



TRANSNET, a division of

TRANSNET SOC LTD

Registration Number 1990/000900/30

[hereinafter referred to as **Transnet**]

REQUEST FOR QUOTATION [RFQ] No ERAC EMU 19217BD114

FOR THE SUPPLY OF: OFFICE FURNITURE

FOR DELIVERY TO: MALAHLE HOUSE, EMPANGENI

ISSUE DATE: 14 SEPTEMBER 2015 TO 22 SEPTEMBER 2015

CLOSING DATE: 29 SEPTEMBER 2015

CLOSING TIME: 12:00

COMPULSORY BRIEFING SESSION: 23 SEPTEMBER 2015

TIME: 10:00

VANUE: 4 KIEWIET STREET MALAHLE HOUSE, EMPANGENI, BOARDROOM 214

Section 1
NOTICE TO BIDDERS

Quotations which must be completed as indicated in Section 2 of this RFQ are to be submitted as follows:

METHOD: FAX: 086 515 9978
CLOSING VENUE: TRANSNET FRIGHT RAIL
04 KIEWIT STREET
MALAHLE HOUSE
EMPANGENI
3880
EMAIL TCPTENDERSRICHARDSBAY@transnet.net

1 Responses to RFQ

Responses to this RFQ [Quotations] must not include documents or reference relating to any other quotation or proposal. Any additional conditions must be embodied in an accompanying letter.

2 COMPULSORY LOCAL CONTENT THRESHOLD

In terms of section 9(1) of the Preferential Procurement Regulations, 2011, and the Instruction Note issued by National Treasury on the "Invitation and Evaluation of Bids based on a stipulated minimum threshold for local content and production for the **Furniture** Sector, Transnet is required to set a stipulated minimum threshold be set for this RFQ.

2.1 Local Content Threshold

A Local Content threshold of following items will be required for all Goods to be manufactured by a successful Respondent:

Description of Goods / Services	Local Content Threshold
COLOGNE DOUBLE PEDESTAL DESK 2000X1000	85%
COLOGNE COMBINATION CREDENZA WITH DRAWERS	85%
COLOGNE RECTANGULAR CONFERENCE TABLE 2700X1200	85%
EDEN WALL UNIT 900X450X1900H FULL GLASS	85%
TUSCAY VISITORS ARMCHAIR	70%
7600 VISITORS BLACK EPOXY FRAME	85%

For further guidance with regard to the determination of "Local Content," Respondents must refer to the following documentation:

- SABS approved technical specification number SATS 1286:2011
- Guidance on the calculation of Local Content

[available on the DTI website: <http://www.thedti.gov.za>]

2.2 Mandatory RFQ Annexures

The regulatory and mandatory RFQ Annexures, which must be completed by all Respondents in order to declare Local Content, are as follows:

- Annexure B – Declaration Certificate for Local Production and Content [SBD 6.2]
- Annexure C – Local Content Declaration: Summary Schedule

Annexures D and E are Supporting Schedules to Annexure C. They are named as follows:

- Annexure D – Imported Content Declaration: Supporting Schedule to Annexure C
- Annexure E – Local Content Declaration: Supporting Schedule to Annexure C

After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. Declaration C should be submitted with the bid documentation at the

closing date and time of the bid. Declarations D and E should be kept by Respondents for verification purposes for a period of at least 5 years. The successful Respondent is required to continuously update Declarations C, D and E with the actual values for the duration of the contract. In addition to what is stated above regarding Annexures D and E, please note that these declarations are to be submitted as part of the Essential Returnable Documents - See Section 2 of RFQ.

2.3 Challenges meeting the Local Content Threshold

Should, after the award of a Bid, the supplier experience challenges in meeting the stipulated minimum threshold for Local Content, Transnet is required to inform the DTI accordingly in order for the DTI to verify the circumstances and provide directives in this regard.

