confidential Information of the other party to third parties except those directors, officers, employees, consultants and agents who are required to have the information in order to carry out the discussions of the contemplated Purpose. Each party will notify those directors, officers, employees, consultants and agents to whom Confidential Information of the other party is disclosed or who have access to Confidential Information of the other party that they are bound by the obligations of this Non-Disclosure Agreement.
- 4.2. Each party agrees that it will take all reasonable measures to protect the secrecy of and avoid disclosure or use of Confidential Information of the other party in order to prevent it from falling into the public domain or the possession of persons other than those persons



authorised hereunder to have any such information, which measures shall include the highest degree of care that either party utilises to protect its own Confidential Information of a similar nature. Each party agrees to notify the other party in writing of any misuse or misappropriation of such Confidential Information of the other party which may come to its attention.

## **5. Promotion of Access to Information Act, No.2 of 2000**

- 5.1. All information relating to the disclosing party and which the disclosing party has indicated to the receiving party in writing to be confidential information, shall be deemed to be confidential information.
- 5.2. No provision of this Agreement shall be construed in such a way that the disclosing party is deemed to have granted its consent to the receiving party to disclose the whole or any part of the confidential information in the event that the receiving party receives a request for the whole or any part of the confidential information in terms of the provisions of the Promotion of Access to Information Act, No.2 of 2000, as may be amended from time to time ("the Act").
- 5.3. Subject to the provisions of sub-clause 5.3 below, the disclosure of confidential information by the receiving party otherwise than in accordance with the provisions of this Agreement will entitle the disclosing party to institute action for breach of confidence against the receiving party, as envisaged by Section 65 of Act No.2 of 2000.
- 5.4. The receiving party acknowledges that the provisions of sub-clause 5.2 above shall not be construed in such a manner as to exclude the applicability of any other grounds of refusal contained in Act No.2 of 2000 which may be applicable in the event that the receiving party receives a request for the whole or any part of the confidential information in terms of Act No.2 of 2000.

## **6. Non-Solicitation**

During the two-year period following the execution of this Agreement, neither party will solicit for employment, on its own behalf or that of any other person, any officer, director or employee of the other party at the level of director, vice-president or higher with whom the soliciting party became acquainted during the course of the discussions contemplated by this Agreement; provided, that the foregoing shall not be deemed to prohibit either party or a subsidiary of such party from making a general, public solicitation of employment in the ordinary course of such party or subsidiary's business, provided that such solicitation is not directed specifically to employees of the other party.

## **7. Mandatory Disclosure**

In the event that either party or their respective directors, officers, employees, consultants or agents are requested or required by legal process to disclose any of the Confidential Information of the other party, the party required to make such disclosure shall give prompt notice so that the other party may seek a protective order or other appropriate relief. In the event that such protective order is not obtained, the party required to make such disclosure shall disclose only that portion of the Confidential Information, which its counsel advises that it is legally required to disclose.

## **8. Variation, Addition or Cancellation**

No variation of, addition to, cancellation or novation of this Agreement in its entirety or of any term or condition thereof shall be of any force or effect unless such amendment or cancellation is reduced to writing and signed by both parties.

#### **9. No License Granted**

Nothing in this Agreement is intended to grant any rights to either party under any patent, copyright, trade secret or other intellectual property right nor shall this Agreement grant either party any rights in or to the other party's Confidential Information, except the limited right to review such Confidential Information solely for the purposes of the contemplated business relationship between the parties.

#### **10. No Representations**

No party makes any representation or warranty as to the accurateness or completeness of any Confidential Information provided hereunder. Neither party shall have any liability to the other arising from, or related to, the other party's use of Confidential Information provided hereunder.

#### **11. Term**

The foregoing commitments of either party in this Agreement shall survive any termination of the business relationship under the contemplated Purpose between the parties, and shall continue relative to any Confidential Information disclosed hereunder for a period of 10 (ten) years following the disclosure of such Confidential Information.

#### **12. Miscellaneous**

This Agreement shall be binding upon and for the benefit of the undersigned parties, their successors and assigns, provided that Confidential Information of either party may not be assigned without the prior written consent of the disclosing party. Failure to enforce any provision of this Agreement shall not constitute a waiver of any term hereof.

#### **13. Governing Law and Jurisdiction**

This Agreement shall be governed by and construed and enforced in accordance with the laws of the Republic of South Africa, and shall be binding upon the parties hereto in South Africa and worldwide.

#### **14. Disputes**

Any dispute or difference arising out of or relating to this Confidentiality Agreement shall be referred to arbitration and settled by arbitration according to the rules then in effect of the Arbitration Foundation of Southern Africa. Such arbitration shall be held in Johannesburg, and conducted in the English language before 1 (one) arbitrator appointed in accordance with the said rules. The arbitrator shall apply the law chosen by the parties elsewhere in this Agreement to the merits of the dispute. This Agreement to arbitrate shall be enforceable in, and judgement upon any award may be entered in any court of any country having appropriate jurisdiction.

## 15. Remedies

Each party agrees that its obligations hereunder are necessary and reasonable in order to protect the other party and the other party's business, and expressly agrees that monetary damages may be inadequate to compensate the other party for any breach by either party of any covenants and agreements set forth herein. Accordingly, each party agrees and acknowledges that any such violation or threatened violation may cause irreparable injury to the other party and that, in addition to any other remedies that may be available, in law, in equity or otherwise, the other party shall be entitled to obtain injunctive relief against the threatened breach of this Agreement or the continuation of any such breach, without the necessity of proving actual damages.

Signed

Date

Name

Position

Tenderer

"PREVIEW COPY ONLY"

## T2.2-36 : RFP DECLARATION FORM

NAME OF COMPANY: \_\_\_\_\_

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

1. Transnet has supplied and we have received appropriate responses to any/all questions (as applicable) which were submitted by ourselves for bid clarification purposes;
2. we have received all information we deemed necessary for the completion of this Request for Proposal (RFP);
3. at no stage have we received additional information relating to the subject matter of this RFP from Transnet sources, other than information formally received from the designated Transnet contact(s) as nominated in the RFP documents;
4. we are satisfied, insofar as our company is concerned, that the processes and procedures adopted by Transnet in issuing this RFP and the requirements requested from bidders in responding to this RFP have been conducted in a fair and transparent manner; and
5. furthermore, we acknowledge that a direct relationship exists between a family member and/or an owner / member / director / partner / shareholder (unlisted companies) of our company and an employee or board member of the Transnet Group as indicated below: *[Respondent to indicate if this section is not applicable]*

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

ADDRESS:

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

Indicate nature of relationship with Transnet:

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

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

We declare, to the extent that we are aware or become aware of any relationship between ourselves and Transnet (other than any existing and appropriate business relationship with Transnet) which could unfairly advantage our company in the forthcoming adjudication process, we shall notify Transnet immediately in writing of such circumstances.

6. We accept that any dispute pertaining to this bid will be resolved through the Ombudsman process and will be subject to the Terms of Reference of the Ombudsman. The Ombudsman process must first be exhausted before judicial review of a decision is sought. (Refer "Important Notice to Respondents" overleaf).
7. We further accept that Transnet reserves the right to reverse a tender award or decision based on the recommendations of the Ombudsman without having to follow a formal court process to have such award or decision set aside.

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

For and on behalf of .....	AS WITNESS:
duly authorised thereto	
Name:	Name:
Position:	Position:
Signature:	Signature:
Date:	
Place:	

## 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

## T2.2-44 : Assembly site requirements

If the cranes are required to be assembled on site, then the tenderer must state his assembly site requirements here, including the following:

- Assembly site area required (m<sup>2</sup>) and special requirements.
- Site laydown area required (m<sup>2</sup>) and preferred proximity to the assembly site.
- Estimated electricity usage per month, including average usage and peak demand
- Estimated water consumption per month, including average usage and peak demand
- Special requirements on site like hard standing or concrete beams, regarding access, etc.

"PREVIEW COPY ONLY"

Signed \_\_\_\_\_

Date \_\_\_\_\_

Name \_\_\_\_\_

Position \_\_\_\_\_

Tenderer \_\_\_\_\_

## T2.2-50: B-BBEE PREFERENCE POINTS CLAIM FORM (SDB 6.1)

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

### 1. INTRODUCTION

- 1.1 A total of ..... preference points shall be awarded for B-BBEE Status Level of Contribution.
- 1.2 Failure on the part of a Bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System [SANAS] or a Registered Auditor approved by the Independent Regulatory Board of Auditors [IRBA] or an Accounting Officer as contemplated in the Close Corporation Act [CCA] together with the bid will be interpreted to mean that preference points for B-BBEE Status Level of Contribution are not claimed.
- 1.3 Transnet reserves the right to require of a Bidder, either before a Bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by Transnet.

### 2. GENERAL DEFINITIONS

- 2.1 **"all applicable taxes"** include value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 2.2 **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 2.3 **"B-BBEE status of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 2.4 **"Bid"** means a written offer in a prescribed or stipulated form in response to an invitation by Transnet for the provision of goods, works or services;
- 2.5 **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 [Act No. 53 of 2003];
- 2.6 **"comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration;
- 2.7 **"consortium or joint venture"** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract;
- 2.8 **"contract"** means the agreement that results from the acceptance of a bid by Transnet;
- 2.9 **"EME"** means any enterprise with an annual total revenue of R5 [five] million or less;
- 2.10 **"firm price"** means the price that is only subject to adjustments in accordance with the actual



increase or decrease resulting from the change, imposition, or abolition of customs and excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;

- 2.11 **"functionality"** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 **"non-firm prices"** means all prices other than "firm" prices;
- 2.13 **"person"** includes reference to a juristic person;
- 2.14 **"rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 **"subcontract"** means the primary contractor's assigning or leasing or making out work to, or employing another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 **"total revenue"** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Empowerment Act and promulgated in the Government Gazette on 9 February 2007;
- 2.17 **"trust"** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 2.18 **"trustee"** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### 3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The Bidder obtaining the highest number of total points for the evaluation criteria as enumerated in Section 2 of the RFP will be awarded the contract, unless objective criteria justifies the award to another bidder.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts.
- 3.3 Points scored will be rounded off to 2 [two] decimal places.
- 3.4 In the event of equal points scored, the Bid will be awarded to the Bidder scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more Bids have scored equal points including equal preference points for B-BBEE, the successful Bid will be the one scoring the highest score for functionality.
- 3.6 Should two or more Bids be equal in all respect, the award shall be decided by the drawing of lots.

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

- 4.1 In terms of Regulation 5(2) and 6(2) of the Preferential Procurement Regulations, 2011, preference points shall be awarded to a Bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of Points [Maximum 10]
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

*Note: Refer to Section 1 of the RFP document for further information in terms of B-BBEE ratings.*

- 4.2 Bidders who qualify as EMEs in terms of the B-BBEE Act must submit a certificate issued by an Accounting Officer as contemplated in the CCA or a Verification Agency accredited by SANAS or a Registered Auditor. Registered auditors do not need to meet the prerequisite for IRBA's approval for the purpose of conducting verification and issuing EME's with B-BBEE Status Level Certificates.
- 4.3 Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 4.4 A trust, consortium or joint venture will qualify for points for its B-BBEE status level as a legal entity, provided that the entity submits its B-BBEE status level certificate.
- 4.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 4.6 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialised scorecard contained in the B-BBEE Codes of Good Practice.
- 4.7 A person will not be awarded points for B-BBEE status level if it is indicated in the Bid documents that such a Bidder intends subcontracting more than 25% [twenty-five per cent] of the value of the contract to any other enterprise that does not qualify for at least the same number of points that such a Bidder qualifies for, unless the intended subcontractor is an EME that has the capability and ability to execute the subcontract.
- 4.8 A person awarded a contract may not subcontract more than 25% [twenty-five per cent] of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

## 5. B-BBEE STATUS AND SUBCONTRACTING

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

B-BBEE Status Level of Contributor \_\_\_\_\_ = \_\_\_\_\_ [maximum of 10 / 20 points]

Note: Points claimed in respect of this paragraph 5.1 must be in accordance with the table reflected in paragraph 4.1 above and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the Close Corporation Act.

### 5.2 Subcontracting:

Will any portion of the contract be subcontracted? YES/NO [delete which is not applicable]

If YES, indicate:

- (i) What percentage of the contract will be subcontracted? ..... %
- (ii) The name of the subcontractor .....
- (iii) The B-BBEE status level of the subcontractor .....
- (iv) Is the subcontractor an EME? YES/NO

### 5.3 Declaration with regard to Company/Firm

- (i) Name of Company/Firm.....
- (ii) VAT registration number.....
- (iii) Company registration number.....

