



Transnet Freight Rail  
an Operating Division of  
TRANSNET LIMITED  
(Registration No. 1990/000900/06)

## REQUEST FOR PROPOSAL (“RFP”)

RFP NUMBER HOAC\_HO\_5709

**NATIONAL SUPPLY OF BALLAST “On an As and When Required Basis”  
FOR A PERIOD OF 2 YEARS (24 Months)**

ISSUE DATE	:	11 April 2011
CLOSING DATE	:	17 MAY 2011
CLOSING TIME	:	10H00
OPTION DATE	:	26 July 2011

Please note that late responses and those delivered or posted to the incorrect address will be disqualified.

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

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\_\_\_\_\_  
Date and Company Stamp



**RFP NUMBER HOAC\_HO\_5709**

**NATIONAL SUPPLY OF BALLAST “On an As and When Required Basis”  
FOR A PERIOD OF 2 YEARS (24 Months)**

**SCHEDULE OF DOCUMENTS**

**Section**

1. **Notice to Bidders**
2. **Background, Overview and Scope of Requirements**
3. **Proposal Form**
4. **Resolution of Board of Directors (Respondent's Representative)**
5. **Certificate of Acquaintance with RFP Documents**
6. **Pricing and Delivery Schedule**
7. **General Tender Conditions (CSS5 – Goods)**
8. **Standard Terms and Conditions of Contract (US7 - Goods)**
9. **Specifications and Drawings**
10. **Non-Disclosure Agreement**
11. **Supplier Code of Conduct**
12. **(SDF) Supplier Declaration Form**
13. **Contractual Safety Clause**

“PREVIEW COPY ONLY”



## SECTION 1

RFP NUMBER HOAC\_HO\_5709

### NATIONAL SUPPLY OF BALLAST "On an As and When Required Basis" FOR A PERIOD OF 2 YEARS (24 Months)

#### NOTICE TO BIDDERS

1. Proposals are requested from interested persons, companies, close corporations or enterprises (hereinafter referred to as the "**Respondent(s)**") to supply the above-mentioned requirement to Transnet.

Proposals are requested from interested persons, companies, close corporations or enterprises (hereinafter referred to as the "**Respondent(s)**") to supply the above-mentioned requirement(s) to Transnet.

On or after 11 April 2011 the RFP documents may be inspected at, and are obtainable from the office of Transnet Freight Rail Transnet Advice Centre , Ground Floor , Inyanda House 1 , 21 Wellington Road , Parktown , Johannesburg during office hours 8:00 to 15h00 and a non – refundable tender fee of **R 1000.00** is applicable per tender.

Payment is made to Transnet Freight Rail Standard Bank Account number 203158598, Branch Code 004805. The deposit slip must reflect the RFP No. and the company name.

The Receipt/ proof of payment must be presented at collection of the tender document.

1.1 Note : This amount is not refundable

2. A formal briefing session will not be held but should Respondents have specific queries they should email these to the Transnet employee(s) indicated below:

Name : Ansley Greeff  
Division : Transnet Freight Rail (Supply Chain Services)  
Email : Ansley.Greeff@Transnet.net

3. Proposals in triplicate and/or CD copy must reach the Secretary, Transnet Freight Rail Acquisition Council before the closing hour on the date shown below, and must be enclosed in a sealed envelope which must have inscribed on the outside:

<b>RFP No</b>	<b>: HOAC_HO_5709</b>
<b>Description</b>	<b>: National Supply of Ballast Stone "On an As and When required basis For a period of 2 years (24 months)</b>
<b>Closing date and time</b>	<b>: 17 May 2011 at 10h00</b>
<b>Closing address (refer options paragraph 4 below)</b>	

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

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\_\_\_\_\_  
Date and Company Stamp



**4. DELIVERY INSTRUCTIONS FOR THIS RFP**

- 4.1 **If posted**, the envelope must be addressed to the Chairperson, Transnet Freight Rail Acquisition Council, P.O. Box 4244, Johannesburg, 2000 and must be dispatched in time for sorting by the Post Office to reach the Secretary before the closing time of the RFP. In the event of the late receipt of a Proposal, the Respondent's franking machine impression will not be accepted as proof that the response was posted in time.
- 4.2 **If delivered by hand**, the envelope is to be deposited in the TRANSNET tender box which is located at the Ground Floor, Inyanda House 1, 21 Wellington Road, Parktown, Johannesburg, Johannesburg, and should be addressed as follows:

THE SECRETARY  
TRANSNET FREIGHT RAIL ACQUISITION COUNCIL  
GROUND FLOOR  
TENDER BOX  
21 WELLINGTON ROAD  
INYANDA HOUSE  
PARKTOWN  
JOHANNESBURG

The measurements of the "tender slot" are 500mm wide x 100mm high, and Respondents must please ensure that response documents or files are not larger than the above dimensions. Responses which are too bulky (i.e. more than 100mm thick) must be split into two or more files, and placed in separate envelopes.

**It should also be noted that the above tender box is located at the main entrance and is accessible to the public 24 hours per day, 7 days a week.**

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

THE SECRETARY  
TRANSNET FREIGHT RAIL ACQUISITION COUNCIL  
GROUND FLOOR  
TENDER BOX  
21 WELLINGTON ROAD  
INYANDA HOUSE  
PARKTOWN  
JOHANNESBURG

- 5. Please note that this RFP closes punctually at 10:00 on Tuesday 17 May 2011.
- 6. If responses are not posted or delivered as stipulated herein, such responses will not be considered and will be treated as "UNRESPONSIVE."
- 7. NO EMAIL OR FACSIMILE RESPONSES WILL BE CONSIDERED.
- 8. The responses to this RFP will be opened as soon as practicable after the expiry of the time advertised for receiving them.
- 9. Transnet shall not, at the opening of responses, disclose to any other company any confidential details pertaining to the Proposals / information received, i.e. pricing, delivery, etc. The names and location of the Respondents will, however, be divulged to other Respondents upon request.



10. Envelopes must not contain documents relating to any RFP other than that shown on the envelope. All envelopes must reflect the return address of the Respondent on the reverse side.
11. No slips are to be attached to the response documents. Any additional conditions must be embodied in an accompanying letter. Subject only to clause 22 (*Alterations made by the Respondent to Tendered Prices*) of the General Tender Conditions, alterations, additions or deletions must not be made by the Respondent to the actual RFP documents.

12. **BROAD-BASED BLACK ECONOMIC EMPOWERMENT (“BBBEE”)**

TRANSNET fully endorses and supports the South African Government’s Broad-Based Black Economic Empowerment Programme and it is strongly of the opinion that all business enterprises have an equal obligation to redress the imbalances of the past. TRANSNET would therefore prefer to do business with business enterprises who share these same values and who are prepared to contribute to meaningful BBBEE initiatives (including and not limited to enterprise development, subcontracting and Joint Ventures) as part of their tender response.

Transnet would accordingly allow a “preference” in accordance with the 10% preference system, as per the Preferential Procurement Policy Framework Act 5 of 2000 (as amended) to companies who provide a BBBEE accreditation Certificate. All procurement and disposal transactions in excess of R30000 will be evaluated accordingly. All transactions below R 30,000 will as far as possible be earmarked for EME’s.

TRANSNET consequently urges Respondents (Large enterprises and QSE’s – see below) to have themselves duly accredited by any one of the Accreditation Agencies **approved** by SANAS (South African National Accreditation System, under the auspices of the DTI).

**In terms of Government Gazette No. 32467, Notice No. 810 dated 31 July 2009, as from 1 February 2010 only BBBEE certificates issued by Accredited Verification Agencies of Verification Agencies that are in possession of a valid pre-assessment letter from South African National Accreditation System will be valid.**

**However accreditation certificates issued by non-accredited verification agencies before 01 February 2010 and which are still within their one (1) year validity period will still be acceptable, until their expiry date provided that the accreditation was done in accordance with the latest codes (i.e. those promulgated on 9 February 2007).**

**BBBEE Accreditation Certificates issued after the published date i.e. 01 February 2010, by a Verification Agency not approved by SANAS, will NOT be acceptable as from 01 February 2010.**

Enterprises will be rated by such Accreditation Agencies based on the following:

- (a) **Large Enterprises (i.e. annual turnover >R35 million):**
  - Rating level based on all 7 (seven) elements of the BBBEE scorecard
  - Enterprises to provide BBBEE certificate and detailed scorecard (to be renewed annually)
- (b) **Qualifying Small Enterprises – QSE (i.e. annual turnover >R5 million but <R35 million):**



- Rating based on any 4 (four) of the elements of the BBBEE scorecard
  - Enterprises to provide BBBEE certificate and detailed scorecard (to be renewed annually)
- (c) **Exempted Micro Enterprises – EME (i.e. annual turnover <R5m are exempted from being rated or verified):**
- Automatic BBBEE Level 4 rating, irrespective of race ownership, i.e. 100% BBBEE recognition
  - Black ownership >50% or Black Women ownership >30% automatically qualify as Level 3 BBBEE rating, i.e. 110% BBBEE recognition
  - EME's should provide documentary proof of annual turnover (i.e. audited financials) plus proof of Black ownership if Black ownership >50% or Black Women ownership >30% (to be renewed annually) from their Auditors / Accounting Officers

In addition to the above, Respondents who wish to enter into a Joint Venture (JV) or subcontract portions of the contract to BBBEE companies must state in their Tenders / Proposals the percentage of the total contract value which would be allocated to such BBBEE companies, should they be successful in being awarded any business. A rating certificate in respect of such BBBEE JV-partners and/or sub-contractors, as well as a breakdown of the distribution of the aforementioned percentage allocation must also be furnished with the tender response to enable Transnet to evaluate / adjudicate on all tenders received on a fair basis.