3

Broad-Based Black Economic Empowerment [B-BBEE]

Transnet fully endorses and supports the Government's Broad-Based Black Economic Empowerment Programme and it would therefore prefer to do business with local business enterprises who share these same values. As described in more detail in the attached B-BBEE Claim Form, Transnet will allow a "preference" to companies who provide a valid B-BBEE Verification Certificate.

The value of this bid is estimated to be below R1 000 000 (all applicable taxes included); and therefore the **80/20** system shall be applicable.

Respondents are required to complete Annexure A [the B-BBEE Preference Point Claim Form] and submit it together with proof of their B-BBEE Status as stipulated in the Claim Form in order to obtain preference points for their B-BBEE status.

Note: Failure to submit a valid and original B-BBEE certificate or a certified copy thereof at the Closing Date of this RFQ will result in a score of zero being allocated for B-BBEE.

4

Communication

Respondents are warned that a response will be liable for 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 RFQ 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 written enquiries relating to the RFQ to the following Transnet employee:

Name: Boniswa Dlamini Email: Boniswa.dlamini@transnet.net

Telephone: 035 906 7067

Respondents may also, at any time after the closing date of the RFQ, communicate with Lizelle Smith on any matter relating to its RFQ response:

Telephone 035 906 7503 Email: Lizelle.Smith@transnet.net

5 Legal Compliance

The successful Respondent shall be in full and complete compliance with any and all applicable national and local laws and regulations.

6 Changes to Quotation

Changes by the Respondent to its submission will not be considered after the closing date and time.

7 Pricing

All prices must be quoted in South African Rand on a fixed price basis, excluding VAT.

8 Prices Subject to Confirmation

Prices quoted which are subject to confirmation will not be considered.

9 Binding Offer

Any Quotation furnished pursuant to this Request shall be deemed to be an offer. Any exceptions to this statement must be clearly and specifically indicated.

10 Disclaimers

Transnet is not committed to any course of action as a result of its issuance of this RFQ and/or its receipt of a Quotation in response to it. Please note that Transnet reserves the right to:

- modify the RFQ's goods / service(s) and request Respondents to re-bid on any changes;
 - reject any Quotation which does not conform to instructions and specifications which are detailed herein;
 - disqualify Quotations submitted after the stated submission deadline;
 - not necessarily accept the lowest priced Quotation or an alternative bid;
 - reject all Quotations, if it so decides;
 - place an order in connection with this Quotation at any time after the RFQ's closing date;
 - award only a portion of the proposed goods / service/s which are reflected in the scope of this RFQ;
 - split the award of the order/s between more than one Supplier/Service Provider should it at Transnet's discretion be more advantageous in terms of, amongst others, cost or developmental considerations ;
- or
- make no award at all.

Should a contract be awarded on the strength of information furnished by the Respondent, which after conclusion of the contract, is proved to have been incorrect, Transnet reserves the right to cancel the contract.

Transnet reserves the right to undertake post-tender negotiations [PTN] with selected Respondents or any number of short-listed Respondents, such PTN to include, at Transnet's option, any evaluation criteria listed in this RFQ document.

Transnet reserves the right to award business to the highest scoring bidder/s unless objective criteria justify the award to another bidder.

Should the preferred bidder fail to sign or commence with the contract within a reasonable period after being requested to do so, Transnet reserves the right to award the business to the next highest ranked bidder, provided that he/she is still prepared to provide the required goods at the quoted price.