- (iv) Type of Company / Firm
  - ☐ Partnership/Joint Venture/Consortium
  - ☐ One person business/sole propriety
  - ☐ Close Corporations
  - ☐ Company (Pty) Ltd[TICK APPLICABLE BOX]

- (v) Describe Principal Business Activities

.....

.....

.....

.....

(vi) Company Classification

☐ Manufacturer

☐ Supplier

☐ Professional Service Provider

☐ Other Service Providers, e.g. Transporter, etc

[TICK APPLICABLE BOX]

(vii) Total number of years the company/firm has been in business.....

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## BID DECLARATION

I/we, the undersigned, who warrants that he/she is duly authorised to do so on behalf of the company/firm, certify that points claimed, based on the B-BBEE status level of contribution indicated in paragraph 4 above, qualifies the company/firm for the preference(s) shown and I / we acknowledge that:

- (i) The information furnished is true and correct.
- (ii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 6 above, the contractor may be required to furnish documentary proof to the satisfaction of Transnet that the claims are correct.
- (iii) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, Transnet may, in addition to any other remedy it may have:
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) restrict the Bidder or contractor, its shareholders and directors, and/or associated entities, or only the shareholders and directors who acted in a fraudulent manner, from obtaining business from Transnet for a period not exceeding 10 years, after the *audi alteram partem* [hear the other side] rule has been applied; and/or
  - (e) forward the matter for criminal prosecution.

## WITNESSES:

1. ....

SIGNATURE OF BIDDER

2. ....

DATE:

.....  
COMPANY NAME: .....

ADDRESS: .....

.....

.....

**Appendix (iv)**

**SUPPLIER DEVELOPMENT GUIDELINE DOCUMENT**  
**[January 2014]**

"PREVIEW COPY ONLY"

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### Note

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

## 1 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, capability and capacity of the South African supply base where there are comparative advantages and potential for local or regional supply. This can be achieved through skills transfer, as well as building new capability and capacity in the South African supply base. In addition, SD has its roots grounded firmly around the transformation of South Africa and the empowerment of previously disadvantaged individuals and enterprises.

## 2 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 negatively impacted 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 dependences 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 effort is closely aligned to the NGP objectives and as a result we are able to fulfil our 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 will 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 economic opportunities for the participation of previously disadvantaged groups.

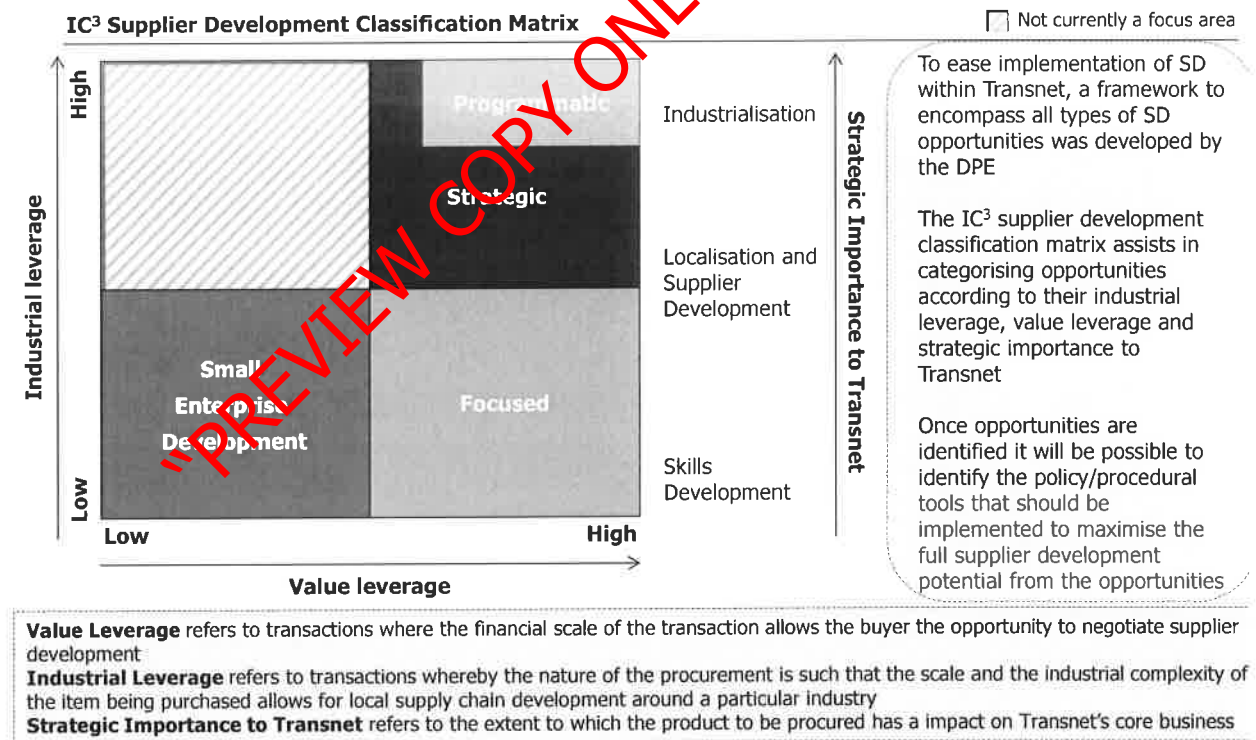
This will lead to Transnet achieving its long-term objective of increasing both shareholder and societal value using its procurement expenditure to ensure local development through the sustainable growth of capability and capacity in South Africa's supply chain and the inclusion of the previously disadvantaged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



### 3 Transnet's Supplier Development Objectives and Framework

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 (IC<sup>3</sup>) Supplier Development Classification Matrix.

This framework 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 framework 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 IC<sup>3</sup> 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 IC<sup>3</sup> Supplier Development Classification Matrix**

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

#### 3.1 Programmatic

Programmatic initiatives follow a longer than normal planning horizon and generally exceed the funding capacity of Transnet's balance sheet. Collaboration between the SOC 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.

### 3.2 **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 Transnet's 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.

### 3.3 **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.

### 3.4 **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.

## 4 **Response based on the IC<sup>3</sup> Matrix Quadrants**

Based on the supplier-buyer power, industrial complexity, risk and the length of procurement period, the Supplier/Service Provider is expected to formulate a SD Plan to identify the opportunities that it will pursue. Ideally the SD Bid Plan should address factors that are specific to the applicable quadrant of the IC<sup>3</sup> matrix.

Transnet has identified a number of opportunities which may aid a Supplier/Service Provider in formulating its response based on each quadrant. Each of the opportunities identified by the Supplier/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.

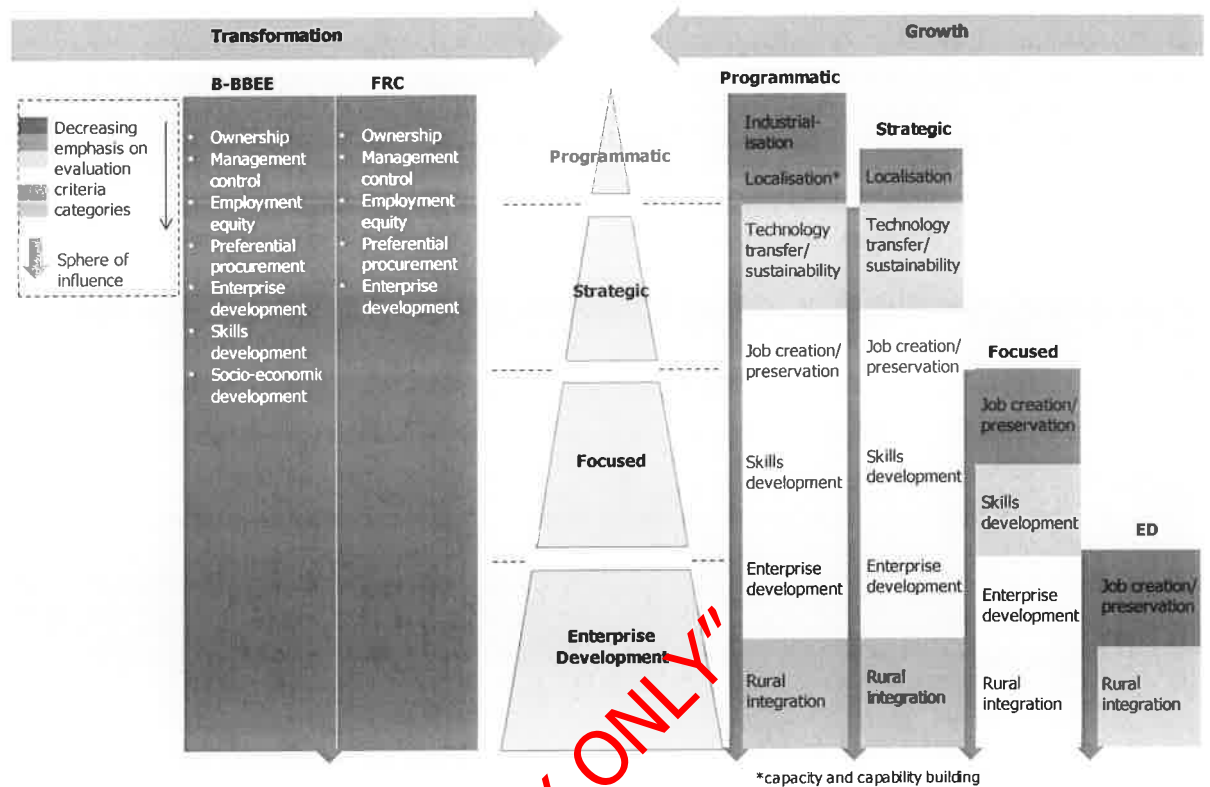


Figure 2: Transnet value capture through supplier influence

#### 4.1 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 SOC 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 -**
  - Industrialisation
  - Capability and capacity building in South Africa
  - 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
  - Manufacturing capability and capacity building
  - Technology transfer
  - Skills development

#### 4.2 Strategic

The main objective of Strategic transactions is to leverage local downstream suppliers through large-scale SOC 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:

- a) Strategic Focus Areas -
  - Capability and capacity building in South Africa
  - 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
- b) Key Outcomes -
  - Increased S.A. manufacturing capability and capacity
  - Increased technology transfer
  - Skills development
  - Job creation/preservation

#### 4.3 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:

- a) 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
- b) Key Outcomes -
  - Empowerment
  - Skills development
  - Rural development
  - Job creation/preservation

#### 4.4 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:

- a) 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
- b) Key Outcomes -
  - Empowerment
  - Rural development
  - Skills development
  - Job creation/preservation

Based on these focus areas and key outcomes, a Supplier/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.

## 5 Supplier Development Category Definitions and High Level Descriptions

### 5.1 Industrialisation

Industrialisation refers specifically to industrial development that will result in globally leading capabilities 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 the investment of plant purchased in South Africa	➤ 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

### 5.2 South African Capability and Capacity Building

South African capability and capacity building refers specifically to industrial development that focuses on value-added activities for the local industry through manufacturing or service-related functions.

Criteria	Description
➤ Value-added manufacturing activity/activities to be undertaken in South Africa	➤ Description of value-added activities to be performed during the contract period in South Africa
➤ Service-related functions to be undertaken in South Africa	➤ Description of service-related functions to be performed during the contract period in South Africa
➤ Number of local suppliers in the supply chain	➤ Number of South African suppliers that are to be utilised in the fulfilment of a contract

### 5.3 Technology transfer/sustainability

Technology improvements are intangible assets with significant economic value. The Supplier/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 Supplier/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"> <li>○ For processes</li> <li>○ ICT</li> </ul>
➤ 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

### 5.4 Skills development

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"> <li>• Number of artisans trained</li> <li>• Number of technicians trained</li> <li>• Number of black people trained</li> <li>• Total number of people trained</li> </ul>	➤ Number of individuals that the Supplier/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 Supplier/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



Criteria	Description
➤ 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 Suppliers/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 Supplier/Service Provider plans to enlist during the course of the contract
➤ Investment in Schools in specific sectors e.g. engineering	➤ The monetary value that the Supplier/Service Provider is prepared to invest in the development and running of schools to increase technical skills development

#### 5.5 Job creation/preservation

Job creation and/or preservation allows assessment of Government's objectives to increase labour absorption, focusing on unskilled workers and the youth.