**Each Respondent is required to furnish proof of its BBBEE status (Certificate and Detailed Scorecard) and ensure that the documentation is valid at the date of Tender Submission as stipulated above to TRANSNET.**

*Failure to submit your BBBEE Certificate and Detailed Scorecard will result in a score of zero being allocated for BBBEE evaluation.*

<p><b>Turnover:</b> Indicate your company's most recent annual turnover:</p> <p style="text-align: right;">R .....</p>
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- If annual turnover <R5m, please attach auditors / accounting officers letter confirming annual turnover and percentage black ownership as well as Black Women ownership
- If annual turnover >R5m please attach BBBEE certificate and detailed scorecard from an accredited rating agency.

**The DTI** has created an online **B-BBEE Registry** (<http://www.dti.gov.za>) in order to provide a central and standardized source of the B-BBEE status of all entities, and to facilitate the flow of this information amongst entities by providing a Unique Profile Number (UPN) per each listing. Existing and prospective suppliers are therefore urged to list their B-BBEE status on the DTI Registry. Hence, entities verified by DTI, will receive the following benefits:

- Their BBBEE status will be verified and confirmed by the DTI, before listing on the Registry
- Listing on the Registry will provide suppliers the option to market themselves on the DTI B-BBEE Opportunities Network. This is a search engine that is designed to help businesses find B-BBEE



compliant entities who match specific requirements in terms of the nature of services/goods provided, region, B-BBEE status or other search criteria.

Transnet supports this DTI initiative and will use the DTI Registry to verify prospective and existing suppliers' BBEE credentials.

Kindly provide Transnet with your DTI B-BBEE UNIQUE PROFILE NUMBER with all tender submissions.

**DTI BBEE UNIQUE PROFILE NUMBER:**

.....

Failure to submit your BBEE information in terms of the above-mentioned clauses will result in a score of zero being allocated for BBEE evaluation.

• **SUPPLIER DEVELOPMENT (SD) / ENTERPRISE DEVELOPMENT (ED):**

**Transnet's SD/ED Objective**

- Transnet's short-term Supplier Development and Enterprise Development objective is to align their SD/ED initiatives with their B-BBEE Strategy in order to achieve the maximum score on the B-BBEE Scorecard.
- Transnet's long-term objective as defined by the Enterprise Development vision, is to leverage medium to large suppliers, as external agents, to influence downstream ED opportunities within the greater Transnet supply chain, focusing on Rolling stock, Port Equipment and Infrastructure etc.

**Focus SD/ED Area's**

- A focus will be on providing small businesses with opportunities and preferential trading terms.
- Empowering HDI's to create their own business resulting in quality job creation.
- Consider SD/ED strategy which should include financial and non financial assistance to downstream suppliers as well as skills development.

Respondents are requested to provide TFR with their Supplier Development (SD) / Enterprise Development strategy as well as providing details of job creation should they be successful with this tender. As part of the proposal, the respondent will need to include a high level SD/ED proposal which will be subject to evaluation as per the ED evaluation criteria. The successful respondent/tenderer must submit a more detailed SD/ED plan within 60 days of award of contract.

**13. SOCIO-ECONOMIC OBLIGATIONS FOR FOREIGN RESPONDENTS**

Foreign Respondents' socio-economic obligations under this procurement programme will fall under the associated Government initiative, namely, the Competitive Supplier Development Programme ("CSDP") as developed by the Department of Public Enterprises.

• **Competitive Supplier Development Programme (CSDP):**

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Respondent's Signature

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Date and Company Stamp



**Transnet's CSDP Objective**

- Transnet's CSDP objective is to influence Multinational organisations toward initiatives that lead to the development of local downstream suppliers through large-scale SOE procurement in order to develop a competitive local supplier base focusing on Rolling stock and Infrastructure.

**Focus CSDP Area's**

- Applies to procurement event/s totaling greater than R70m (\$10m) with foreign companies
- Leveraging expanded maintenance and manufacturing initiatives.
- Skills development of scarce resources increasing the quality of jobs.
- Transfer of technology and innovation to local suppliers from foreign OEM's/companies
- Consider CSDP strategy which should include localization, sustainability and skills development as initiatives as a submission by tenderer.

**CSDP Triggers:**

**CSDP transactions are triggered when:**

- There is a single contract of which the total value is equal to or exceeds USD10 million (~R70 million)
- There is a contract with a renewable option clause, should the option be exercised, the total value of the opportunity is equal to or exceeds USD10 million (~R70 million)

**Furthermore, there is a CSDP obligation if the total value of the contract is less than USD10 million (~R70 million) but one of the following apply:**

- There is an opportunity to develop a local industry within Transnet's supply chain;
- When a limited local supply base exists and the potential to develop existing suppliers is evident;
- When there is a strong opportunity for IP and skills transfer to local suppliers and/or Transnet.

Respondents are requested to provide TFR with their CSDP strategy as well as providing details of job creation should they be successful with this tender. As part of the proposal, the respondent will need to include a high level CSDP proposal to include localization, sustainability and skills transfer which will be subject to evaluation as per the CSDP evaluation criteria. The successful respondent/tenderer must submit a more detailed CSDP plan within 60 days of award of contract.

**14. COMMUNICATION**

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Respondent's Signature

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Date and Company Stamp





Respondents are warned that a response will be liable to disqualification should any attempt be made by a Respondent either directly or indirectly to canvass any officer(s) or employee of Transnet in respect of this RFP between the closing date and the date of the award of the business.

A respondent may, however, BEFORE THE CLOSING DATE AND TIME, direct any enquiries relating to the RFP to the Transnet employee as indicated in clause 2 above, and may also at any time after the closing date of the RFP, communicate with the Secretary of the Transnet Freight Rail Acquisition Council, at telephone number 011 544 9577 / 3522 or fax no. 011 774 9760 on any matter relating to its RFP response.

#### 15. RFP SCHEDULE

Respondents will be contacted as soon as practicable with a status update. At this time short-listed Respondents may be asked to meet with Transnet representatives at a location to be agreed.

#### 16. INSTRUCTIONS FOR COMPLETING THE RFP

- (i) Sign one set of documents (sign and date the bottom of each page). This set will serve as the legal and binding copy. Another two copies of this document is required. These sets can be a copy of the original signed Proposal.
- (ii) All sets of documents to be submitted to the address specified above.
- (iii) The following returnable documents must accompany all Proposals:
  - Respondent's latest audited financial statements,
  - Respondent's valid Tax Clearance Certificate.
  - And/or CD copy of your RFP Proposal.

#### 17. COMPLIANCE

The successful Respondent (hereinafter referred to as the "Supplier") shall be in full and complete compliance with any and all applicable State and Local Laws and Regulations.

#### 18. ADDITIONAL NOTES:

- All returnable documents as indicated in the Proposal Form (Section 3) must be returned with the response
- Changes by the Respondent to its submission will not be considered after the closing date
- The person or persons signing the Proposal must be legally authorised by the Respondent to do so (Refer Section 4). A list of those person(s) authorised to negotiate on your behalf (if not the authorised signatories) must also be submitted along with the Proposal together with their contact details.
- All prices must be quoted in South African Rands
- Transnet reserves the right to undertake post-tender negotiations with selected Respondents or any number of short-listed Respondents and may wish to visit the Respondent's place of manufacture (works) during this process.

**NB: Unless otherwise expressly stated, all Proposals furnished pursuant to this Request shall be deemed to be offers. Any exceptions to this statement must be clearly and specifically indicated. Transnet reserves the right to reject any or all offers.**

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Respondent's Signature

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Date and Company Stamp



**FAILURE TO OBSERVE ANY OF THE AFOREMENTIONED REQUIREMENTS  
MAY RESULT IN A PROPOSAL BEING REJECTED**

**19. DISCLAIMERS**

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

- modify the RFP's Goods and request Respondents to re-bid on any changes
- reject any Proposal which does not conform to instructions and specifications which are detailed herein
- disqualify Proposals submitted after the stated submission deadline
- not necessarily accept the lowest priced Proposal
- reject all Proposals, if it so decides
- award a contract in connection with this Proposal at any time after the RFP's closing date
- award only a portion of the proposed Goods which are reflected in the scope of this RFP
- split the award of the contract between more than one Supplier
- make no award of a contract

Kindly note that Transnet will not reimburse any Respondent for any preparatory costs or other work performed in connection with this Proposal, whether or not the Respondent is awarded a contract.