Transnet urges its clients, suppliers and the general public to report any fraud or corruption to

TIP-OFFS ANONYMOUS: 0800 003 056

"PREVIEW COPY ONLY"

RFQ FOR THE PROVISION/SUPPLY OF: OFFICE FIRNITURE
CLOSING VENUE: EMPANGENI
CLOSING DATE & TIME: 29 SEPTEMBER AT 10:00
VALIDITY PERIOD (90) NINETY. Business Days

SECTION 2
EVALUATION CRITERIA AND RETURNABLE DOCUMENTS

1 EVALUATION CRITERIA

TRANSNET WILL UTILISE THE FOLLOWING CRITERIA [NOT NECESSARILY IN THIS ORDER] IN CHOOSING A SUPPLIER/SERVICE PROVIDER, IF SO REQUIRED:

Criterion/ Criteria	Explanation
Administrative responsiveness	Completeness of response and returnable documents
Substantive responsiveness	Pre-qualification criteria, if any, must be met and whether the Bid materially complies with the scope and/or specification given.
Local Content Threshold	This RFQ is subject to regulation 9 (1) of the Preferential Procurement Policy Framework Act as [Office Furniture] has been designated for local production and content. As such, Respondents will be required to meet a stipulated minimum threshold for local production and content as stipulated in the relevant Instruction Note issued by National Treasury. The stipulated minimum threshold/s applicable is/are as follows: COLOGNE DOUBLE PEDESTAL DESK 2000X1000 – 85% COLOGNE COMBINATION CREDENZA WITH DRAWERS - 85% COLOGNE RECTENGULAR CONFERENCE TABLE 1700X1200 - 85% EDEN WALL UNIT 900X450X1900H FULL GLASS - 85% TUSCAY VISITORS ARMCHAIR – 70% 7600 VISITORS BLACK EPOXY FRAME - 85%
Final weighted evaluation based on 80/20 preference point	• Pricing and price basis [firm] • B-BBEE status of company - Preference points will be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table indicated in Annexure A: B-BBEE Claim Form.

2 Validity Period

Transnet desires a validity period of 90 [ninety] Business Days from the closing date of this RFQ.

This RFQ is valid until _____.

3 Disclosure of Prices Quoted

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

YES ☐ NO ☐

4 Returnable Documents

Returnable Documents means all the documents, Sections and Annexures, as listed in the tables below.

All Returnable Sections, as indicated in the header and footer of the relevant pages, must be signed, stamped and dated by the Respondent.

a) Respondents are required to submit with their Quotations the **mandatory Returnable Documents**, as detailed below.

Failure to provide all these Mandatory Returnable Documents at the Closing Date and time of this RFQ will result in a Respondent's disqualification. Respondents are therefore urged to ensure that all these Documents are returned with their Quotations.

Please confirm submission of these mandatory Returnable Documents by so indicating [Yes or No] in the tables below:

Mandatory Returnable Documents	Submitted [Yes or No]
SECTION 3 : Quotation Form	
ANNEXURE B – Declaration Certificate for Local Production and Content [SBD6.2]	
ANNEXURE C – Local Content Declaration: Summary Schedule	
ANNEXURE F – Certificate of attendance of briefing session	

b) In addition to the requirements of section (a) above, Respondents are further required to submit with their Quotations the following **essential Returnable Documents** as detailed below.

Failure to provide all these Returnable Documents may result in a Respondent's disqualification. Respondents are therefore urged to ensure that all these documents are returned with their Quotations.

Essential Returnable Documents	Submitted [Yes or No]
SECTION 2 : Evaluation criteria and list of returnable documents	
- SECTION 4 : RFQ Declaration and Breach of Law Form	
- Valid and original, or a certified copy, of your entity's B-BBEE Verification Certification as per the requirements stipulated in Annexure A: B-BBEE Claims Form Note: failure to provide these required documents at the closing date and time of the RFQ will result in an automatic score of zero being allocated for preference	
- Original valid Tax Clearance Certificate [Consortia / Joint Ventures must submit a separate Tax Clearance Certificate for each party]	
ANNEXURE A – B-BBEE Preference Points Claim Form	

Essential Returnable Documents	Submitted [Yes or No]
ANNEXURE D – Imported Content Declaration: Supporting Schedule to Annexure C	
ANNEXURE E – Local Content Declaration: Supporting Schedule to Annexure C	
ANNEXURE F – National Treasury Instructions on the amendment of SBD 6.2 and MBD 6.2	