Criteria	Description
➤ Number of jobs preserved	➤ Number of jobs which would be preserved through Award of Contract
➤ Number of jobs created including: <ul style="list-style-type: none"> <li>• New skilled jobs created</li> <li>• New unskilled jobs created</li> </ul>	➤ Number of jobs to be created during the period of the contract <ul style="list-style-type: none"> <li>• Jobs for people in a specialised field of work requiring a defined training path and / or requisite level of experience in order for them to perform that role. These people could be in possession of a certificate, diploma or degree from a higher education institution.</li> <li>• Jobs for people where the field of work does not require extensive formal training or from whom no minimum level of education is required</li> </ul>
➤ Number of jobs created for youth	➤ Jobs created for individuals aged 16 – 35 years
➤ Number of jobs created for Black youth	➤ Jobs created for Black individuals aged 16 – 35 years

## 5.6 Enterprise and Supplier Development

Small business promotion criteria give an indication of the Supplier/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"> <li>• QSEs</li> <li>• EMEs</li> <li>• Start-ups</li> <li>• B-BBEE Facilitators</li> </ul>	➤ Refers to the planned procurement from small business as a % of the total planned procurement spend
➤ Sub-contracting	➤ Refers to sub-contracting to QSEs/EMEs that are preferably Black Owned, Black Women Owned, Black Youth Owned or owned by Black People with disabilities
➤ Non-financial support provided to small business	➤ Suppliers/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	➤ Suppliers/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 Supplier/Service Provider will jointly run with Transnet: <ul style="list-style-type: none"> <li>• That are aligned to Transnet's objectives</li> <li>• That are non-financial in nature</li> </ul>

## 5.7 Rural development/integration

Rural development / integration indicates the Supplier's/Service Provider's planned use of local labour and business which 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 businesses 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 Supplier/Service Provider plans to develop as a result of the contract
➤ Value of development to local	➤ The monetary value spent on rural community development that will result in



community (sustainable)

long-term social improvements

## 6 Market Intelligence Assistance

Suppliers/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 Plan. The United Nations Industrial Development Organisation (UNIDO) supplies a benchmarking service in South Africa which will be able to assist Suppliers/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 Suppliers'/Service Providers' businesses and the practices used to deliver the products or services being offered. The benchmarking tool focuses on:

- 6.1 Performance data relating to -
  - a) Financial performance
  - b) Customer data
  - c) Processes
  - d) Learning & growth
- 6.2 Company's current business situation -
  - a) Plans for the business and capabilities to manage their fulfilment
  - b) Ability to generate business
  - c) Employee relationships
  - d) Developing new markets
  - e) Developing products and services
  - f) 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, Suppliers/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.

## 7 Government Policy Documents

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

## 8 Other Reference Websites

References	Website
Department of Public Enterprise (DPE)	<a href="http://www.dpe.gov.za">www.dpe.gov.za</a>
United Nations Industrial Development Organisation (UNIDO)	<a href="http://www.unido.org/spx">www.unido.org/spx</a>

## 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 Company (SOC)**

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.

## Appendix (iiv)

### DECLARATION OF SUPPLIER DEVELOPMENT COMMITMENTS

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

hereby **agree/do not agree** *[Delete as applicable]* to commit that not less than 20% of the contract value will be spent cumulatively on Supplier Development Initiatives. This pre-qualification criterion must be discharged against the following Supplier Development categories:

- Skills development
- Job creation
- Job preservation
- Enterprise and Supplier Development

I/We do hereby certify that the Supplier Development commitments made in relation to this RFP are solely in relation to this transaction and are not duplicated in relation to any other contracts that I/we have secured with any other organ of state including other State Owned Companies.

Furthermore, I/we do hereby declare that this undertaking also applies to any other contracts that I may have secured with Transnet including other Transnet Operating Divisions/Specialist Units. For the purposes of verification of this undertaking, the following is a list of contracts with Supplier Development commitments that I/we have secured with Transnet:

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

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

\_\_\_\_\_  
SIGNATURE OF WITNESS

\_\_\_\_\_  
SIGNATURE OF RESPONDENT



## ANNEXURE 1: B-BBEE IMPROVEMENT PLAN

Transnet encourages its Suppliers/Service Providers to constantly strive to improve their B-BBEE rating. Whereas Respondents will be allocated points in terms of a preference point system based on its B-BBEE scorecard, in addition to such scoring, Transnet also requests that Respondents submit a B-BBEE improvement plan. Respondents are therefore requested to indicate the extent to which their ownership, management control, Supplier Development, Preferential Procurement and Enterprise Development will be maintained or improved over the contract period.

Respondents are requested to submit their B-BBEE Improvement Plan as an additional document with their Proposals.

*Respondents are to insert their current status (%) and future targets (%) for the B-BBEE Improvement Plan [i.e. not the % change but the end-state quantum expressed as a percentage] in the table below. This will indicate how you intend to sustain or improve your B-BBEE rating over the contract period. On agreement, this will represent a binding commitment to the successful Respondent.*

*Transnet reserves the right to request supporting evidence to substantiate the commitments made in the B-BBEE Improvement Plan.*

OWNERSHIP INDICATOR	Required Responses	Current Status (%)	Future Target (%)
1. The percentage of the business owned by Black <sup>1</sup> persons.	<i>Provide a commitment based on the extent to which ownership in the hands of Black persons as a percentage of total ownership of the organisation would be sustained or increased over the contract period.</i>		
2. The percentage of your business owned by Black women.	<i>Provide a commitment based on the extent to which ownership in the hands of Black women as a percentage of total ownership of the organisation would be sustained or increased over the contract period.</i>		
3. The percentage of the business owned by Black youth <sup>2</sup>	<i>Provide a commitment based on the extent to which ownership in the hands of Black youth as a percentage of total ownership of the organisation would be sustained or increased over the contract period.</i>		
4. The percentage of the business owned by Black persons living with disabilities	<i>Provide a commitment based on the extent to which ownership in the hands of Black disabled persons as a percentage of total ownership of the organisation would be sustained or increased over the contract period.</i>		
5. New Entrants <sup>3</sup> (Early stage business)	<i>Provide a commitment based on the extent to which new entrants will be supported over the contract period.</i>		

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

2 "Black youth" means Black persons from the age of 16 to 35

3 "New Entrants" means an early stage business which is similar to a start-up. However, an early stage business is typically 3 years old or less.

MANAGEMENT CONTROL INDICATOR	Required Responses	Current Status (%)	Future Targets (%)
6. The percentage of Black Board members in relation to the total number of Board members	<i>Provide a commitment based on the extent to which the number of Black Board members, as a percentage of the total Board, would be sustained or increased over the contract period.</i>		
7. The percentage of Black female Board members in relation to the total number of Board members	<i>Provide a commitment based on the extent to which the number of Black female Board members, as a percentage of the total Board, would be sustained or increased over the contract period.</i>		
8. Black Executives directors as a percentage of all executive directors	<i>Provide a commitment based on the extent to which the number of Black executive Directors as a percentage of all Executive Directors would be sustained or increased over the contract period.</i>		
9. Black female Executives directors as a percentage of all executive directors	<i>Provide a commitment based on the extent to which the number of Black female executive Directors as a percentage of all Executive Directors would be sustained or increased over the contract period.</i>		
<b>Other Executive Management</b>	<b>Required Response</b>	<b>Current Status (%)</b>	<b>Future Targets (%)</b>
10. Black Executive Management as a percentage of all executive directors	<i>Provide a commitment based on the extent to which the number of Black executive Managers as a percentage of all Executive Directors would be sustained or increased over the contract period.</i>		
11. Black Female Executive Management as a percentage of all executive directors	<i>Provide a commitment based on the extent to which the number of Black female executive Managers as a percentage of all Executive Directors would be sustained or increased over the contract period.</i>		
<b>Senior Management</b>	<b>Required Response</b>	<b>Current Status (%)</b>	<b>Future Targets (%)</b>
12. Black employees in Senior Management as a percentage of all senior management	<i>Provide the percentage of Blacks that would be appointed or retained by the Board and would be operationally involved in the day to day <b>senior management</b> of the business, with individual responsibility for overall and/or financial management of the business and actively involved in the development and implementation of <b>overall strategy</b>, over the contract period.</i>		
13. Black female employees in Senior Management as a percentage of all senior management	<i>Provide the percentage of Black females that would be appointed or retained by the Board and would be operationally involved in the day to day <b>senior management</b> of the business, with individual responsibility for overall and/or financial management of the business and actively involved in the development and implementation of <b>overall strategy</b>, over the contract period.</i>		
<b>Middle Management</b>	<b>Required Response</b>	<b>Current</b>	<b>Future</b>



		Status (%)	Targets (%)
14. Black employees in Middle Management as a percentage of all middle management	<i>Provide the percentage of Blacks that would be retained or appointed by the organisation in the <b>middle management</b> cadre and would be operationally involved in the day to day management of the business, with individual responsibility for a particular area within the business and actively involved in the <b>day to day management</b> of the organisation, over the contract period.</i>		
15. Black female employees in Middle Management as a percentage of all middle management	<i>Provide the percentage of Blacks females that would be retained or appointed by the organisation in the <b>middle management</b> cadre and would be operationally involved in the day to day management of the business, with individual responsibility for a particular area within the business and actively involved in the <b>day to day management</b> of the organisation, over the contract period.</i>		
<b>Junior Management</b>	<b>Required Response</b>	<b>Current Status (%)</b>	<b>Future Targets (%)</b>
16. Black employees in Junior management as a percentage of all junior management	<i>Provide a commitment based on the extent to which the number of Black Junior Managers as a percentage of the total junior Managers would be sustained or increased over the contract period.</i>		
17. Black female employees in Junior management as a percentage of all junior management	<i>Provide a commitment based on the extent to which the number of Black female Junior Managers as a percentage of the total junior Managers, would be sustained or increased over the contract period.</i>		
<b>Employees with disabilities</b>	<b>Required Response</b>	<b>Current Status (%)</b>	<b>Future Targets (%)</b>
18. Black employees with disabilities as a percentage of all employees	<i>Provide a commitment based on the extent to which the percentage of Black disabled employees, in relation to the total of all employees in the organisation, would be sustained or increased over the contract period.</i>		
<b>PREFERENTIAL PROCUREMENT INDICATOR</b>	<b>Required Responses</b>	<b>Current Status (%)</b>	<b>Future Targets (%)</b>
19. B-BBEE procurement spend from all Empowering Suppliers <sup>4</sup> based on the B-BBEE procurement	<i>Provide a commitment based on the extent to which B-BBEE spend from all Empowering Suppliers would be sustained or increased over the contract period.</i>		

<sup>4</sup> "Empowering Suppliers" means a B-BBEE compliant entity, which should meet at least three of the following criteria if it is a Large Enterprise or one if it is a QSE:

(a) At least 25% of cost of sales excluding labour cost and depreciation must be procured from local producers or local supplier in SA, for service industry labour cost are included but capped to 15%.

(b) Job creation - 50% of jobs created are for Black people provided that the number of Black employees since the immediate prior verified B-BBEE Measurement is maintained.

(c) At least 25% transformation of raw material/beneficiation which include local manufacturing, production and/or assembly, and/or packaging.

(d) Skills transfer - at least spend 12 days per annum of productivity deployed in assisting Black EMEs and QSEs beneficiaries to increase their operation or financial capacity.

	recognition level as a percentage of total measured procurement spend		
20.	20 B-BBEE procurement spend from all Empowering Suppliers QSEs based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	<i>Provide a commitment based on the extent to which B-BBEE spend from Empowering Supplier QSEs would be sustained or increased over the contract period</i>	
21.	B-BBEE procurement spend from Exempted Micro-Enterprise based on the applicable B-BBEE procurement recognition Levels as a percentage of Total Measured Procurement Spend	<i>Provide a commitment based on the extent to which B-BBEE spend from EMEs would be sustained or increased over the contract period</i>	
22.	B-BBEE procurement spend from Empowering Suppliers that are at least 51% black owned based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	<i>Provide a commitment based on the extent to which spend from Empowering Suppliers who are more than 51% Black-owned would be maintained or increased over the contract period.</i>	
23.	B-BBEE procurement spend from Empowering Suppliers that are at least 30% black women owned based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	<i>Provide a commitment based on the extent to which spend from Empowering Suppliers who are more than 30% Black women-owned would be maintained or increased over the contract period.</i>	
24.	B-BBEE Procurement Spent from Designated Group <sup>5</sup> Suppliers that are at least 51% Black owned	<i>Provide a commitment based on the extent to which spend from suppliers from Designated Group Suppliers that are at least 51% Black owned would be maintained or increased over the contract period.</i>	

<sup>5</sup> "Designated Groups" means:

- a) unemployed black people not attending and required by law to attend an educational institution and not awaiting admission to an educational institution;
- b) black people who are youth as defined in the National Youth Commission Act of 1996;
- c) black people who are persons with disabilities as defined in the Codes of Good Practice on employment of people with disabilities issued under the Employment Equity Act;
- d) black people living in rural and under developed areas; and
- e) black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011.