**20. LEGAL REVIEW**

Any Proposal submitted by a Respondent is subject to review and negotiation of the proposed contract by Transnet's Legal Counsel.

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Respondent's Signature

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Date and Company Stamp



Respondents to complete this section:

NAME OF RESPONDENT .....
PHYSICAL ADDRESS .....
.....

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

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

“PREVIEW COPY ONLY”

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

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Date and Company Stamp



## SECTION 2

RFP NUMBER HOAC\_HO\_5709

### NATIONAL SUPPLY OF BALLAST “On an As and When Required Basis” FOR A PERIOD OF 2 YEARS (24 Months)

#### 1 BACKGROUND, OVERVIEW AND SCOPE OF REQUIREMENTS

##### 1.1 BACKGROUND

In order to procure Ballast stone more effectively and efficiently, Transnet Freight Rail is seeking to appoint service providers that will be able to adequately supply the required demand.

##### 1.2 EXECUTIVE OVERVIEW

Transnet Freight Rail currently procures their Ballast requirements through a number of service providers. Our objective is to source all activity through a Supplier(s) capable of servicing Transnet Freight Rail nationally.

It also seeks to improve its current processes for providing these Goods to its end user community throughout its locations.

The selected service provider(s) will share in the mission and business objectives of Transnet. These mutual goals will be met by meeting contract requirements and new challenges in an environment of teamwork, joint participation, flexibility, innovation and open communications. In this spirit of partnership, Transnet and its Supplier(s) will study the current ways they do business to enhance current practices and support processes and systems. Such a partnership will allow Transnet to reach higher levels of quality, service and profitability.

Specifically, Transnet seeks to benefit from this partnership in the following ways:

- Transnet must receive reduced cost of acquisition and improved service benefits resulting from the Supplier's economies of scale and streamlined service processes.
- Transnet must achieve appropriate availability that meets user needs while reducing costs for both Transnet and the chosen Supplier(s).
- Transnet must receive proactive improvements from the Supplier with respect to supply of Goods and related processes.
- Transnet's overall competitive advantage must be strengthened by the chosen Supplier's leading edge technology and service delivery systems.
- Transnet end users must be able to rely on the chosen Supplier's personnel for service enquiries, recommendations and substitutions.
- Transnet must reduce costs by streamlining its acquisition of Goods, including managed service processes on a Group basis.

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Respondent's Signature

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Date and Company Stamp



### 1.3 SCOPE OF REQUIREMENTS

Transnet Freight Rail is looking to contract with prospective suppliers in an 'as and when', non exclusive contract for a period of two years.

### 1.4 GENERAL INFORMATION

It is required that Transnet Freight Rail will be included in the scope of this Proposal.

The service provider(s) shall be fully responsible to Transnet Freight Rail for the acts and omissions of persons directly or indirectly employed by them.

For the purposes of evaluation, information pertaining to the Technical, Commercial and Enterprise Development evaluation criteria must be completed in the accompanying excel spreadsheet. Please refer to the evaluation criteria section for more information.

**The table below provides indicative FY 2011/12 ballast stone demand figures per depot/ region and should not be interpreted as actual demand figures:**

Depot	Year 1	Year 2
	Indicative Demand	Indicative Demand
DURBAN	28420m <sup>3</sup>	28420m <sup>3</sup>
HEIDELBERG	23318 m <sup>3</sup>	23318 m <sup>3</sup>
ISANDO EAST	27532 m <sup>3</sup>	27532 m <sup>3</sup>
ISANDO CENTRAL	24360 m <sup>3</sup>	24360 m <sup>3</sup>
KRUGERSDORP	41149 m <sup>3</sup>	41149 m <sup>3</sup>
LADYSMITH	45160 m <sup>3</sup>	45160 m <sup>3</sup>
PIETERSBURG	25877 m <sup>3</sup>	25877 m <sup>3</sup>
EMPANGENI	30890 m <sup>3</sup>	30890 m <sup>3</sup>
ERMELO	113992 m <sup>3</sup>	113992 m <sup>3</sup>
NELSPRUIT	37192 m <sup>3</sup>	37192 m <sup>3</sup>
KOEDOESPOORT	25753 m <sup>3</sup>	25753 m <sup>3</sup>
VRYHEID	98218 m <sup>3</sup>	98218 m <sup>3</sup>
BLOEMFONTEIN	24983 m <sup>3</sup>	24983 m <sup>3</sup>
BELLVILLE	34358 m <sup>3</sup>	34358 m <sup>3</sup>
KIMBERLEY NORTH	18649 m <sup>3</sup>	18649 m <sup>3</sup>
KIMBERLEY SOUTH	18649 m <sup>3</sup>	18649 m <sup>3</sup>
OREX	112424 m <sup>3</sup>	112424 m <sup>3</sup>
PORT ELIZABETH	42915 m <sup>3</sup>	42915 m <sup>3</sup>
POLOKWANE	12320 m <sup>3</sup>	12320 m <sup>3</sup>
VEREENIGING	7821 m <sup>3</sup>	7821 m <sup>3</sup>
EAST LONDON	17514 m <sup>3</sup>	17514 m <sup>3</sup>
WITBANK	25753 m <sup>3</sup>	25753 m <sup>3</sup>

Respondent's Signature

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Date and Company Stamp



Section 2.17 – Evaluation Criteria, details the specific process that will be used when evaluating the responses and contracting with the successful suppliers.

**1.5 AS AND WHEN CONTRACTS**

Purchase orders will be placed on the successful Respondents from time to time as and when supplies are required.

Transnet reserves the right to place purchase orders until the last day of the contract for deliveries to be effected within the delivery period/lead time specified beyond the expiry date of the contract under the same terms and conditions as agreed upon.

- (i) Delivery requirements may be stipulated in purchase orders and scheduled deliveries may be called for. However, delivery periods and maximum monthly rates of delivery offered by the Respondents will be used as guidelines in establishing lead times and monthly delivery requirements with the Supplier. **Note:** Suppliers to supply lead times/ notification periods in accompanying excel spreadsheet.
- (ii) Where scheduled deliveries are required, the delivery period(s) specified must be strictly complied with, unless otherwise requested by TRANSNET. Material supplied earlier than specified may not be paid for or may be returned with the Supplier being held liable for all expenses incurred, eg. Railage charges, handling charges, etc., both ways.

The Respondents must state hereunder the annual holiday closedown periods.

.....

.....

The Respondent is to furnish the following information:

What action does the Respondent propose to take to ensure continuity of supply during non-working days or holidays and periods occupied in stocktaking or in effecting repairs to plant or in overhaul of plant which would ordinarily occur within the stated delivery period:

.....

.....

.....

**1.6 RESPONDENT’S SAMPLES**

Only in cases when the Respondent submits a sample(s) of the Goods/products/material tendered for by it, the sample(s) must be forwarded on or before the deadline date to the addressee hereunder:



Jeffrey Ngozo  
George Goch  
011 773 6355

The sample(s) must be clearly marked with the reference number of this RFP and the names and addresses of both the Respondent and the manufacturer.

FAILURE TO SUBMIT THE SAMPLE(S) IN DUE TIME MAY RESULT IN A PROPOSAL BEING REJECTED. PROPOSALS MUST UNDER NO CIRCUMSTANCES BE INCLUDED IN THE PACKAGE CONTAINING A SAMPLE(S).

The Respondents must state the following:

- (i) Has/have a sample(s) been submitted?

.....

- (ii) How and to whom forwarded?

.....

- (iii) Date of dispatch

.....

**1.7 PRE-PRODUCTION SAMPLES/PROTOTYPES**

Only in cases when a pre-production sample(s) / prototype(s) is/are called for, the Respondent should state here the date required to deliver the necessary pre-production samples(s)/prototype(s) calculated as from the date of notification of acceptance of the Proposal by Transnet:

.....

NB: Purchase Orders will be placed on the Supplier(s) only after the date of approval of the pre-production sample(s).

State the number of days/weeks/months after which delivery would commence subject to Transnet's approval of the pre-production sample(s)/prototype(s), calculated as from the date of such approval:

.....

**1.8 MANUFACTURERS**

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

**Note:** RFP Item numbers can be found in the accompanying 'Information required' excel spreadsheet

- (i) LOCAL MANUFACTURER(S):



RFP ITEM NO.	NAME	ADDRESS (IN FULL)
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

**1.9 SUPPLIERS**

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

(i) LOCAL MANUFACTURER(S):

RFP ITEM NO.	NAME	ADDRESS (IN FULL)
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

**1.10 EXCHANGE AND REMITTANCE**

The attention of the Respondents is specially directed to clause 7 (*Exchange and Remittance*) of the General Tender Conditions Form CSS5. The Respondent is also to note that the particulars of the exchange rate on which the Respondent has based its tendered price(s), is/are to be stipulated hereunder only if Transnet is requested by the Respondent to effect payment overseas direct to the Respondent’s principal/supplier.

