

PART T1: TENDERING PROCEDURES

T1.1 TENDER NOTICE AND INVITATION TO TENDER

RFP No. S.I/PROP.9000 CIDB

Transnet Limited trading as Transnet Freight Rail (the employer) invites tenders for the Bayhead, (CX) Loliwe House (Admin): Refurbishment of floors, Ground, First, Second, Third and Fourth floors, to implement space optimization.

Tenderers should have a CIDB contractor grading designation of 6GB or higher. Potentially emerging enterprises who satisfy criteria stated in the Tender Data may submit tender offers. Only tenderers, who are registered with the CIDB, are eligible to submit tenders.

The physical address for collection of tender documents is: Transnet Freight Rail, Tender Advice Centre, Ground Floor, Inyanda House 1, 21 Wellington Road, Parktown, Johannesburg.

Tender documents may be collected during working hours after 08:00 on 15 March 2010 and will only be available until 15:00 on Friday, 19 March 2010.

A non refundable tender deposit of R 500.00 (per set) is to be made to Transnet Freight Rail at the Standard Bank, account number 203158598, branch code 4805. The deposit slip must reflect the tender number S.I/PROP.9000 CIDB and the Company name. The official Bank receipt(s) franked with the official Bank stamp to be provided with the collection of a tender document. No tenders will be sold after 15:00 on Friday, 19 March 2010.

Queries relating to the **administrative issues** of these documents may be addressed to:

Mr. Abel Molokwane
Tel No. **011 584 0621**
E-mail: Abel.Molokwane@transnet.net

Mr. **A P Erasmus**
Tel No. **011 584 0669**
E-mail: Anton.Erasmus@transnet.net

A compulsory clarification/site meeting with representatives of the Employer will take place at **Loliwe House, 151 South Coast Road, Bayhead** on Tuesday, **23 March 2010** starting at **11h00** hrs. Tenderers without a valid tender document in their possession will not be allowed to attend the compulsory site/clarification meeting. (Mr Johan Basson, tel no. (011) 584 0697 or cell no. 083-283 0508 can be contacted regarding directions to the depot).

Transnet reserves the right to accept the whole or any part of a tender. Transnet also reserves the right to negotiate terms and conditions with all, or a short-listed group of contenders, or the preferred Tenderer, should it be deemed necessary.

This tender closes punctually at **10h00 on Tuesday, 06 April 2010.**

Tenders may only be submitted on the tender documentation that is issued. Telegraphic, telephonic, facsimile and late tenders will not be accepted.

Tenderers are warned that a tender will be liable to disqualification should any attempt be made by a Tenderer either directly or indirectly to canvass any officer(s) or employees of Transnet Limited in respect of a tender between the date the tender is submitted and the date of the award. A Tenderer may, however, at any time communicate with the Chairperson of the Transnet Freight Rail Acquisition Council, at telephone no. 011 584 0669 on any matter relating to his tender.

Envelopes must not contain documents relating to any tender other than that shown on the envelope. *No slips are to be attached to the tender documents. Any additional conditions must be embodied in an accompanying letter. Alterations, additions or deletions must not be made by the Tenderer to the actual tender documents.* Tenders submitted by Tenderers must be neatly bound and the inclusion of loose documents must be avoided.

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

Compliance of tender(s) with Transnet's requirements is the sole responsibility of the Tenderer and any costs incurred in subsequent modifications to or replacement of equipment accepted by Transnet Limited in good faith on the grounds of certified compliance with specified standards by the contractor and in fact found to be inadequate in such respects, will be to the relevant Tenderer's account

BROAD-BASED BLACK ECONOMIC EMPOWERMENT (BBBEE)

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 BBBEE initiatives (including, but not limited to subcontracting and Joint Ventures) as part of their RFP responses. Transnet will 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 R30 000 will be evaluated accordingly. All transactions below R30 000 will as far as possible be earmarked for EMEs

Consequently, when Transnet invites prospective suppliers to submit Proposals for its goods and services, it urges Respondents (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 Dti)

In terms of Government Gazette No 32467, Notice No. 810 dated 31 July 2009, as from 1 February 2010 only BBBEE Accreditation Certificates issued by SANAS Approved verification agencies will be valid. However Accreditation Certificates issued before 1 February 2010, and which are still within their 1 year validity period, will still be acceptable, until its expiry date and provided the accreditation was done in accordance **with the latest Codes (i.e. those promulgated on 9 February 2007).**

No certificate issued after 1 February 2010, by a Verification Agency not approved by SANAS, will be acceptable as from that date.