<b>SUPPLIER DEVELOPMENT INDICATOR</b>	<b>Required Response</b>	<b>Current Status (%)</b>	<b>Future Target (%)</b>
25. Annual value of all Supplier Development <sup>6</sup> Contributions made by the Measured entity as a percentage of the target	<i>Provide a commitment based on the percentage in your organisation's annual spend on Supplier Development initiatives, will be maintained or improved over the contract period.</i>		
<b>ENTERPRISE DEVELOPMENT INDICATOR</b>	<b>Required Response</b>	<b>Current Status (%)</b>	<b>Future Target (%)</b>
26. The organisation's annual spend on Enterprise Development <sup>7</sup> as a percentage of Net Profit after Tax [NPAT]	<i>Provide a commitment based on the retention or increase in your organisation's annual spend on Enterprise Development initiatives, as a percentage of its Net Profit after Tax, over the contract period.</i>		

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<sup>6</sup> **"Supplier Development"** means monetary or non-monetary contributions carried out for the benefit of value-adding suppliers to the Measured Entity, with the objective of contributing to the development, sustainability and financial and operational independence of those beneficiaries:

(a) Supplier Development Contributions to suppliers that are Exempted Micro-Enterprises or Qualifying Small Enterprises which are at least 51% black owned or at least 51% black women owned.

Supplier Development within the context of the B-BBEE scorecard must be differentiated from Transnet's Supplier Development Initiatives. Whereas the former relates to the definition above, the latter relates to improving the socio-economic environment through initiatives that are committed to as part of a contract award that contribute to the development of a competitive supplier base in relation to a particular industry.

<sup>7</sup> **"Enterprise Development"** means monetary and non-monetary contributions carried out for the following beneficiaries, with the objective of contributing to the development, sustainability and financial and operational independence of those beneficiaries:

(a) Enterprise Development Contributions to Exempted Micro-Enterprises or Qualifying Small Enterprises which are at least 51% Black owned or at least 51% Black women owned;



## T2.2-34: Supplier Declaration Form

### Transnet Supplier Declaration / Application

#### THE FINANCIAL DIRECTOR OR COMPANY SECRETARY:

Transnet Vendor Management has received a request to load your company on to the Transnet vendor database. Please furnish us with the following to enable us to process this request:

- Complete the "Supplier Declaration Form" (SDF) on all pages of this letter
- Original cancelled cheque OR certified letter from the bank verifying banking details (with bank stamp and on bank letterhead)
- Certified** copy of Identity document of Shareholders / Directors / Members (where applicable)
- Certified** copy of certificate of incorporation, CM29 / CM9 (name change)
- Certified** copy of share Certificates of Shareholders, CK1 / CK2 (if CC)
- A letter with the company's letterhead confirming physical and postal addresses
- Original** or **certified** copy of SARS Tax Clearance certificate and VAT registration certificate
- A **certified** signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership in the company **AND / OR** BBBEE certificate and detailed scorecard from a SANAS accredited rating agency.
- Complete the Transnet Supplier Code of Conduct form on the following website: [www.transnet-supplier.net](http://www.transnet-supplier.net)
- Certified** (valid) IRP 30 exemption certificate
- A **certified** copy of a recent months EMP 201 form
- A **Certified** declaration that at least 3 employees are on a full time basis
- An affidavit or solemn declaration duly signed in terms of 80% of income

**NB: Failure to submit the above documentation will delay the vendor creation process.**

Where applicable, the respective Transnet Operating Division processing your application may request further information from you.

The Service Provider warrants that the details of its bank account (the nominated account) provided herein, are correct and acknowledges that payments due to the Supplier will be made into the nominated account. If details of the nominated account should change, the Service Provider must notify Transnet in writing of such change, failing which any payments made by Transnet into the nominated account will constitute a full discharge of the indebtedness of Transnet to the Supplier in respect of the payment so made. Transnet will incur no liability for any payments made to the incorrect account or any costs associated therewith. In such event, the Service Provider indemnifies and holds Transnet harmless in respect of any payments made to an incorrect bank account and will, on demand, pay Transnet any costs associated herewith.

#### IMPORTANT NOTES:

- If your annual turnover is less than R5 million**, then in terms of the DTI codes, you are classified as an Exempted Micro Enterprise (EME). If your company is classified as an EME, please include in your submission, a certified signed letter from your Auditor / Accountant confirming your company's most recent annual turnover is less than R5 million and percentage of black ownership and black female ownership in the company **AND / OR** BBBEE certificate and detailed scorecard from a SANAS accredited rating agency, should you feel you will be able to attain a better BBBEE score.
- If your annual turnover is between R5 million and R35million**, then in terms of the DTI codes, you are classified as a Qualifying Small Enterprise (QSE) and you claim a specific BBBEE level based on any 4 of the 7 elements of the BBBEE score-card, please include your BEE certificate in your submission as confirmation of your status.  
NB: BBBEE certificate and detailed scorecard should be obtained from an accredited rating agency (e.g. permanent SANAS Member).
- If your annual turnover is in excess of R35million**, then in terms of the DTI codes, you are classified as a Large Enterprise and you claim a specific BEE level based on all seven elements of the BBBEE generic score-card. Please include your BEE certificate in your submission as confirmation of your status.  
NB: BBBEE certificate and detailed scorecard should be obtained from an accredited rating agency (permanent SANAS Member).
- The supplier to furnish proof to the procurement department as required in the Fourth Schedule of the Income Tax Act, 58 of 1962** whether a supplier of service is to be classified as an "employee", "personal service provider" or "labour broker". Failure to do so will result in the supplier being subject to employee's tax.
- No payments can be made to a vendor until the** vendor has been registered, and no vendor can be registered until the vendor application form, together with its supporting documentation, has been received and processed.
- From 1 February 2011 only BBBEE certificates issued by SANAS accredited verification agencies will be valid.

Please return the completed Supplier Declaration Form (SDF) together with the required supporting documents and annexure mentioned above to the Transnet Official who is intending to procure your company's services / products

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### i) Supplier Declaration Form

Company Trading Name										
Company Registered Name										
Did your company previously operate under another name?							Yes		No	
If <b>YES</b> state the previous name below										
Trading Name										
Registered Name										
Company Registration Number Or ID Number If A Sole Proprietor										
Form of entity		CC	Trust	Pty Ltd	Limited	Partnership	Sole Proprietor			
Is your company VAT Registered?		Yes		No		Exempt				
If <b>Yes</b> , state VAT Registration Number										
If <b>No or Exempt</b> , state reason										
Bank Name						Bank Account Number				
Company Physical Address						Code				
Company Postal Address						Code				
Company Telephone number										
Company Fax Number										
Company E-Mail Address										
Company Website Address										
Contact Person										
Designation										
Telephone										
Email										
Last Financial Year Annual Turnover		<R1Million		R1-R5Million		R5-R35Million		>R35Million		
Indicate using a 'X' the business sector in which your company is involved / operating										
Agriculture										
Manufacturing										
Electricity, Gas and Water										
Retail, Motor Trade and Repair Services										
Catering, accommodation and Other Trade										
Community, Social and Personal Services										
Mining and Quarrying										
Construction										
Finance and Business Services										
Wholesale Trade, Commercial Agents and Allied Services										
Transport, Storage and Communications										
Other (Specify)										

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## ii) Category of Supplier

The following information needs to be completed by the supplier to determine which category of supply to follow.

Company Trading Name			
Company Registered Name			
A. Are you a supplier of goods and / or products?	Yes		No
If yes, what goods and / or products are being supplied?			
B. Are you a supplier of service and / or labour?	Yes		No
If yes, what service and / or labour are being supplied?			

**NB:** If your answer to Question A is "YES", the supplier is not subject to Employees' Tax. The supplier is to be captured as a **TRADE VENDOR** via the **PROCUREMENT OFFICE** and referred to the Accounts Payable Department for payment. You will be required to attach supporting documents 1 -12 from the checklist.

If your answer to Question B is "YES", please answer the questions below:

	Yes	No
1.1. Is the service provider a natural person (i.e. labour broker) who supplies Transnet with other persons to render services, or perform work for Transnet; and who is remunerated by the service provider?		
1.2. Is the service provider a natural person (i.e. contractor) who supplies services to Transnet?		
1.3. Is the service provider a company, close corporation or trust who supplies Transnet with services or labour?		

- If the answer to question 1.1 is "YES" the service provider has to complete **ANNEXURE A** of the Supplier Declaration Form. Please attach supporting documents 1-13 from the checklist
- If the answer to question 1.2 is "YES" the service provider has to complete **ANNEXURE B** of the Supplier Declaration Form. Please attach supporting document 1-12, 14 -15 from checklist
- If the answer to question 1.3 is "YES" the service provider has to complete **ANNEXURE C** of the Supplier Declaration Form. Please attach supporting documents 1-12, 14-16 from checklist

BBBEE Ownership Details			
Does your company have a valid BBBEE certificate?		Yes	No
What is your broad based BEE status (Level 1 to 9 / Unknown)			
Majority Race of Ownership			
% Black Ownership	% Black women ownership	% Disabled person(s) ownership	
Transnet Contact Person			
Contact number			
Transnet operating division			

Duly Authorised To Sign For And On Behalf Of Firm / Organisation			
Name		Designation	
Signature		Date	

Stamp And Signature Of Commissioner Of Oath			
Name		Date	
Signature		Telephone No	

## Internal Transnet Departmental Questionnaire (for office use only)

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Company Trading Name	
Company Registered Name	

To be completed by the Transnet Requesting / Sourcing Department											
TFR		TRE		TPT		TPL		TNPA		TRN	
Create		Amend		Block		Unblock		Once-Off / Emergency Request			
Extend		Delete		Undelete							

Internal Sign-Off if Vendor is exempt or not Registered for VAT (Group Tax Department)			
Name		Designation	
Signature		Date	

Service Provider	Deduct Tax	No Tax	Department Responsible for Payment
Labour broker without IRP30 exemption certificate			
Labour broker with IRP30 exemption certificate			
Personal Service Provider			
Independent Contractor			
None of the above apply, state reason			

#### A. Internal Document Checklist

Document List	Yes / No
1) Complete Supplier Declaration Form (SDF)	
2) Verification of banking details	
3) Original cancelled cheque or	
4) Letter from the bank (with bank stamp)	
5) Certified copy of identity document of Shareholders / Directors / Members	
6) Certified copy of certificate of incorporation	
7) Certified copy of share certificates of Shareholders	
8) A letter with the company's letterhead confirming physical and postal addresses	
9) Original or certified copy of SARS Tax Clearance certificate and VAT registration certificate	
10) Confirmation of most recent annual turnover and percentage black ownership	
11) Signed letter from the Auditor / Accountant ; AND / OR BBBEE certificate and detailed scorecard from Accredited rating agency (ABVA Member)	
12) Completed Transnet Supplier Code of Conduct form and proof of submission (www.transnet-suppliers.net)	
13) Valid IRP 30 exemption certificate (Annexure A)	
14) A copy of a recent months EMP 201 form (Annexure B & C)	
15) Declaration that at least 3 employees are on a full time basis (Annexure B & C)	
16) Declaration in terms of 80% of income (Annexure C)	

Make a difference, if you aware of any corruption and fraudulent activities in Transnet please contact Tipp-Off Anonymous

Hotline: 0800 003 056  
 Fax: 0800 007 788  
 Email: [Transnet@tip-offs.com](mailto:Transnet@tip-offs.com)  
 Website: [www.transnet.net](http://www.transnet.net) and click on the Tip – offs Anonymous link  
 Post: Tip-offs Anonymous, Freepost DN 298, Umhlanga Rocks, 4320

## Annexure A

Company Trading Name	
Company Registered Name	

In order for Transnet not to classify you as a "labour broker" as defined in the Fourth Schedule to the Act, you need to provide Transnet with a valid IRP 30 exemption certificate.