\_\_\_\_\_  
Respondent’s Signature

\_\_\_\_\_  
Date and Company Stamp





(a) ZAR1.00 (South African currency) being equal to ..... (Foreign currency).  
 .....% in relation to tendered price(s) (.....) to be remitted overseas by Transnet.

(b) ..... (Name of country to which payment is to be made)

(c) Beneficiary details :  
 Name (Account holder) .....  
 Bank (Name and branch code).....  
 Swift code .....  
 Country .....

(d) ..... (Applicable date of Exchange Rate used)

**1.11 NATIONAL RAILWAY SAFETY REGULATOR ACT**

In compliance with the **National Railway Safety Regulator Act, 16 of 2002**, the successful Respondent (the “Supplier”) shall ensure that the Goods to be supplied to Transnet, under the terms and conditions of a contract between the parties, comply fully with the specifications as set forth in Section 9 (*Specifications and Drawings*) of this RFP, and shall thereby adhere to railway safety requirements and/or regulations. Permission for the engagement of a subcontractor by the Supplier, as applicable, both initially and during the course of a contract, shall be subject to a review of the capability of the proposed subcontractor to comply with the specified railway safety requirements and/or regulations. The Supplier and/or its subcontractor shall grant Transnet access, during the term of the contract, to review any safety-related activities, including the coordination of such activities across all parts of the organisation.

**Accepted:**

YES	
-----	--

NO	
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**1.12 SERVICE LEVELS**

- Experienced national account representative/s to work with Transnet's sourcing/procurement department (no sales representatives are needed for individual department/locations). Additionally, there shall be a minimal number of people, fully informed and accountable for this agreement.
- Transnet will have quarterly reviews with the Supplier's account representative on an ongoing basis.
- Transnet reserves the right to request that any member of the Supplier's team involved on the Transnet account be replaced if deemed not to be adding value for Transnet.

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

\_\_\_\_\_  
 Date and Company Stamp



- Supplier guarantees that it will achieve a 95% service level on the following measures. If the Supplier does not achieve this level as an average over each quarter, Transnet will receive a 1.5% rebate on quarterly sales payable in the next quarter:
  - Pick perfect rate/quantity/specifications
  - On-time delivery
- Ret Supplier must provide a toll-free number or alternative number for customer service calls.
- Supplier will pay all costs for returns (shipping, restocking, etc.) as long as materials are in resalable condition. Time limitation on returns will be 14 (fourteen) working days from date of delivery unless the product needs to be shipped back to original manufacturer either for repair or replacement, and then another future reasonable date shall be determined.
- Failure of the Supplier to comply with stated service level requirements will give Transnet the right to cancel the contract in whole, without penalty, giving 30 (thirty) days notice to the Supplier.

**Accepted:**

YES	
-----	--

NO	
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**1.13 CONTINUOUS IMPROVEMENT INITIATIVES AND VALUE ADD**

Respondents shall indicate whether they are committed to participate in the continuous improvement initiatives of Transnet to reduce the overall cost of transportation within South Africa during the duration of the contract.

**Accepted:**

YES	
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NO	
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If “yes”, please specify.

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



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

\_\_\_\_\_  
Date and Company Stamp



**1.14 RISK**

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

(i) quality and specification of Goods delivered:

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

(ii) continuity of supply (refer clause 10.1(c) of Form US7):

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

(iii) compliance with the Occupational Health and Safety Act, 85 of 1993 (refer clause 7.1(f) of Form US7)

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

(iv) compliance with the National Railway Safety Regulator Act, 16 of 2002 (refer clause 12 above)

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



**1.15 REFERENCES**

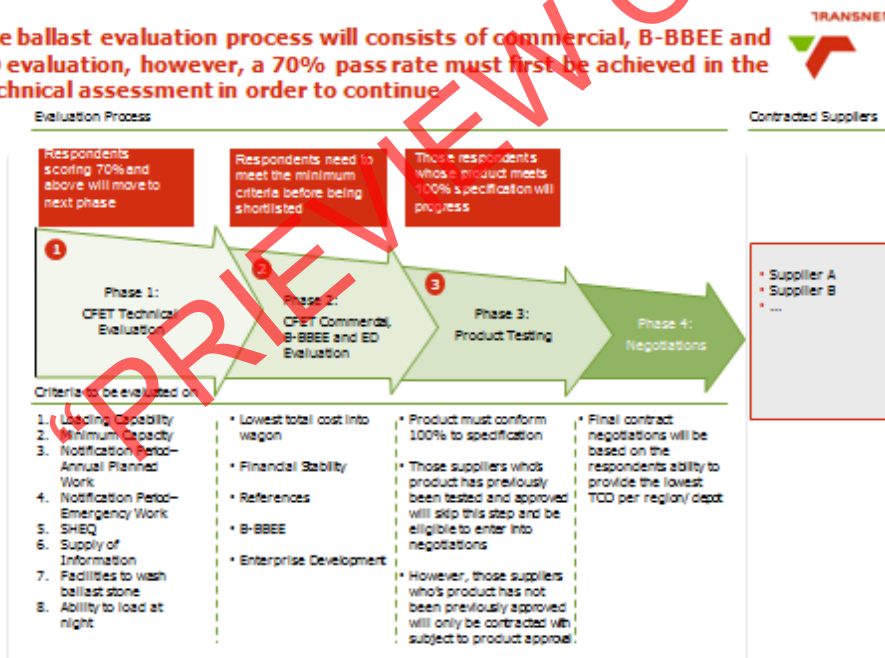
Please indicate below the company names and contact details of existing customers whom Transnet may contact to seek third party evaluations of your current service levels, where possible a maximum of 5 references should be submitted:

Name of Company	Contact Person	Telephone number

**1.16 EVALUATION CRITERIA (Is all the criteria submitted in RFP required –Legal and E&Y to review and comment)**

The ballast evaluation process will be based on the 80:10:10 evaluation method of which 80% is made up of commercial weighting, 10% is made up of B-BBEE weighting and the final 10% being assigned to Enterprise Development (ED). However, before respondents progresses to the commercial, B-BBEE and ED evaluation phases they first need to pass a technical evaluation process with a minimum of 70%.

**The ballast evaluation process will consists of commercial, B-BBEE and ED evaluation, however, a 70% pass rate must first be achieved in the technical assessment in order to continue**



Source: TIA, Team Analysis

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Respondent's Signature

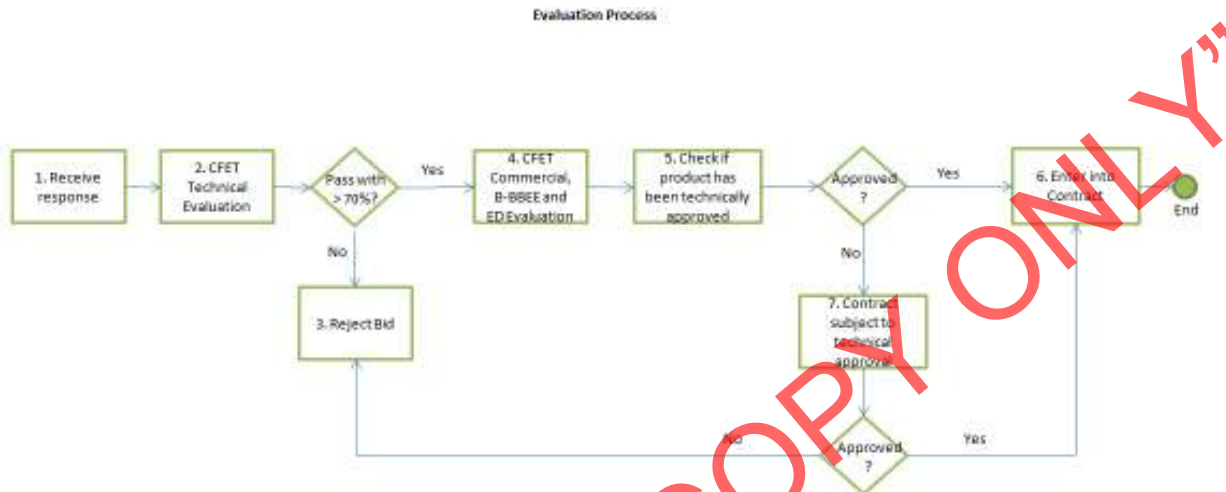
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### 1.16.1 THE EVALUATION PROCESS

The following process flow explains the sequence of activities that will be carried out during the evaluation;