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

Large Enterprises (i.e. annual turnover >R35million)

- Rating level based on all seven elements of the BBBEE scorecard

Qualifying Small Enterprises — OSE (i.e. annual turnover between R5million and R35million):

- Rating based on any four of the elements of the BBBEE scorecard

Exempted Micro Enterprises — EME (i.e. annual turnover <R5m):

- **EMEs are exempted from BBBEE accreditation**
- Automatic rating of Level 4 BBBEE irrespective of race of ownership, i.e. 100% BBBEE recognition
- Black ownership >50% or Black Women ownership >30% automatically qualify as Level 3 BBBEE, i.e. 110% BBBEE recognition
- EME's should only provide documentary proof of annual turnover (i.e. audited financials) plus proof of Black ownership if Black ownership is >50% or Black Women ownership >30%.

In addition to the above, Respondents who wish to enter into a Joint Venture or subcontract portions of the contract to BBBEE companies, must state in their RFP5 the percentage, of the total contract value that will 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-contractor(s), as well as a breakdown of the distribution of the aforementioned percentage must also be furnished with the RFP response to enable Transnet to evaluate / adjudicate all RFP5 received on a fair basis.

The Dti has also contracted with B1SA (Pty) Ltd to create a national database of BBBEE enterprises. It will therefore be in the best interest of BBBEE enterprises, and they are accordingly encouraged to register themselves with B1SA (Pty) Ltd, immediately their SANAS approved verification agency issues their verification certificate. Not only will their name and BBBEE recognition level be published on the National BBBEE Database but other potential clients in the private and public sector requiring a particular commodity! service may source them from this National Database for possible future business opportunities.

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

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

R _____

- If annual turnover <R5m, please attach audited financials
- If annual turnover >R5m please attach an accreditation certificate issued by an Accreditation Agency, together with all the relevant score sheets pertaining thereto.

Suppliers and Tenderers are requested to duly complete the Supplier Declaration Form (SDF) and provide all the relevant supporting attachments as requested. Failure to provide the following may disqualify your tender submission:-

1. Duly completed SDF
2. Current tax clearance certificate

The Supplier and Tenderer shall furnish proof of the above to Transnet.

Transnet at its sole discretion may decide to allow certain price preferences in order to uplift the historically disadvantaged in terms of the PPPFA (Act 5 of 2000).

Transnet insists on honesty and integrity beyond reproach at all times and will not tolerate any form of improper influencing, bribery, corruption, fraud, or any other unethical conduct on the part of bidders/Transnet employees. If, in the opinion of Transnet's Chief Operating Officer, a tenderer/contractor/supplier has or has caused to be promised, offered or given to any Transnet employee, any bribe, commission, gift, loan, advantage or other consideration, Transnet shall be entitled to revoke the tender / contract by following its internal policies that govern the Exclusion process. In such an event Transnet will be entitled to place any Tenderer/Contractor/Supplier who has contravened the provisions of Transnet's business ethics on its List of Excluded Tenderers. This List will also be distributed to all other State Owned Enterprises and Government Departments.

Transnet invites its valued suppliers to report any allegations of fraud, corruption or other unethical activities to Transnet Tip-offs Anonymous, at any of the following addresses/contract numbers :-

- **Toll free anonymous hotline – 0800 003 056**
- **Email – Transnet@tip-offs.com**
- **Fax number – 0800 007 788**
- **Freepost DN 298, Umhlanga Rocks, 4320**

Confidentiality is guaranteed.

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