	Yes	No
<p>1. Do you have a valid IRP 30 exemption certificate?</p> <p>If "yes", you will not be regarded as an "employee" for employees' tax purposes. Payments made to you will not be subjected to PAYE, UIF or SDL.</p> <p>If "no", you will be regarded as an "employee" for employees' tax purposes. Payments made to you will be subject PAYE, UIF and SDL. Normal tax tables will apply</p>		

### For admin purposes only:

	Yes	No
Labour broker exempt therefore not an employee and no PAYE to be deducted ( Accounts Payable)		
Labour broker without an IRP 30 exemption certificate therefore regarded as an employee and PAYE must be withheld (HR / Payroll)		
Certified copy of IRP30 exemption certificate received?		
Name	Signature	
Position	Date	

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## Annexure B

Company Trading Name	
Company Registered Name	

In order for Transnet to determine whether you are an "independent contractor" as defined in the Fourth Schedule to the Act, you are required to answer the following questions by marking the appropriate column with an X. The answers supplied will be used to determine whether Transnet is obliged to deduct employees' tax from any payment due to you.

	Yes	No
<p>1.) Do you employ three or more full-time employees (excluding "connected persons" in relation to yourself)?</p> <p>If "yes", please provide the following documentation;</p> <ul style="list-style-type: none"> <li>– A copy of a recent months EMP 201 form;</li> <li>– A declaration that at least 3 employees are on a full time basis engaged in the business of rendering the services and are not connected persons.</li> </ul> <p>If the above documentation is provided, payments made to you will not be subject to PAYE, UIF or SDL. No need to proceed to questions 2 and 3. If "no", please proceed to question 2.</p>		
<p>2.) Will you render your services mainly at the premises of Transnet?</p> <p>If "no", you will be regarded as an independent contractor for employees' tax purposes. Payments made to you will not be subject to PAYE, UIF or SDL. No need to proceed to question 3. If "yes", please proceed to question 3.</p>		
<p>3.) Will you be working under the supervision and control of Transnet as to the manner in which your duties are performed or as to the hours you are required to work?</p> <p>If "no", you will be regarded as an independent contractor for employees' tax purposes. Payments made to you will not be subject to PAYE, UIF or SDL.</p> <p>If "yes", you will not be regarded as an independent contractor for employees' tax purposes and payments to you will be subject to employees' tax. Normal tax tables will apply.</p>		
<p>4.) Is the contractor required to work for a period of 22 hours or more per week?</p> <p>If the answer is "yes" the person will be regarded as being in standard employment and payments made to employee will be subject to employees' tax in accordance with the tax tables for natural persons.</p>		
<p>5.) Is the contractor required to work at least 5 hours a day, but Transnet will not pay the contractor more than R208 for that day? If the answer is "yes" employees' tax should not be withheld.</p>		
<p>6.) Will the contractor be working for less than 22 hours for Transnet, but Transnet will be their only employer?</p> <p>If the answer is "yes" a written declaration should be supplied to Transnet to the effect that Transnet will be the only employer of the contractor. The contractor is in standard employment and employees' tax needs to be withheld in accordance with the tax tables for natural persons.</p>		
<p>7.) Will Transnet expects the contractor to work for a period of less than 22 hours per week? If the answer is "yes" the contractor is in non-standard employment and employees' tax needs to be withheld at a flat rate of 25%.</p>		
<p>8.) Will the contractor be allowed to work for any other employer while performing duties for Transnet? If the answer is "no" the contractor needs to provide Transnet with a written declaration to the effect that Transnet is its only employer. If contractor can supply such declaration it will be regarded as being in standard employment and employees' tax must be calculated in accordance with the tax tables for natural persons.</p>		

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For admin purposes only:

Company Trading Name			
Company Registered Name			
Independent contract – Not a employee, therefore no PAYE to be deducted (Accounts Payable)			Yes
Not an independent contractor – Regarded as an employee, therefore PAYE must be withheld (HR / Payroll)			No
Declaration in term of 3 or more employee's received?			
If not an independent contractor determine whether in standard employment or non-standard employment			
Name		Signature	
Position		Date	

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## Annexure C

Company Trading Name	
Company Registered Name	

In order for Transnet to evaluate whether the supplier is a "Personal Service Provider" as defined in the Fourth Schedule to the Act, the supplier must answer the following questions by marking the appropriate column with an X. The answers supplied will be used to determine whether Transnet is obliged to deduct employees' tax from any payment due to the supplier.

	Yes	No
<p>1.) Does your company / close corporation or trust employ three or more full-time employees (other than shareholders, members or connected persons) on a full time basis?</p> <p>If "yes" please provide the following documentation;</p> <ul style="list-style-type: none"> <li>- A copy of a recent months EMP 201 form;</li> <li>- A declaration that at least 3 employees are on a full time basis engaged in the business of rendering the services and are not connected persons).</li> </ul> <p>If the above documentation is provided, payments to be made will not be subject to PAYE, UIF or SDL. No need to complete questions 2 – 7.</p> <p>If the above documentation cannot be provided, please continue in completing this form. If the answer is "no", please proceed to the next question.</p>		
<p>2.) Where your organisation is a company, will a shareholder (20% or more) or a "connected person" in relation to such shareholder(s) provide the services to Transnet?</p> <p>Where your organisation is a close corporation, will a member or a "connected person" in relation to such member(s) provide the services to Transnet?</p> <p>Where your organisation is a trust, will a beneficiary or a "connected person" in relation to such trust provide the services to Transnet?</p> <p>If your answer is "yes" to any one of the above questions, you need to complete each of the remaining questions.</p> <p>If your answer is "no", the payments made to the company will not be subject to PAYE, UIF or SDL.</p>		
<p>3.) Would the person supplying the services to Transnet be regarded as an employee of Transnet if the services were rendered directly to Transnet, notwithstanding that the services are rendered via a company, close corporation or trust?</p> <p>If the answer is "yes", the company / close corporation or trust is a "personal service provider" and payments made to the company, close corporation or trust are subject to PAYE and SDL. If the answer is "no", please continue in completing this form.</p>		
<p>4.) Will the person rendering the services to Transnet render such services mainly at the premises of Transnet and will such person be working under the supervision and control of Transnet as to the manner in which such person's duties are performed?</p> <p>If the answer is "yes", the company / close corporation or trust is a "personal service provider" and payments made to the company / close corporation or trust are subject to PAYE and SDL.</p> <p>If the answer is "no" please continue in completing this form.</p>		
<p>5.) Will your company / close corporation or trust derive more than 80% of its income during the year of assessment from any one client?</p> <p>If the answer is "yes" the company / close corporation or trust is a "personal service provider" and payments to the company / close corporation or trust be will be subject to PAYE and SDL. If the answer is "no", you should provide Transnet with a written declaration. If a written declaration is provided, no employees' tax will be deducted from payments to be made the company / close corporation or trust.</p>		

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**For Admin purpose only:**

Company Trading Name			
Company Registered Name			
Personal Service Provider – Not regarded as an employee, therefore no PAYE to be deducted (Accounts Payable)			
Personal Service Provider regarded as an employee, therefore PAYE must be withheld (HR / Payroll)			
Declaration in terms of 3 or more employee's received?			
Declaration in terms of 80% of income?			
Name		Signature	
Position		Date	

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## 1.1 Supporting Documents Required

The table below contains a list of compulsory documentation in relation to the each type of Trade Vendor:

Vendor Documents required									
	Company Registration	Proof of Ownership	Proof of banking details	Income Tax	Vat registration	Company Name Change	Proof of Address	Proof of communication	Proof of BBBEE
Sole Proprietor	ID document of Individual	Clear copy of Owner's Identity document	Original Certified letter from Bank with bank stamp and / or original cancelled cheque	A valid certified original Tax Clearance Certificate	If registered for VAT – Vat 103 certificate	N/A	Letterhead confirming physical and postal addresses	Letterhead confirming telephone, fax and e-mail	A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership and / or BBBEE certificate
Close Corporation – CC	CK 1 (Close Corporation Founding Statement)	Shareholdings Identity documents	Original Certified letter from Bank with bank stamp and / or original cancelled cheque	A valid certified original Tax Clearance Certificate	If registered for VAT – Vat 103 certificate	CK2 (Amended Founding Statement)	Letterhead confirming physical and postal addresses	Letterhead confirming telephone, fax and e-mail	A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership and / or BBBEE certificate
Partnership	Letters stating Partners with ID numbers	Partnership agreement	Original Certified letter from Bank with bank stamp and / or original cancelled cheque	A valid certified original Tax Clearance Certificate	If registered for VAT – Vat 103 certificate	N/A	Letterhead confirming physical and postal addresses	Letterhead confirming telephone, fax and e-mail	A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership and / or BBBEE certificate
Public Company – LTD	CK documents (CM1 & CM29)	Shareholders Identity documents	Original Certified letter from Bank with bank stamp and / or original cancelled cheque	A valid certified original Tax Clearance Certificate	If registered for VAT – Vat 103 certificate	CK documents (CM1, CM9, CM29)	Letterhead confirming physical and postal addresses	Letterhead confirming telephone, fax and e-mail	A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership and / or BBBEE certificate
Private Companies – (PTY) LTD	CK documents (CM1 & CM29)	Shareholders Identity documents	Original Certified letter from Bank with bank stamp and / or original cancelled cheque	A valid certified original Tax Clearance Certificate	If registered for VAT – Vat 103 certificate	CK documents (CM1, CM9, CM29)	Letterhead confirming physical and postal addresses	Letterhead confirming telephone, fax and e-mail	A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership and / or BBBEE certificate

Document Name: Vendor Master\_Trade Vendor Management Procedure (Revised)

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Classification:

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T2.2-34: Supplier Declaration Form



Business Trust	Deed of Trust – Trust agreement	Clear copy of Trustees Identity document	Original Certified letter from Bank with bank stamp and / or original cancelled cheque	A valid certified original Tax Clearance Certificate	If registered for VAT – Vat 103 certificate	N/A	Letterhead confirming physical and postal addresses	Letterhead confirming telephone, fax and e-mail	A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership and / or BBBEE certificate
Non Profit Organizations (NPO)	CK documents (CM1 & CM29)	Clear copy of Owner's Identity document	Original Certified letter from Bank with bank stamp and / or original cancelled cheque	A valid certified original Tax Clearance Certificate	If registered for VAT – Vat 103 certificate	CK documents (CM1, CM9, CM29)	Letterhead confirming physical and postal addresses	Letterhead confirming telephone, fax and e-mail	A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership and / or BBBEE certificate
Incorporated company – INC	CK documents (CM1 & CM29)	Clear copy of Owner's Identity document	Original Certified letter from Bank with bank stamp and / or original cancelled cheque	A valid certified original Tax Clearance Certificate	If registered for VAT – Vat 103 certificate	CK documents (CM1, CM9, CM29)	Letterhead confirming physical and postal addresses	Letterhead confirming telephone, fax and e-mail	A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership and / or BBBEE certificate
Parastatals / Government Institutions (E.g. Municipalities, Eskom, etc.)	Certified Letter head / Certified invoice	N/A	Original Certified letter from Bank with bank stamp and / or original cancelled cheque Certified Letterhead / Certified invoice	A valid certified original Tax Clearance Certificate / letterhead / Certified invoice	If registered for VAT – Vat 103 certificate / certified letterhead	N/A	Letterhead confirming physical and postal addresses	Letterhead confirming telephone, fax and e-mail	A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership and / or BBBEE certificate
Educational Institution (e.g. Universities / colleges / schools)	CK documents / Certified Letter head	N/A	Original Certified letter from Bank with bank stamp and / or original cancelled cheque Certified Letterhead	A valid certified original Tax Clearance Certificate / letterhead	If registered for VAT – Vat 103 certificate / certified letterhead	N/A	Letterhead confirming physical and postal addresses	Letterhead confirming telephone, fax and e-mail	A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership and / or BBBEE certificate



Specialised Professions (E.g. Promotional speakers, Doctors, Specialists etc.)	CK documents / Certified Letter head	N/A	Original Certified letter from Bank with bank stamp and / or original cancelled cheque / Certified Letterhead	A valid certified original Tax Clearance Certificate / certified letterhead	If registered for VAT – Vat 103 certificate / certified letterhead	N/A	Letterhead confirming physical and postal addresses	Letterhead confirming telephone, fax and e-mail	A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership and / or BBBEE certificate
Financial Institutions (c.g. banks)	CK documents / Certified Letter head	N/A	Original Certified letter from Bank with bank stamp and / or original cancelled cheque / Certified Letterhead	A valid certified original Tax Clearance Certificate / certified letterhead	If registered for VAT – Vat 103 certificate / certified letterhead	N/A	Letterhead confirming physical and postal addresses	Letterhead confirming telephone, fax and e-mail	A signed letter from the Auditor / Accountant confirming most recent annual turnover and percentage black ownership and / or BBBEE certificate

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Document Name: Vendor Master\_Trade Vendor Management Procedure

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Classification:

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T2.2-34: Supplier Declaration Form

## T2.2-7 : Management & CV's of Key Persons – TSC<sup>1</sup>

Please describe the management arrangements for the *works*.