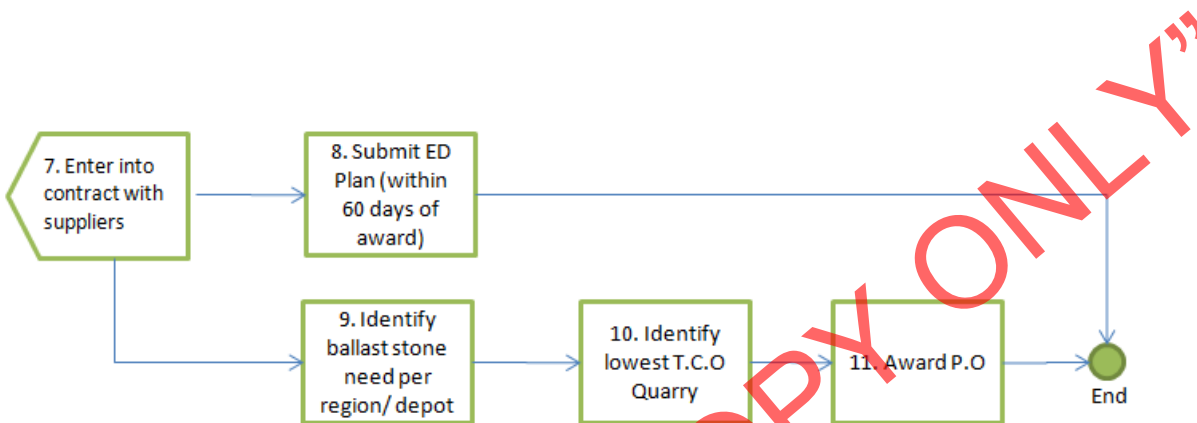
1. Each response received will first pass through a technical evaluation phase.
2. In order to progress from the technical evaluation phase, based on the criteria stipulated under the technical evaluation section, a minimum 70% pass must be obtained.
3. Should a minimum 70% score not be achieved, the bid will be rejected.
4. However, if a minimum 70% pass mark is achieved; the bid will progress to the Commercial, B-BBEE and ED evaluation phase, as stipulated under the Commercial, B-BBEE and ED sections. During this phase the top 5 bids will be shortlisted per depot/ region and will then progress to the product testing phase.
5. The shortlisted applicants and their relevant quarries will be checked in order to determine whether or not the ballast stone has been technically approved (The technical approval of the ballast stone will be carried out in accordance with specifications S406)
6. If it has been previously technically approved, TFR may reserve the right to enter into negotiations and contract with the relevant supplier.
7. However, if the ballast stone has not been previously technically approved, then TFR reserves the right to enter into negotiations and contract with the relevant supplier **subject to the ballast stone being approved**. If the ballast stone fails the product test, the bid will be rejected.



**1.16.2 THE CONTRACTING AND PROCUREMENT PROCESS**

The following process flow explains the contracting and procurement process;

**Contracting Process**



- 7. A non-exclusive, as and when contract will be entered into with suppliers in one of two ways:
  - a) Suppliers who have met the commercial, BBEE and ED criteria and have already been technically approved
  - b) Suppliers who have met the commercial, BBEE and ED criteria and are pending approval of the product test. Only once they pass the product test will a contract be entered into.
- 8. Successful supplier(s) will be required to submit an ED plan within a minimum of 60 days from the date of signing the contract. Failure to do so will result in a breach of contract. The implication of this could potentially lead to the termination of the contract. Note: The respondent needs to submit an ED proposal as part of the application; this proposal will be the basis of evaluation and further negotiation.
- 9. A minimum demand per region/ depot will be provided, which will be shared amongst the contracted suppliers for the specific region/ depot. This minimum demand is an indicative figure and does not represent actual demand for a specific depot/ region.
- 10. Once a ballast need has been identified by TFR for a specific depot/ region, the quarry with the lowest Total Cost of Ownership (TCO) in that specific region will be identified amongst the contracted list. The lowest TCO refers to the suppliers ability to provide the ballast stone at the cheapest price taking into consideration;

**Ballast Cost + Road Transportation Cost + Rail Transportation Cost + Activity costs + Shunting Costs**

Refer to the commercial criteria section for more information on the TCO calculation.

- 11. A Purchase Order (P.O) will then be issued to the lowest TCO supplier.



**Note:** In order to assist in the evaluation process, an excel spreadsheet (Information Required – RFP Ballast Stone.xls) has been provided, Where requested to do so, please complete the specified information in this spreadsheet.

Where appropriate please specify the option that best suites the quarry in the tables below, where there are multiple quarries involved, please provide separate tables for each quarry.

### 1.16.3 TECHNICAL CRITERIA

Respondents will be evaluated first for their technical compliance and would need to obtain a minimum of 70% in this section in order to continue with the next phase of the evaluation which will then be based on commercial, BBBEE and ED.

Respondents who have not achieved a 70% score in this section will not be considered.

**Note:** Points will not be carried over from this phase of evaluation

Description	Points (max)	Weighting
Category: Technical / Practical		
• Loading Capability		
• Minimum Capacity (rate of supply every 2 weeks)		
• Notification Period – Annual Planned Work		
• Notification Period – Emergency Work		
• SHEQ + Mining License		
• Supply of information		
• Facilities to Wash Ballast Stones		
• Ability to load at night		

#### a) Loading Capability

**Note:** In the event that respondents indicate that they only want to be considered for transport to site directly by road they will not be evaluated on the Loading Capability or ability to load at night criteria and only on the other specified technical criteria. The total score in this event will be 65 and to pass technical qualification, respondents will need to achieve greater than 70 percent (score achieved divided by total available points \* 100). In this event the respondents will only be considered where Transnet requirements are for direct on site delivery by road.

**PLEASE USE THE EXCEL SPREADSHEET TO SPECIFY THIS INFORMATION.**

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

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\_\_\_\_\_  
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Scoring Scale	
<ul style="list-style-type: none"> <li>• <b>Facilities at siding:</b> Provide a diagram and details of process, activities and physical space to load a consist of wagons.</li> <li>• <i>Refer to information required excel spreadsheet</i></li> </ul>	See excel spreadsheet
<ul style="list-style-type: none"> <li>• <b>Agreement(s) to use siding(s):</b> Provide information as to the ownership of the siding and supporting evidence that there is approval to use the siding(s) for the purpose of loading ballast stone</li> </ul>	

**b) Capacity - rate of supply every two weeks**

Capacity of quarry based on the potential rate of supply for the top 3 ballast stones (Ballast Stone S1, Ballast Stone N1-N3 and Ballast Stone Crushed 65mm) that can be loaded into ballast wagons every 2 weeks based on day shifts.

**NOTE:** Ballast wagons consist of AY wagons varying between a capacity of between 28m<sup>3</sup> and 33m<sup>3</sup>. If the mode of transport is to be by road only, then only the rate of supply to specified site will apply

**NOTE:** The basis of capacity scoring is to determine if a supplier can build up sufficient stock or produce sufficient stock, transport and load wagons to sustainably deliver volumes required.

Please use the excel spreadsheet to specify this information.

Scoring Scale – Every 2 weeks based on day shifts	
<ul style="list-style-type: none"> <li>• <b>Maximum Supply</b></li> <li>• &gt;5500m<sup>3</sup> every 2 weeks</li> <li>• Based on loading 20 AY wagons per day with a capacity of 28m<sup>3</sup> – 32.93m<sup>3</sup> per wagon</li> </ul>	See Attached spreadsheet
<ul style="list-style-type: none"> <li>• <b>Average High Volume</b></li> <li>• Between 4200m<sup>3</sup> and 5500m<sup>3</sup> every 2 weeks</li> <li>• Based on loading 15 AY wagons per day with a capacity of 28m<sup>3</sup> – 32.93m<sup>3</sup> per wagon</li> </ul>	See Attached spreadsheet
<ul style="list-style-type: none"> <li>• <b>Average Sustainable Volume</b></li> <li>• Between 2800m<sup>3</sup> and 4200m<sup>3</sup> every 2 weeks</li> <li>• Based on loading 10 AY wagons per day with a capacity of 28m<sup>3</sup> – 32.93m<sup>3</sup> per wagon</li> </ul>	See Attached spreadsheet
<ul style="list-style-type: none"> <li>• <b>Lowest Acceptable Volume</b></li> <li>• Between 1400m<sup>3</sup> and 2800m<sup>3</sup> every 2 weeks</li> <li>• Based on loading 10 AY wagons with a capacity of 28m<sup>3</sup> – 32.93m<sup>3</sup> per wagon</li> </ul>	See Attached spreadsheet
<ul style="list-style-type: none"> <li>• &lt; 1400m<sup>3</sup></li> </ul>	See Attached spreadsheet



**c) Notification Period – Annual Planned Work**

The notification period refers to the amount of notice that needs to be given in order to supply a specified quantity of ballast stone for the purposes of either annual planned work or emergency work.

Please use the table provided below to specify the most appropriate option.

Scoring Scale	
• 1 months notice required	
• 2 months notice required	
• 3 months notice required	
• > 3 months notice required	

**d) Notification Period - Emergency Work (short notice)**

Please use the table provided below to specify the most appropriate option.