Submit the following documents as a minimum with your tender document:

1. An organisation chart showing on site and off-site management (including the key people you have identified in the Contract Data Part two and identify the required legal appointments.)
2. CV's for people proposed for all identified posts including Safety Officer and Quality Assurance Representative.
3. Details of the location (and functions) of offices from which the *works* will be managed.
4. Details of the experience of the staff who will be working on the *works* with respect to:
  - Working with the NEC3 Term Service Contract Option chosen for this contract. If staff experience of these matters is limited, an indication of relevant training that they have attended would be helpful.
5. An explanation of how you propose to allocate adequate resources to enable you to comply with the requirements and prohibitions imposed on you by or under the statutory provisions relating to health and safety.

### Attached submissions to this schedule

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Signed \_\_\_\_\_

Date \_\_\_\_\_

Name \_\_\_\_\_

Position \_\_\_\_\_

Tenderer \_\_\_\_\_

<sup>1</sup>NEC3 Term Service Contract (June 2005)(amended June 2006).



## T2.2-20 : Quality Plan

Due consideration must be given to the deliverables required to execute and complete the contract as per the Quality Management Standard stated in the Works Information and should include but not be limited to:

1. Project Quality Plan for the contract.
2. The Contractor's Quality Policy.
3. Index of procedures to be used during the contract.
4. Audit Schedule for internal and external audits during the contract.
5. ISO 9001 certification.
6. Typical Quality Manual.
7. Typical Quality Control Plan.
8. Typical data book index.

**Attached submissions to this schedule:**

"PREVIEW COPY ONLY"

Signed

Date

Name

Position

Tenderer

## T2.2-22 : Health and Safety Plan

Submit the following documents as a minimum with your tender:

1. Valid letter of good standing with insurance body.
2. Roles and responsibilities of legal appointees.
3. Safety Officer role and responsibility.
4. Safety, Health & Environmental Policies.
5. Overview of Tenderer's SHE system for project.
6. Overview of RA process and examples.
7. List of job categories for project and competencies required per category and plan to address and meet outstanding competencies.
8. Six months synopsis of SHE incidents, description, type and action taken.
9. Overview of selection process of subcontractors.
10. SHE challenges envisaged for the project and how they will be addressed and overcome.
11. Signed statement acknowledging receiving and budget provision for SHE pack requirements.
12. Complete and return with tender documentation the Contractor Safety Questionnaire (Attachment No 8) included in the Health and Safety Specification TCP-HAS-STD-0001 Rev 00.
13. Construction Safety File (Index)
14. Construction Safety Work Method Statement



**Attached submissions to this schedule:**

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Signed

Date

Name

Position

Tenderer

"PREVIEW COPY ONLY"

## T2.2-24 : Capacity and Ability to meet Delivery Schedule

### Note to tenderers:

The Tenderer is required to demonstrate to the *Employer* that he has sufficient current and future capacity to carry out the work as detailed in the Service Information and that he has the capacity and plans in place to meet the required delivery schedule as required. To this end, the following must be provided by the Tenderer:

A schedule detailing the following:

- Maximum quantity of work concurrently performed by the Tenderer in the recent past in order to illustrate his potential capacity to design, fabricate and/or construct work of a similar nature
- Current and future work on his order book, showing quantity and type of equipment
- Quantity of work for which the Tenderer has tenders in the market or is currently tendering on
- The work as covered in this Service Information, planned and scheduled as per the Tenderer's capacities and methods but meeting the required delivery schedule.

### Index of documentation attached to this schedule

"PREVIEW COPY ONLY"

Signed

\_\_\_\_\_

Date

\_\_\_\_\_

Name

\_\_\_\_\_

Position

\_\_\_\_\_

Tenderer

\_\_\_\_\_

Tenderers are required to demonstrate their experience in the delivery of similar works, and to this end shall supply a sufficiently detailed reference list with contact details of existing customers and also indicate their previous experience of, their design, installation and commissioning capability.

**Index of documentation attached to this schedule:**

"PREVIEW COPY ONLY"

Tenderer

## T2.2-47 : *Contractor's Design and Technical Compliance*

### Note to tenderers:

Tenderers are to list in this schedule all principle design criteria and design standards applicable to the cranes offered.

Tenderers are to submit with this schedule a preliminary design of the cranes offered, accompanied by sufficiently detailed drawings to demonstrate compliance with the Works Information. Sizes and profiles of main structural members shall be indicated on the drawings. Preliminary stability calculations and diagrams for all load cases must be supplied with the tender. Principal mechanisms shall be listed separately, each accompanied by a drawing showing the conceptual arrangement and stating the ratings and capacities of the main components. The Tenderer must state for each mechanism the class of utilization, spectrum class and group classification on which the proposed design will be based and supply a full motivation if this differs from those specified. The Tenderer shall fully motivate his choice of drive system for each mechanism if it differs from the *Employer's* preference.

All information, technical details and/or data (or particulars of the offer) called for in the Works Information or in the *Employer's* Specifications shall be submitted by the tenderer with his tender as separate returnable schedules in appropriate format. Each schedule will be titled to reflect its content and will be signed and dated by the tenderer.

Tenderers shall also complete and attach to this schedule a clause-by-clause statement of compliance to the requirements of the Works Information and the particular and generic specifications referred to in the Works Information. A general statement of compliance is not acceptable. Each statement of less than full compliance must be properly clarified.

The Tenderer must also clearly indicate exactly how, in meeting the requirements of the Works Information, the cranes offered by him differs from his normal "off-the-shelf" design.

The Tenderer must supply and attach all further Works Information he deems necessary to enable the *Employer* to fully understand and evaluate his offer.

A full operations description of the equipment offered shall also be attached, clearly identifying all operational constraints and benefits of the particular design when compared to alternative designs.

Tenderers shall also attach to this schedule detailed descriptive literature and specifications for all the major components offered, including principles of operation. These attachments must be abstracts specific to the components offered and not general brochures of the manufacturer.

An index of all such schedules attached must be provided below.

Transnet Freight rail

Enquiry / contract number: EFT-001/2014

Description of the works: Provision of Specialised services for Planning, design, Wiring, Data Configuration and Installation of Railway Signaling Equipment in the Central Region as & when required for a period of 24 (twenty four) months

**Index of items attached to this schedule**

**"PREVIEW COPY ONLY"**

Signed \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_ Position \_\_\_\_\_

Tenderer \_\_\_\_\_

## 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:

**Provision of specialised services for planning, design, wiring, data configuration & installation of railway signalling equipment in the Central regions as & when required for a period of 24 (twenty four) months**

The tenderer, identified in the Offer signature block, has

<i>either</i>	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.
<i>or</i>	examined the draft contract as listed in the Acceptance section and agreed to provide this Offer.

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	<b>n/a – rates based</b>
Value Added Tax @ 14% is	<b>n/a – rates based</b>
The offered total of the Prices inclusive of VAT is	<b>n/a – rates based</b>
(in words) <b>n/a – rates based</b>	

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: Service 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

(Insert name and address of organisation)

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:****For the Employer**

Signature

Name

Capacity

On behalf  
ofName &  
signature  
of witness

Date

Transnet SOC Limited



## C1.2 Contract Data

### Part one - Data provided by the *Employer*

Please read the relevant clauses in the conditions of contract before you enter data. The number of the principal clause is shown for each statement however other clauses may also use the same data.

Rows containing the statement and data for options in the core clauses and for main & secondary option clauses, according to the options chosen, are identified by shading in the left-hand column.

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

Clause	Statement	Data
1	<b>General</b>	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	dispute resolution Option	A: Priced contract with price list
	and secondary Options	W1 Dispute resolution procedure
		X2 Changes in the law
		X18: Limitation of liability
		X19: Task Order
	of the NEC3 Term Service Contract (June 2005) <sup>1</sup> (and amended June 2006 and April 2013)	

<sup>1</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

10.1	The <i>Employer</i> is:	<b>Transnet SOC Ltd</b>
	Address	Registered address: <b>Carlton Centre 150 Commissioner Street Johannesburg</b>
	Having elected its Contractual Address for the purposes of this contract as:	<b>Transnet Freight Rail Cnr North Reef &amp; Jet Park Road Elandsfontein Gauteng 1406</b>
		Postal Address:
		<b>P O Box 18205 Elandsfontein 1406</b>
	Tel No.	<b>011 878 7111</b>
	Fax No.	<b>086 678 3062</b>
10.1	The <i>Service Manager</i> is (name):	<b>Gary Andrews</b>
	Address	<b>Transnet Freight Rail Cnr North Reef &amp; Jet Park Road Elandsfontein Gauteng 1406</b>
	Tel	<b>011 878 7210</b>
	Fax	
	e-mail	<b>Gary.Andrews@transnet.net</b>
11.2(2)	The Affected Property is	<b>Central Region</b>
11.2(13)	The <i>service</i> is	<b>Provision of specialised services for planning, design, wiring, data configuration and installation of Railway Signalling in the Central region as and when required for a period of 24 (twenty four) months</b>
11.2(14)	The following matters will be included in the Risk Register	<b>N/A</b>
11.2(15)	The Service Information is in	<b>C3.1 The Scope of Services</b>
12.2	The <i>law of the contract</i> is the law of	<b>the Republic of South Africa subject to the jurisdiction of the Courts of South Africa.</b>
13.1	The <i>language of this contract</i> is	<b>English</b>
13.3	The <i>period for reply</i> is	<b>2 weeks</b>
2	<b>The Contractor's main responsibilities</b>	(If the optional statement for this section is not used, no data will be required for this section)

21.1	The <i>Contractor</i> submits a first plan for acceptance within	<b>2 weeks of the Task Order</b>
<b>3</b>	<b>Time</b>	
30.1	The <i>starting date</i> is	<b>1 August 2014</b>
30.1	The <i>service period</i> is	<b>31 August 2016</b>
<b>4</b>	<b>Testing and defects</b>	<b>No additional data is required for this section of the <i>conditions of contract</i>.</b>
<b>5</b>	<b>Payment</b>	
50.1	The <i>assessment interval</i> is	<b>On the 10<sup>th</sup> of the month</b>
51.1	The <i>currency of this contract</i> is the	<b>South African Rand.</b>
51.2	The period within which payments are made is	<b>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.</b>
51.4	The <i>interest rate</i> is	<b>the prime lending rate of the Standard Bank South Africa.</b>
<b>6</b>	<b>Compensation events</b>	<b>no additional data will be required for this section</b>
<b>7</b>	<b>Use of Equipment Plant and Materials</b>	<b>No additional data is required for this section of the <i>conditions of contract</i>.</b>
<b>8</b>	<b>Risks and insurance</b>	
83.1	The minimum amount of cover for insurance against loss and damage caused by the <i>Contractor</i> to the <i>Employer's</i> property is	<b>Replacement value of the damaged assets</b>
83.1	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract for any one event is:	<b>The <i>Contractor</i> must comply, at a minimum, with the provisions of the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 as amended.</b>
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	
1	Insurance against:	<b>Loss of or damage to the <i>works</i>, Plant and Materials is as stated in the selected Insurance policy for Contract Works/ Public Liability.</b>
	Cover / indemnity is:	<b>to the extent as stated in the selected insurance policy for Contract Works / Public Liability</b>
	The deductibles are:	<b>as stated in the selected insurance policy for Contract Works / Public Liability (Principal Controlled Insurance)</b>