Scoring Scale	Points
• 1 days notice required	
• 2 days notice required	
• 3 days notice required	
• 4 days notice required	
• > 4 days notice required	

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**e) SHEQ**

Please submit the relevant documentation as specified below.

Scoring Scale	
<ul style="list-style-type: none"> <li>Compliance with the OHS and safety, 85 of 1993</li> <li>Documentary proof submitted (ISO 9000, ISO 14001, Safety and Risk plan, Incident Report, Risk Register, Environmental Management Plan, SHEQ Policy, plus mining license)</li> </ul>	
<ul style="list-style-type: none"> <li>Compliance with the OHS and safety, 85 of 1993</li> <li>Limited or no documentary proof provide</li> <li>Mining License</li> </ul>	
<ul style="list-style-type: none"> <li>A system is in place with some non-compliance to requirements</li> <li>No mining license</li> </ul>	
<ul style="list-style-type: none"> <li>No standards rating documentation.</li> <li>Does not meet any requirements</li> </ul>	

**f) Supply of information**

Information as requested in excel spreadsheet (Information Required - RFP Ballast Stone).

Commercial and Technical evaluation will take place once all information required has been provided by the supplier.

Transnet reserves the right to request additional information from respondents.

Scoring Scale	
<ul style="list-style-type: none"> <li>Supply all information necessary to perform TCO calculation and technical evaluation</li> </ul>	
<ul style="list-style-type: none"> <li>Cannot perform TCO calculation and technical assessment based on information supplied</li> </ul>	

**g) Facilities to wash ballast stones**

Please specify in the table below.

Scoring Scale	
<ul style="list-style-type: none"> <li>Facilities to wash ballast stone as per the capacity</li> </ul>	
<ul style="list-style-type: none"> <li>No facilities</li> </ul>	



**h) Ability to load at night**

Please specify in the table below.

Scoring Scale	
<ul style="list-style-type: none"> <li>Ability to load at night (one extra night shift)</li> </ul>	
<ul style="list-style-type: none"> <li>Cannot load at night</li> </ul>	

**1.16.4 PRODUCT TESTING**

Only once respondents pass 70% of the criteria specified under the technical evaluation scoring matrix will they be eligible to undergo product testing. If they have not received the minimum 70% score, their application will be rejected.

**Note:** All ballast stones need to conform to the S406 specification.

Products need to conform 100% to specification.

Scoring Scale	Point
<ul style="list-style-type: none"> <li>Compliance to specification and adopted standards (S406)</li> <li>Compliance documentation submitted as proof that their product has been approved by Technology Management.</li> <li>Product proven and approved for Transnet Freight Rail use.</li> </ul>	Pass
<ul style="list-style-type: none"> <li>Critical deviation from specification</li> <li>Does not meet 100% of the technical specification.</li> </ul>	Fail

Once the product has passed the product test; commercial, B-BBEE and ED evaluation may begin.

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### 1.16.5 EVALUATION CRITERIA: COMMERCIAL, B-BBEE AND ENTERPRISE DEVELOPMENT

Description	
<b>Category: Commercial</b>	
• Total Cost loaded into wagon / to site (R/m3)	To be populated in excel spreadsheet
• Financial Stability	
• References / previous performance record	
<b>Category: B-BBEE</b>	
• B-BBEE certificate and scorecard	
<b>Enterprise Development</b>	
• ED Proposal Submission	
• Quality	
• Job Creation	To be populated in excel spreadsheet
• Jobs Maintained	To be populated in excel spreadsheet

#### 1.16.5.1 COMMERCIAL CRITERIA

(A working example has been provided in the accompanying excel spreadsheet under the commercial evaluation section.)

##### a) Total Cost loaded into wagons/ to site (Road Transport Only)

Commercial criteria will be based on the supplier's ability to provide Transnet with the lowest cost in terms of placing the ballast stone in the wagon. This cost will be based on the following calculation;

**Total Cost (R/m3) TC = Ballast Cost (R/m3) + Road Transportation Cost (to siding) (R/km) + Activity Costs (R/m3) + Shunting Costs (R/m3)**

**Note:** Where the supplier is requesting to be only considered for road transport the shunting costs will not be taken into account

**Note:** Once contracts have been entered into for a specific region/ depot, Purchase Orders will be issued against the suppliers that can provide Transnet with lowest Total Cost of Ownership (TCO) from quarry to depot/site. In order to calculate the TCO, the following costs will be inserted into the formula below:

**TCO (R/m3) = Ballast Cost (R/m3) + Road Transportation Cost(R/m3) + Rail Transportation Cost(R/m3) + Activity costs(R/m3) + Shunting Costs (R/m3)**

Where;

- **Ballast Cost:** Cost (R) per ballast stone per m3

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- **Road Transportation Cost:** Cost (R) per km/m3
- **Rail Transportation Cost:** Based on Transnet's internal costs (R/m3)= Rate(R/m3 per Km) \* distance to site (Km)
- **Activity costs:** Costs associated with loading ballast stone into wagon R per m3
- **Shunting costs:** Respondents must include any costs associated with shunting. Where there is a need for Transnet to shunt, the respondent needs to supply information pertaining to the number of shunts needed per consist (based on proposed consist size at nominated siding)

Suppliers need to ensure that ballast stone per m3 and transportation km/m3 costs are shown separately in their response in order to ensure an accurate evaluation.

Scoring Scale	
• Lowest TC ( rate R/m3/Km ) grouping per depot/ region	
• 2 <sup>nd</sup> Lowest TC ( rate R/m3/Km )grouping per depot / region	
• 3 <sup>rd</sup> Lowest TC ( rate R/m3/Km ) grouping per depot / region	
• 4 <sup>th</sup> Lowest TC ( rate R/m3/Km ) grouping per depot / region	
• 5 <sup>th</sup> Lowest grouping per depot / region	

**Note:** Additional information has been requested with regards to the maximum output per week for each ballast stone type for each quarry in order to draw from the appropriate quarries in the relevant depots/ regions.

**b) Financial Stability**

Respondents need to submit financial solvency ratios for the last three years. Transnet reserves the right to request that the financial ratios be audited prior to signing the contract. Respondents need to submit at least 2 years of audited Income statements and Balance Sheets.

The following ratios need to be submitted:

- **Liquidity Ratio**  
Current Assets/ Current Liabilities
- **Gearing Ratio**  
Total Debt/ Total Equity



Scoring Scale	
• Exceptional	
• Good	
• Poor	
• Bad	

**c) References**

A maximum of 5 references need to be submitted per respondent.

References / Previous performance record	
Irrelevant or no trade reference	
1 Relevant trade references	
2 Relevant trade references	
3 Relevant trade references	
4 Relevant trade references	
5 Relevant trade references	

**1.16.5.2 B-BBEE CRITERIA**

B-BBEE Certificate Level	
Level1	
Level2	
Level3	
Level4	
Level5	
Level6	
Level7	
Level8	
Level9 (or not submitted)	

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**1.16.5.3 ENTERPRISE DEVELOPMENT**

**SUPPLIER DEVELOPMENT (SD) / ENTERPRISE DEVELOPMENT (ED):**

**Transnet’s SD/ED Objective**

- Transnet’s short-term Supplier Development and Enterprise Development objective is to align their SD/ED initiatives with their B-BBEE Strategy in order to achieve the maximum score on the B-BBEE Scorecard.
- Transnet’s long-term objective as defined by the Enterprise Development vision is to leverage medium to large suppliers, as external agents, to influence downstream ED opportunities within the greater Transnet supply chain, focusing on Rolling stock, Port Equipment and Infrastructure etc.

**Focus SD/ED Area’s**

- A focus will be on providing small businesses with opportunities and preferential trading terms.
- Empowering HDI’s to create their own business resulting in quality job creation.
- Consider SD/ED strategy which should include financial and non financial assistance to downstream suppliers as well as skills development.

Respondents are requested to provide TFR with their Supplier Development (SD) / Enterprise Development strategy as well as providing details of job creation should they be successful with this tender. As part of the proposal, the respondent will need to include a high level SD/ED proposal which will be subject to evaluation as per the ED evaluation criteria. The successful respondent/tenderer must submit a more detailed SD/ED plan within 60 days of award of contract

Scoring Scale	
• Yes	
• No	

**a) Quality**

Scoring Scale	
• Good (Better than average) quality ED plan	
• Average quality ED plan	
• Poor (Less than average) quality ED plan	





**b) Job Creation**

Please complete in excel spreadsheet under the ED Evaluation Section

Scoring Scale	
<ul style="list-style-type: none"> <li>• More than 5% new jobs over 2 years</li> </ul>	
<ul style="list-style-type: none"> <li>• Up to 5% new jobs over 2 years</li> </ul>	
<ul style="list-style-type: none"> <li>• No new jobs (0%) staff growth over 2 years</li> </ul>	

**c) Jobs Maintained**

Please complete in excel spreadsheet under the ED Evaluation Section

Scoring Scale	
<ul style="list-style-type: none"> <li>• 100% of current jobs maintained over 2 years</li> </ul>	
<ul style="list-style-type: none"> <li>• 80% of current jobs maintained over 2 years</li> </ul>	
<ul style="list-style-type: none"> <li>• Less than 80% of jobs maintained over 2 years</li> </ul>	

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### SECTION 3

RFP NUMBER HOAC\_HO\_5709

## NATIONAL SUPPLY OF BALLAST "On an As and When Required Basis" FOR A PERIOD OF 2 YEARS (24 Months)

### PROPOSAL FORM

I/We \_\_\_\_\_  
(Name of company, close corporation or partnership)

of (full address) \_\_\_\_\_

carrying on business under style or title of (trading as)

represented by \_\_\_\_\_

in my capacity as \_\_\_\_\_

being duly authorised thereto by a Resolution of the Board of Directors or Members or Certificate of Partners, as the case may be, dated \_\_\_\_\_ a certified copy of which is annexed hereto, hereby offer to supply the above-mentioned Goods at the prices quoted in the schedule of prices in accordance with the terms set forth in the accompanying letter(s) reference \_\_\_\_\_ and dated \_\_\_\_\_ (if any) and the documents listed in the accompanying schedule of RFP documents.

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

- (i) Standard Terms and Conditions of Contract Form No. US7 - Goods;
- (ii) General Tender Conditions, Form CSS5 – Goods; and
- (iii) any other standard or special conditions mentioned and/or embodied in the Request for Proposal form; and;-

I/We accept that unless Transnet should otherwise decide and so inform me/us in the facsimile or letter of acceptance, this Proposal (and, if any, its covering letter and any subsequent exchange of correspondence), together with Transnet's acceptance thereof shall constitute a binding contract between Transnet and me/us.

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

\_\_\_\_\_  
Date and Company Stamp



Should Transnet decide that a formal contract should be signed and so inform me/us in the facsimile or letter of acceptance, this Proposal (and, if any, its covering letter and any subsequent exchange of correspondence) together with Transnet's letter of acceptance/intent, shall constitute a binding contract between Transnet and me/us until the formal contract is signed.

I/We further agree that if, after I/we have been notified of the acceptance of my/our Proposal, I/we fail to enter into a formal contract if called upon to do so, or fail to commence the supply of Goods within 4 (four) weeks, Transnet may, without prejudice to any other legal remedy which it may have, recover from me/us any expense to which it may have been put in calling for Proposals afresh and/or having to accept any less favourable Proposal.

I/We accept that any contract resulting from this offer will be for a period of 2 years only; and agree to a penalty clause to be negotiated with Transnet, which will allow Transnet to invoke a penalty (details to be negotiated) against us should the delivery of the Goods be delayed due to non-performance by us.

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

Respondent to indicate *domicillium citandi et executandi* hereunder:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**NOTIFICATION OF AWARD OF RFP**

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

**VALIDITY PERIOD**

Transnet desires a validity period of 3 (three) months (from closing date) against this RFP. It should be noted that Respondents may offer an earlier validity period, but that their Proposals may be disregarded for that reason. Should Respondents be unable to comply with this validity period, an alternative validity period must be stated hereunder:

This RFP is valid until \_\_\_\_\_ (State alternative validity period/date).

**TAX (VAT) REGISTRATION NUMBER**

The Respondent must state hereunder the tax registration number which is applicable to Value-Added Tax:

\_\_\_\_\_

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

\_\_\_\_\_  
Date and Company Stamp



**TAX CLEARANCE CERTIFICATE**

Respondents are required to forward a valid copy of their company's Tax Clearance Certificate with their Proposal.

Indicate tax clearance certificate expiry date: \_\_\_\_\_

**BANKING DETAILS**

BANK: \_\_\_\_\_

BRANCH NAME / CODE: \_\_\_\_\_

ACCOUNT HOLDER: \_\_\_\_\_

ACCOUNT NUMBER: \_\_\_\_\_

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

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

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

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

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

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

**REGISTRATION CERTIFICATE**

Respondents must submit a certified copy of their company's Registration Certificate with their Proposal.

**NAME AND ADDRESS OF ACCREDITED AGENT**

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

\_\_\_\_\_  
Date and Company Stamp



Provide hereunder, if applicable, details of the accredited agent in the Republic of South Africa appointed as local representative by foreign Respondents and whose address shall be regarded as the Respondent's domicilium citandi et executandi in terms of the Standard Terms and Conditions of Contract, US7 – Goods.

Name	.....
Address	..... .....

**CONFIDENTIALITY**

All information related to a subsequent contract, both during and after completion, is to be treated with strict confidence. Should the need however arise to divulge any information gleaned from provision of the Goods, which is either directly or indirectly related to Transnet's business, written approval to divulge such information will have to be obtained from Transnet.

**DISCLOSURE OF PRICES TENDERED**

Respondents must indicate here **whether Transnet may disclose** their tendered prices and conditions to other Respondents:

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

**DECLARATION**

Respondents to declare hereunder whether any family and/or direct relationship exists between any of the owners / members / directors / partners / shareholders (unlisted companies) of the responding company and any employee or board member of the Transnet Group:

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

If YES, please indicate below:

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

ADDRESS

---



---



---

Indicate nature of relationship (if any):

---



---

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

\_\_\_\_\_  
Date and Company Stamp



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

## PRICE REVIEW

Transnet will be benchmarking this price offering(s) against the lowest price received as per the benchmarking exercise. If the Respondent's price(s) is/are found to be higher than the benchmarked price(s), then the Respondent shall match or better such price(s) within 30 days - failing which the Contract may be terminated at Transnet's discretion or the particular item(s) or service(s) purchased outside the contract.

## RETURNABLE DOCUMENTS

Respondents are required to submit the following returnable documents with their responses (see tick):

<b>Notice to Bidders – Section 1</b>	√
<b>Background overview – Section 2</b>	√
<b>Proposal Form – Section 3</b>	√
<b>Resolution of Board of Directors (Respondent's Representative) – Section 4</b>	√
<b>Certificate of Acquaintance with RFP Documents – Section 5</b>	√
<b>Pricing &amp; Delivery Schedule – Section 6</b>	√
<b>Supplier must populate this section</b>	
<b>General Tender Conditions, Form CSS5 – Section 7</b>	√
<b>Conditions of Contract, Form US7 – Section 8</b>	√
<b>Audited Financials for previous year and financial ratios</b>	√
<b>Valid Tax Clearance Certificate</b>	√
<b>VAT Registration Certificate</b>	√
<b>BBBEE Accreditation Certificate</b>	√
<b>Specifications and Drawings – Section 9</b>	√
<b>Non-Disclosure Agreement – Section 10</b>	√
<b>Supplier Code of conduct – Section 11</b>	√
<b>Supplier Declaration Form – Section 12</b>	√
<b>Pricing &amp; Delivery Schedule</b>	√
<b>SD/ED strategy</b>	√
	√

**NOTE: Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and Annexure A, as indicated in the footer of each page, must be signed and dated by the Respondent.**

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

\_\_\_\_\_  
Date and Company Stamp



By signing the RFP documents, the Respondent is deemed to acknowledge that he / she has made himself / herself thoroughly familiar with all the conditions governing this RFP, including those contained in any printed form stated to form part hereof and Transnet Limited will recognise no claim for relief based on an allegation that the Respondent overlooked any such condition or failed properly to take it into account for the purpose of calculating tendered prices or otherwise.

SIGNED at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

SIGNATURE OF WITNESSES:

ADDRESS OF WITNESSES:

1 \_\_\_\_\_ 1 \_\_\_\_\_

2 \_\_\_\_\_ 2 \_\_\_\_\_

SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE:

NAME

DESIGNATION

“PREVIEW COPY ONLY”

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

\_\_\_\_\_  
Date and Company Stamp



### SECTION 4

RFP NUMBER HOAC\_HO\_5709

### NATIONAL SUPPLY OF BALLAST “On an As and When Required Basis” FOR A PERIOD OF 2 YEARS (24 Months)

**SIGNING POWER : RESOLUTION OF BOARD OF DIRECTORS**

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

It was resolved at a meeting of the Board of Directors held on \_\_\_\_\_ that

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

in his/her capacity as indicated above is/are hereby authorised to enter into, sign, execute and complete any documents relating to Tenders, Proposals and/or Contracts for the supply of Goods.

FULL NAME \_\_\_\_\_

\_\_\_\_\_

SIGNATURE CHAIRMAN

FULL NAME \_\_\_\_\_

\_\_\_\_\_

SIGNATURE SECRETARY





## SECTION 5

RFP NUMBER HOAC\_HO\_5709

### NATIONAL SUPPLY OF BALLAST "On an As and When Required Basis" FOR A PERIOD OF 2 YEARS (24 Months)

#### CERTIFICATE OF ACQUAINTANCE WITH RFP DOCUMENTS

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

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

hereby certify that I/we acquainted myself/ourselves with all the documentation comprising this RFP and all conditions contained therein, as laid down by Transnet Limited for the carrying out of the proposed supply/service/works for which I/we submitted my/our response.