	<p>2 Insurance against:</p>   <p>Cover / indemnity is</p>   <p>The deductibles are</p>	<p><b>Loss of or damage to property (except the works, plant, materials &amp; 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 selected insurance policy for Contract Works / Public Liability</b></p> <p><b>Is to the extent as stated in the selected insurance policy for Contract Works / Public Liability</b></p> <p><b>as stated in the selected insurance policy for Contract Works / Public Liability</b></p>
83.1	<p>The <i>Employer</i> provides these additional insurances</p> <p>Insurance against:</p>	<ol style="list-style-type: none"> <li>1. Where the contract requires that the design of any part of the <i>works</i> shall be provided by the <i>Contractor</i> he shall satisfy the <i>Employer</i> that professional indemnity insurance cover in connection therewith has been affected</li> <li>2. Where the contract involves manufacture, and/or fabrication of Plant &amp; Materials, components or other goods to be incorporated into the <i>works</i> at premises other than the site, the <i>Contractor</i> shall satisfy the <i>Employer</i> that such plant &amp; materials, components or other goods for incorporation in the <i>works</i> are adequately insured during manufacture and/or fabrication and transportation to the site.</li> <li>3. Should the <i>Employer</i> have an insurable interest in such items during manufacture, and/or fabrication, such interest shall be noted by endorsement to the <i>Contractor's</i> policies of insurance as well as those of any subcontractor</li> <li>4. 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 R10,000,000 ( to be determined by risk assessment of the potential risk exposure)</li> <li>5. Marine Craft Hull insurance in respect of all marine craft or vessels utilised in performance of the Works for a sum sufficient to provide for their replacement</li> </ol>

		<p>6. <b>Protection and Indemnity Insurance in respect of all marine craft or vessels utilised in performance of the Works extended for Specialist Operations with a minimum indemnity limit of R 20,000,000 (to be determined by risk assessment of the potential risk exposure)</b></p> <p>7. <b>The insurance coverage referred to in 1, 2, 3, 4, 5 and 6 above shall be obtained from an insurer(s) in terms of an insurance policy approved by the Employer. The Contractor shall arrange with the insurer to submit to the Project Manager 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 Contractor</b></p>
<b>9</b>	<b>Termination</b>	<b>There is no additional Contract Data required for this section of the conditions of contract.</b>
<b>10</b>	<b>Data for main Option clause</b>	
<b>A</b>	<b>Priced contract with price list</b>	<b>There is no additional data required for this section of the conditions of contract.</b>
<b>11</b>	<b>Data for Option W1</b>	
W1.1	The <i>Adjudicator</i> is (Name)	<b>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>.</b>
W1.2(3)	The <i>Adjudicator nominating body</i> is:  If no <i>Adjudicator nominating body</i> is entered, it is	<b>The Association of Arbitrators (Southern Africa)</b>
W1.4(2)	The <i>tribunal</i> is:	<b>Arbitration</b>
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	<p><b>The Rules for the Conduct of Arbitrations of the Association of Arbitrators (Southern Africa)</b></p> <p><b>Johannesburg</b></p> <p><b>The Chairman of the Association of Arbitrators (Southern Africa)</b></p>

**12 Data for secondary Option clauses**

<b>X2</b>	<b>Changes in the law</b>	<b>No additional data is required for this Option</b>
<b>X19</b>	<b>Task Order</b>	
<b>X19.5</b>	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	<b>5 days of receiving the Task Order</b>

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## C1.2 Contract Data

### Part two - Data provided by the Contractor

The tendering contractor is advised to read both the NEC3 Term Service Contract (June 2005) and the relevant parts of its Guidance Notes (TSC3-GN)<sup>2</sup> in order to understand the implications of this Data which the tenderer is required to complete.

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

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is % The <i>subcontracted fee percentage</i> is %	
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the Contractor's plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key persons are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job: Responsibilities: Qualifications: Experience:	

<sup>2</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

CV's (and further key person's data including CVs) are in .

A	Priced contract with price list		
11.2(12)	The <i>price list</i> is in		
11.2(19)	The tendered total of the Prices is	R	

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## PART C2: PRICING DATA

Document reference	Title	No of pages
C2.1	Pricing instructions: Option A	01
C2.2	Price List	04

## C2.1 Pricing instructions: Option A

### 1.1 The conditions of contract

### 1.2 How the contract prices work and assesses it for progress payments

Clause 11 in NEC3 Term Services Contract (TSC), June 2005 (with amendments June 2006)

Option A states:

Identified 11  
and defined  
terms

11.2 (17) The Price for Services Provided to Date is the total of

- the Price for each lump sum item in the Price List which the *Contractor* has completed and
- where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the *Contractor* has completed by the rate.

(19) The Prices are the amounts stated in the Price column of the Price List, where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

### 1.3 Measurement and Payment

- 1.3.1 The Price List provides the basis of all valuations of the Price for Services Provided to Date, payments in multiple currencies and general progress monitoring.
- 1.3.2 The amount due at each assessment date is based on activities and/or milestones completed as indicated on the Price List.
- 1.3.3 The Price List work breakdown structure provided by the *Contractor* is based on the activity/milestone provided by the *Employer*. The activities listed by the *Employer* are the minimum activities acceptable and identify the specific activities which are required to achieve Completion. The Price List work breakdown structure is compiled to the satisfaction of the *Employer* with any additions and/or amendments deemed necessary.
- 1.3.4 The *Contractor's* detailed Price List summates back to the activity/milestone provided by the *Employer* and is sufficient detail to monitor completion of activities related to the operations on the Accepted Plan in order that payment of completed activities may be assessed.
- 1.3.5 The Prices are obtained from the Price List. The Prices includes for all direct and indirect costs, overheads, profits, risks, liabilities, obligations, etc. relative to the contract.

## C2.2 Price List

The Price List is as follows:

Item nr	Description	Unit	Rate
	<b>Man-hour Rates</b>		
	Engineering Manager	per month	
	Contract Manager	per month	
	Engineer	per hour	
	Senior Designer	per hour	
	CAD Operator	per hour	
	Senior Technician	per hour	
	Technician	per hour	
	Supervisor	per hour	
	Senior Technical Worker/Wireman	per hour	
	Technical Worker (Toolman, Flagmen etc.)	per hour	
	General Worker	per hour	
	Heavy duty driver	per hour	
	<b>Plant and Equipment</b>		
	Fully equipped Wiremen toolbox per wireman excl measuring equipment	per contract	
	PPE	per set	
	Generator	per day	
	Compressor	per day	
	Angle grinder	per month	
	Electric drilling machine	per month	
	Battery drilling machine	per month	
	Electric soldering workstation	per month	
	Gas soldering irons	per month	
	Compactor	per day	
	Rock breaker	per day	
	Trenching equipment	per day	

	Radio communication system	per month	
	Laptop with data configuration software	per month	
	<b>Measure and Test equipment</b>		
	Multi meter	per month	
	Current meter	per month	
	Electrical Continuity buzzer	per month	
	Cable Meggar meter	per month	
	Cable fault locator	per month	
	Cable detector	per month	
	High voltage Earth test meter	per month	
	Shunt box	per month	
	CS90 test rack system	per month	
	Spoorplan interlocking simulation system	per month	
	Axle counter head scan equipment	per month	
	<b>Vehicles</b>		
	LDV incl. 2500km	per month	
	LDV above 2500km	per km	
	Quantum Kombi/troop carrier incl 2500km	per month	
	Quantum Kombi/troop carrier above 2500	per km	
	Vehicle trailer incl 2500km	per month	
	Vehicle trailer above 2500km	per km	
	Lorry with crane incl 2500km	per month	
	Lorry with crane over 2500km	per km	
	Sedan incl 2500km	per month	
	Sedan over 2500 km	per km	
	<b>On site Expenses</b>		
	Accommodation	per month	
	Accommodation	per day	
	Allowances	per month	
	Allowances	per day	

	Meals	per day	
	Other (Stipulate)	per day	

**Price adjustment**

- Fees for Services rendered in terms of this contract shall be fixed and firm for the first 12 (twelve) months of the contract period
- No less than 1 [one] month prior to any proposed Fee adjustment, the Parties shall commence negotiations for Fees for the next 12 (twelve) months.
- Should Transnet and the Service Provider fail to reach an agreement on Fees for the successive period, either Party shall be entitled to submit this matter to dispute resolution in accordance with clause W1.1 of this contract.

The *base date* for indices is

The proportions used to calculate the Price Adjustment Factor are:

proportion	linked to index for	Index prepared by
0.		
0.		
0.		
0.		
0.		
0.		
1.00	non-adjustable	



Transnet Freight Rail

Enquiry / contract number: EFT-001/2014

Description of the works: Provision of specialised services for planning, design, wiring, data configuration &amp; installation of railway signalling equipment in the Central regions as &amp; when required for a period of 24 (twenty four) months

## Task Order

**Contract Description** :

**Contract Number** : EFT-001/2014  
**Task Order Number** : TO-T001  
**Project Number** :

**Employer** : Transnet SOC Ltd  
 (Registration No. 1990/000900/30), a juristic person incorporated in terms of the Company Laws of the Republic of South Africa, with its registered office at Carlton Centre, 150 Commissioner Street, Johannesburg, Republic of South Africa.

**Contractual Address** : Transnet Freight Rail (RME)  
 Cnr Jet Park and North Reef Roads  
 Jet Park, Elandsfontein  
 Gauteng

**Employer's Agent** : Gary Andrews

**Contractor** : .....  
 : .....

**1. Task**

The Task is .....

The *Contractor* is to carry out this Task in accordance with the terms and conditions of the contract number: EFT-001/2014

**2. Deliverables**

.....

**3. Programme**

Task Starting Date : .....  
 Task Completion Date : .....

**4. The Contractor's Invoices**

- 4.1 When the *Employer's Agent* certifies payment following an assessment date, the *Contractor* complies with the following procedure for invoicing submission. The invoice must correspond to the *Employer's Agent* assessment of the amount due to the *Contractor*. The *Contractor* shall familiarise himself with the Payment and Invoicing requirements set out below, and comply with it in all respects. Payment is subject to the absolute and complete compliance with the Payment and Invoicing requirements indicated below and



## Transnet Freight Rail

Enquiry / contract number: EFT-001/2014

Description of the works: Provision of specialised services for planning, design, wiring, data configuration & installation of railway signalling equipment in the Central regions as & when required for a period of 24 (twenty four) months

elsewhere in this Task Order. The risk of the Invoice Controller not receiving *Contractor's* Invoices as specified below resides with the *Contractor*.

4.2 The invoice shall correspond to the *Employer's Agent* assessment of the amount due to the *Contractor* as stated in the payment certificate.

4.2.1 The invoice states the following:

- Invoice addressed to Transnet SOC Ltd;
- Transnet SOC Ltd's VAT No: 4720103177;
- Invoice sequence number;
- The *Contractor's* VAT Number; and
- The Task Order number: TO-T.....

4.2.2 The invoice contains the supporting detail:

- Description of work completed and claimed for
- Cost breakdown of work previously claimed, currently claimed, and balance outstanding for each section of work.
- Approved timesheets by *Employer's Agent*.

4.2.3 The invoice is presented either by post or by hand delivery. Invoices submitted by post are addressed to: Transnet Freight Rail (RME)

For the attention of the Service Manager

4.2.4 Invoices submitted by hand are presented to:

**Transnet Freight Rail (RME)**  
**Cnr North Reef & Jet Park Road**  
**Elandsfontein**  
**Gauteng**  
**1406**

**Postal Address:**

**P O Box 18205**  
**Elandsfontein**  
**1406**

4.2.5 The invoice is presented as an original, together with a statement.

4.2.6 The Contract Administrator for this Project is Ms M Legwete







Transnet Freight Rail

Enquiry / contract number: EFT-001/2014

Description of the works: Provision of specialised services for planning, design, wiring, data configuration & installation of railway signalling equipment in the Central regions as & when required for a period of 24 (twenty four) months

*Employer/Service Manager*

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Date

*Accepted by the Contractor*

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Date

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## C3: Scope of Work: Service Information

### 1 Employer's objectives

The *Employer's* objective in entering into a term service contract with the *Contractor* is to procure specialised Signalling expertise in the form of planning, design, wiring, data configuration and executing installation activities as per agreed Task Order, on an as and when instructed basis over a period of twenty four (24) months with free issue material.