I/We furthermore agree that Transnet Limited shall recognise no claim from me/us for relief based on an allegation that I/we overlooked any RFP/contract condition or failed to take it into account for the purpose of calculating my/our offered prices or otherwise.

SIGNED at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2009

WITNESS : \_\_\_\_\_

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

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

\_\_\_\_\_  
Date and Company Stamp



## SECTION 6

RFP NUMBER HOAC\_HO\_5709

**NATIONAL SUPPLY OF BALLAST “On an As and When Required Basis”  
FOR A PERIOD OF 2 YEARS (24 Months)**

**PRICING & DELIVERY SCHEDULE**

**SUPPLIER TO PROVIDE SUPPLY OFFER IN THIS SECTION**

**SEE ATTACHED EXAMPLE**

“PREVIEW COPY ONLY”



## SECTION 7

RFP NUMBER HOAC\_HO\_5709

**NATIONAL SUPPLY OF BALLAST “On an As and When Required Basis”  
FOR A PERIOD OF 2 YEARS (24 Months)**

**GENERAL TENDER CONDITIONS - GOODS**

Refer Form CSS5 attached hereto

“PREVIEW COPY ONLY”

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Respondent's Signature

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Date and Company Stamp



## SECTION 8

RFP NUMBER HOAC\_HO\_5709

**NATIONAL SUPPLY OF BALLAST “On an As and When Required Basis”  
FOR A PERIOD OF 2 YEARS (24 Months)**

**STANDARD TERMS AND CONDITIONS OF CONTRACT**

**FOR THE SUPPLY OF GOODS TO TRANSNET**

Refer Form US7 attached hereto.

**Respondents should note the obligations as set out in  
Clause 24 of the General Tender Conditions (Section 7) which reads as follows:**

*“The Supplier shall adhere to the Standard Terms and Conditions of Contract as set out in Form US7 – Goods, a copy of which is attached hereto.*

*Should the Respondent find any conditions unacceptable, it should indicate which conditions are unacceptable and offer an alternative. Please note that any alternative offered shall be compared with acceptance of the Form US7 conditions or alternatives offered by other Respondents, except penalties for late deliveries, the exclusion of which may disqualify the RFP, save where indicated otherwise by Transnet.”*

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Respondent's Signature

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Date and Company Stamp



**SECTION 9**

**RFP NUMBER HOAC\_HO\_5709**

**NATIONAL SUPPLY OF BALLAST “On an As and When Required Basis”  
FOR A PERIOD OF 2 YEARS (24 Months)**

**SPECIFICATIONS AND DRAWINGS**

“PREVIEW COPY ONLY”

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Respondent's Signature

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Date and Company Stamp



## SECTION 10

RFP NUMBER HOAC\_HO\_5709

**NATIONAL SUPPLY OF BALLAST “On an As and When Required Basis”  
FOR A PERIOD OF 2 YEARS (24 Months)**

**NON-DISCLOSURE AGREEMENT (“NDA”)**

**Complete and sign NDA attached hereto**

“PREVIEW COPY ONLY”

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Respondent's Signature

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Date and Company Stamp



**SECTION 11**

**RFP NUMBER HOAC\_HO\_5709**

**NATIONAL SUPPLY OF BALLAST “On an As and When Required Basis”  
FOR A PERIOD OF 2 YEARS (24 Months)**

**SUPPLIER CODE OF CONDUCT**

“PREVIEW COPY ONLY”

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Respondent's Signature

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Date and Company Stamp



**SECTION 12**

**RFP NUMBER HOAC\_HO\_5709**

**NATIONAL SUPPLY OF BALLAST “On an As and When Required Basis”  
FOR A PERIOD OF 2 YEARS (24 Months)**

**SUPPLIER DECLARATION FORM**

“PREVIEW COPY ONLY”

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Respondent's Signature

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Date and Company Stamp





**SECTION 13**

**RFP NUMBER HOAC\_HO\_5709**

**NATIONAL SUPPLY OF BALLAST “On an As and When Required Basis”  
FOR A PERIOD OF 2 YEARS (24 Months)**

**CONTRACTUAL SAFETY CLAUSE**

“PREVIEW COPY ONLY”

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Respondent's Signature

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Date and Company Stamp



## **TRANSNET LIMITED / CONTRACTORS / SUB-CONTRACTORS**

### **CONTRACTUAL SAFETY CLAUSES WHICH WILL FORM PART OF ANY RESULTING CONTRACT**

The parties agree on the following arrangements according to section 37 (2) of the Occupational Health and Safety Act, 1993 (Act 85 of 1993) to ensure compliance by the mandatory with provisions of the Act.

- 1) That the contractor is an “employer” in his own right as defined in section 1 of Act 85 of 1993 and that he must fulfill all his obligations as an employer in terms of the Act.
- 2) The contractor shall comply with the requirements of Act 85 of 1993 in its entirety.
- 3) Where special permits are required, such as electrical switching, hot work permits, etc. the contractor shall obtain them from a person designated by Transnet Limited for this purpose, and all requirements of the contractor must rigidly comply with the permit.
- 4) The contractor shall conduct a risk assessment of the work to be performed by a competent person prior to the commencement of work, to identify risks and hazards that persons may be exposed to, analyse and evaluate identified hazards.
- 5) The contractor shall have a documented Health and Safety Plan based on the risks and hazards identified before commencement of work.
- 6) The Health and Safety Plan shall include the following:
  - 6.1 The safety management structure to be instituted with all appointments in terms of the Act and Regulations
  - 6.2 The safe working methods and procedures to be implemented to ensure work is performed in compliance to the Act.
  - 6.3 The safety equipment, devices and clothing to be made available by the contractor to his employees.
  - 6.4 The site access control measures pertaining to health and safety to be implemented.
  - 6.5 Control measures for ensuring that the Health and Safety Plan is maintained and monitored for the duration of the contract.
- 7) The contractor shall ensure that all work is performed under the close supervision of a person trained to understand the hazards associated with the work performed and who has authority to ensure that the necessary precautionary measures are implemented.
- 8) The contractor must appoint a Health and Safety Co-ordinator to liaise with Transnet Limited on matters pertaining to occupational health and safety.



- 9) The appointed Safety Co-ordinator must liaise at least once a week with the\* Health and Safety Section / Risk Manager /Occupational Risk Manager of Transnet Limited.
- 10) The contractor shall furnish the\* Health and Safety Section/ Risk Manager/ Occupational Risk Manager of Transnet Limited immediately with full particulars of any sub-contractor which he may involve in the contract in order that the sub-contractor himself can be made aware of all the clauses in this contract pertaining to health and safety.
- 11) The contractor shall stop any subcontractor from executing work which is not in accordance with the Health and Safety Plan or which poses a threat to health and safety of persons.
- 12) The contractor shall ensure that all his employees and visitors undergoes health and safety induction pertaining to the hazards prevalent, proof of such training must be kept on file.
- 13) In the event where the risk assessment reveals the risk relating to working from an elevated position the contractor shall cause the designation of a competent person, responsible for the preparation of a Fall Protection Plan.
- 14) The Fall Protection Plan shall include:
  - 14.1 A risk assessment of all work carried out from an elevated position
  - 14.2 Procedures and methods to address all the identified risks per location
  - 14.3 Evaluation of employees physical and psychological fitness necessary to work at elevated position.
  - 14.4 The training of employees working from an elevated position.
  - 14.5 Procedure addressing the inspection, testing and maintenance of all fall protection equipment.
- 15) The contractor shall advise the \* Health and Safety Section / Risk Manager/ Occupational Risk Manager of Transnet Limited of any hazardous situations which may arise from work being performed either by the contractor or his sub-contractor.
- 16) Copies of all appointments required by the act must be given to \* Health and Safety Section / Risk Manager / Occupational Risk Manager of Transnet Limited.
- 17) The contractor shall ensure that a Health and Safety File is available which shall include all documentation as required by the Act, copy of his and his subcontractors Risk Assessment and Health and Safety Plan.
- 18) All incidents referred to in Section 24 of the Act involving the contractor and his subcontractor on Transnet Ltd premises, shall be reported as prescribed. Transnet Ltd hereby obtains an interest in the issue of any investigation, formal inquiry conducted in terms of Section 31 and 32 of the Act into any incident involving the contractor, his subcontractor, any person or machinery under his control on Transnet Ltd premises.
- 19) No alcohol or any other intoxicating substance shall be allowed on Transnet Ltd premises. The contractor shall not allow anyone under or suspected to be under the influence of alcohol or any other intoxicating substance on Transnet Ltd premises.
- 20) A letter of good standing in terms of Section 80 (Employer to register with the Compensation Commissioner) of the Compensation for Occupational Injuries and Disease Act 1993 (Act 130 of 1993) must also be furnished.
- 21) All clauses in the contract pertaining health and safety forms an integral part of the contract and if not complied with may be construed as breach of contract.

\*As applicable