### 2 Background

- 2.1 The *Employer* is a department within Transnet Freight Rail operating division that is responsible for the execution of Rehabilitation, Maintenance and Emergency projects falling under the CAPEX and COPEX scope in the MDS plan. The *Contractor* shall provide professional specialised Signalling expertise which complies with Transnet Freight Rail approved Signalling principles, specifications, rules, procedures and standards as identified by the *Employer*.
- 2.2 The *Employer* requires specialised Signalling services in a form of planning, design, wiring, data configuration and installation for various Transnet Freight Rail projects in the Central region as indicated on the attached diagram.
- 2.3 The *Employer* requiring service/s falling within the scope of this contract may follow the preparation of a Task Order:
- a) Issue the Task Order in accordance with the terms of the contract of Transnet Freight Rail.

### 3 Management structures

- 3.1 The Task Orders shall indicate who the *Service Manager* is. The *Service Manager* is fully empowered to act on behalf of Transnet Freight Rail RME for the service/s covered by the Task Order. The *Service Manager* will accept, or not accept, the *Contractor's* assessment of the amount due, Quality and baseline time, in terms of the contract. The *Service Manager* has authority to change service/s and monitor the performance of the *Contractor*.
- 3.2 The Task Orders will provide details of the sites and facilities that are to be inspected as well as the items requiring verification and the extent of such verification.

### 4 Description of the services

The scope is to provide specialised Signalling skills to carry out Signalling tasks in the Tasks Order as and when required by the *Employer* over the period of 24 months with free issue material. The task/s is broadly grouped as planning, design, wiring, data configuration and executing site installations. The *Employer* shall provide details in the Task Order of the specific task/s to be performed. The *Contractor* shall:

- Quote tasks in the Tasks Order
- Provide baseline Schedule
- Provide all required resources including man-power, tools, plant and equipment
- Create a 'live' document with Safety and Quality Plans according to Transnet Freight Rail rules, standards and procedures.

All task/s in the Task Order shall be executed according to the latest approved Transnet Freight Rail technology engineering standards, procedures, specifications and rules which the *Contractor* is expected to be familiar with. The *Employer* may supply such documentation from Transnet Freight Rail technology

engineering should the *Contractor* require so. The *Contractor* must be familiar with the tasks in scope of the contract and have previous relevant experience to the scope.

The typical tasks, but not limited to, that may be covered in Task Orders are:

- **Relay Room Indoor Installation**
  - Interlocking cabling
  - Remote control system cabling
  - Racks cabling
  - Power equipment cabling
  - Racks installation
  - Power Room equipment installation
  - Free wiring (ODF/IDF/OP/Unit programmes)
  - Racks alterations wiring and programmes
  - OP cable termination
  - Installing Units in rack positions (Interlocking/Miscellaneous)
  - Debugging
  - Pre-testing and sign-off
- **Trackside Installation**
  - Points machine installation and wiring
  - Track circuits installation
  - Axle counter field equipment installation
  - Signals installation
  - Points indicator installation
  - Apparatus case/Rocla/Pothead installation
  - Cable joining and meggering
  - Cable fault location
  - Trenching and cabling
  - Warning/Information boards installation
  - DED/Hotbox detector/Siren/Crank handle installation
  - Antitheft enclosures installation
  - Level crossing installations
  - Signalling equipment Earthing
  - Pre-testing and sign-off
- **Assembling and Wiring**
  - Signal assembling and aspect wiring
  - Electrical points indicator assembling and wiring
  - Apparatus case insert assemble and wiring
  - Spoorplan Interlocking and Miscellaneous Racks assemble and wiring
  - CS90 racks assemble and wiring
  - Cleaning, repair and/or refurbish Spoorplan interlocking units
  - 440V transformer plates assemble and wiring
  - Signal transformer plate assemble and wiring
  - FSDT/Axle rack assemble and wiring
  - Testing and sign-off
- **Office Equipment**
  - Power frames installation and/or alteration
  - Panel/Diagram installations and/or alterations
  - CS90 office equipment assemble, wiring and installation
- **Design and CAD work**
  - Design and CAD of new signalling circuits for Interlocking, Apparatus Cases, Cable plans, Line Plans, Remote Control and Control Diagrams
  - Design and CAD of any alterations to the existing signalling Works as and when required

- Design and CAD for any of the activities mentioned above

Design Requirements

- Accuracy of designs will remain the contractors responsibility
- Designs will not be accepted as approved prior to final testing and commissioning
- Designs will only be marked accepted for installation by RME prior to final testing and commissioning

The *Contractor* must have adequate capacity and capability to provide the required service in the Central Region to the *Employer*. The *Employer* requires that the *Contractor* must at least have the following competencies:

- One (1) competent individual to perform designing of tasks
- One (1) competent individual to perform CAD work for designer of circuits
- One (1) competent individual to perform management of the Contract
- One (1) competent individual to perform planning and pre-testing
- Ten (10) competent Wiremen with required tools
- Two (2) competent Supervisors
- Adequate fleet to transport its team/s
- Relevant previous experience of the same nature as scope of this contract
- Be able to assist during testing and commissioning

The *Contractor* shall always ensure the safety of all its team and surroundings while performing the tasks from the Task Order and before commencement of any daily tasks by performing DSTI. The *Employer* shall obtain proof of DSTIs from the *Contractor's* 'live' file.

## 5 Requirements

5.1 The *Contractor* shall comply with the *Employer's* health and safety plans.

5.2 The *Contractor* shall, unless otherwise specified in the Task Order, complete in respect of each day a daily activity report which reports on staff deployed, the activities which they are carrying out and any unusual occurrences such as interruptions, delays, conflicting instructions, strikes, accidents and the like. The *Contractor* shall furnish the *Employer* with reports, unless otherwise specified, on a monthly basis.

5.3 The *Contractor* shall always comply with the following requirements:

- Health and Safety Plan and Standards HAS-STD-001
- Construction Environmental Management Plan- ENV-STD-002 (CEMP)
- Standard Environmental Standards – ENV-STD-001 (SES)
- Specification for works on, over, under or adjacent to Railway lines – E7/1 (July 1998)

5.4 The *Contractor* shall submit proof certifying competency of all required members of the team.

5.5 The *Contractor* shall monitor and control approved Quality, Health and Safety plans and communicates foreseen deviations to the *Employer*.

5.6 The *Contractor* shall always adhere to approved Transnet Freight Rail standards, procedures, rules and regulation and all other applicable Republic of South African legislations.

5.7 The *Contractor* shall be responsible for staff related issues including training, certification, scheduling, PPE, accommodation, transport, food, water and all other associated staff issues

5.8 Any other specifications specific to the project will be defined in the Task Order and the *Contractor* shall comply with. Should the *Contractor* require such specifications, the *Employer* shall avail them.

**5.9** The *Contractor* provides Plant and Materials in accordance with SABS 1200 A-1986, clause 3.1, unless stated otherwise elsewhere in the *Employer's* Scope of Works.

**5.10** The *Contractor* provides written certification of compliance with the specifications for Plant and Equipment he supplies.

## **6 Invoices**

The invoices that are submitted shall be VAT invoices. Such invoices shall be accompanied by a daily activity sheet covering the services together with, where relevant, a brief explanation as to what the time covered and a full breakdown of expenses to which receipts relate.

## **7 Constraints on how the Contractor Provides the Works**

The *Contractor* is to provide the *Works* according to the requirement of the *Employer*.

## **8 Facilities and equipment to be provided by the Employer**

As defined in the Task Order.

## **9 Management of Task Orders**

The *Contractor* shall carry out the Work in accordance with the terms and provisions contained in the following documents, all of which are deemed to be embodied in this Agreement;-

## **10 The Contractor's main responsibilities**

- Providing the *Works/ Services*
- Working with the *Employer* and Others (incl. Key Date)
- Other responsibilities

The *Contractor* shall provide:

- a) Personnel to be available within two (2) working days of receipt of an official request, for the required services required from Transnet Freight Rail RME. **The Contractor shall not provide personnel on direct requests from the various depots**, in which case Transnet Freight Rail RME shall not effect payment for the unauthorised service rendered. Should the *Contractor* fail to provide personnel within the specified time, Transnet Freight Rail RME may cancel the agreement unilaterally.
- b) Although the personnel provided by the *Contractor* shall observe and perform within Transnet Freight Rail RME regulations, rules and procedures while providing services under this agreement, all such personnel shall continue to be employees of the *Contractor*. The *Contractor* shall remain responsible for payment of all costs, including but not limited to, salaries, bonuses, pension funds, medical funds, insurance, daily allowances and meal allowances of the personnel.
- c) The *Contractor* shall pay any and all applicable taxes payable by the personnel, workmen's compensation, duties or fees assessed or levied by the Central Government, Provincial or Local Authority or a Regional Service Council as a result of the services provided by the *Contractor* in terms of this Agreement.
- d) It is expressly recorded that Transnet Freight Rail RME is not the *Employer* of the personnel and no contractual obligation between Transnet Freight Rail RME and the personnel is created due to the fact that the personnel perform their services under the control and authority of Transnet Freight Rail RME and in terms of Transnet Freight Rail RME operating methods. Notwithstanding the fact that the personnel perform their services under the control and authority of Transnet Freight Rail RME, they shall not at any stage be entitled to payment of any bonuses or benefits payable to employees of Transnet Freight Rail RME, nor shall they be entitled to any medical benefits of Transnet Freight Rail RME.



The personnel shall:

Sign on and off duty daily as instructed by Transnet Freight Rail RME's supervisors;

Provide their own overalls and/or protective clothing to enable them to carry out their duties satisfactorily in accordance with the requirements as determined by Transnet Freight Rail RME. In the event of Transnet Freight Rail RME requiring any of the personnel to wear it's uniform/clothing or part thereof, it shall be the responsibility of Transnet Freight Rail RME to provide the uniform/clothing at its own cost;

Be required to work overtime to meet the needs of Transnet Freight Rail RME's service. Overtime shall only be considered after a 9 (nine) hour's normal shift per day has been completed. Nightshift shall be considered as a normal shift and the basic rate (Monday to Friday) shall be applicable with no extra surcharge;

Be subject to the control, authority and supervision of Transnet Freight Rail RME.

In the event of Transnet Freight Rail RME, in its sole discretion, being dissatisfied for whatever reason with any or all of the personnel provided by the *Contractor*, Transnet Freight Rail RME shall forthwith notify the *Contractor* thereof. The *Contractor* shall then forthwith substitute any or all of such personnel at the request of Transnet Freight Rail RME. Transnet Freight Rail RME shall not be obliged to furnish reasons for its decision.

Any breach or omission by the personnel shall be handled by disciplinary officials of the *Contractor*. Transnet Freight Rail RME shall forthwith notify the *Contractor* or its appointed disciplinary official of any such breach or omission and may be of assistance in any possible disciplinary proceedings.

Both parties shall keep daily records, time sheets and such other records or documents as may be necessary to enable the parties to determine exactly how many hours per day the personnel have been in Transnet Freight Rail RME service.

Transnet Freight Rail RME, as far as is reasonable and practicable, provide rest and ablution facilities for the sole and exclusive use of the *Contractor's* employees.

## 11 Resolution of Disputes

If a dispute of any kind whatsoever arises between the *Service Manager* and the *Contractor* in connection with any matter arising, the matter shall be resolved by way of negotiation between the Senior Managers of the parties.

If the Senior Managers are unable to resolve the dispute, it shall be referred to the Programme Director who shall jointly resolve the dispute.

In the event of the Programme Director failing to resolve the dispute within 28 days of referral, either Programme Director may request the Chairman of the Association of Arbitrators of S.A. to appoint an Adjudicator to resolve the dispute.

The Adjudicator's decision shall be final and binding on both parties, with no further right of appeal. Although the dispute is not between two separate entities, the rules for the Conduct of Arbitrators, as published by the Association of Arbitrators, shall be used and as far as is practical the principles and intent of the Arbitrators Act (1965) shall apply.

## 12 Termination of Agreement

Should the *Contractor* be grossly inefficient or negligent in the carrying out of the Work(s) or should he fail to fulfil any material term or condition of the Agreement, the *Service Manager* shall have the right to declare the agreement cancelled and to invoke any safeguards in favour of the *Employer* provided in the Agreement.

TFR RME

SIGNALLING AREAS