CONTINUED VALIDITY OF RETURNABLE DOCUMENTS

The successful Respondent will be required to ensure the validity of all returnable documents, including but not limited to its Tax Clearance Certificate and valid B-BBEE Verification Certificate, for the duration of any contract emanating from this RFQ. Should the Respondent be awarded the contract **[the Agreement]** and fail to present Transnet with such renewals as and when they become due, Transnet shall be entitled, in addition to any other rights and remedies that it may have in terms of the eventual Agreement, to terminate such Agreement forthwith without any liability and without prejudice to any claims which Transnet may have for damages against the Respondent.

“PREVIEW COPY ONLY”

SECTION 3
QUOTATION FORM

I/We _____
hereby offer to supply the goods/services at the prices quoted in the Price Schedule below, in accordance with the conditions related thereto.

I/We agree to be bound by those terms and conditions in:

- the Standard RFQ Terms and Conditions for the Supply of Goods or Services to Transnet; and
- any other standard or special conditions mentioned and/or embodied in this Request for Quotation.

I/We accept that, unless Transnet should otherwise decide and so inform me/us, this Quotation [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.

I/We further agree that, if, after I/we have been notified of the acceptance of my/our Quotation, I/we fail to deliver the said goods/services within the delivery lead-time quoted, Transnet may, without prejudice to any other legal remedy which it may have, cancel the order and recover from me/us any expenses incurred by Transnet in calling for Quotations and/or having to accept any less favourable offer.

Price Schedule

I/We quote as follows for the goods required, on a "delivered nominated destination" basis, excluding VAT:

Item No	Description of Goods / Services		Unit of Measure	Quantity	Unit Price (ZAR)	Total Price (ZAR)
1	COLOGNE DOUBLE PEDESTAL	DESK 2000X1000	Each	1		
2	COLOGNE COMBINATION CREDENZA WITH DRAWERS		Each	1		
3	COLOGNE RECTANGULAR CONFERENCE TABLE	2700X1200	Each	1		
4	EDEN WALL UNIT	900X450X1900H FULL GLASS	Each	2		
5	TUSCAY VISITORS ARMCHAIR		Each	1		
6	7600 VISITORS BLACK EPOXY FRAME		Each	8		

Delivery Lead-Time from date of purchase order: _____ [days/weeks]

Notes to Pricing:

- a) All Prices must be quoted in South African Rand, exclusive of VAT

Returnable Document

- b) To facilitate like-for-like comparison bidders must submit pricing strictly in accordance with this price schedule and not utilise a different format. Deviation from this pricing schedule could result in a bid being disqualified.

Please note that should you have offered a discounted price(s), Transnet will only consider such price discount(s) in the final evaluation stage if offered on an unconditional basis.

By signing this Quotation Form the Respondent is deemed to acknowledge that he/she has made himself/herself thoroughly familiar, and agrees, with all the conditions governing this RFQ, including those contained in any printed form stated to form part hereof, including but not limited to the documents stated below and Transnet SOC Ltd 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:

1. The following documents all of which are available on Transnet's website or upon request:
 - 1.1. General Bid Conditions;
 - 1.2. Standard RFQ Terms and Conditions for the Supply of Goods or Services to Transnet;
 - 1.3. Supplier Integrity Pact;
 - 1.4. Non-disclosure Agreement; and
 - 1.5. Vendor Application Form and all supporting documents (first time vendors only)

Alternatively, for all existing vendors, please provide vendor number(s) here:

Transnet Operating Division	Unique Vendor Number	Yes / No
Transnet Group		
TFR, etc.		

In the Yes/No column above, please confirm that all the information and company address and contact details, banking details etc. are still correct as at the time of allocation of the vendor number(s). Alternatively, Respondents are required to provide the updated information with their bid submission.

SIGNED at _____ on this _____ day of _____ 20____

SIGNATURE OF WITNESSES

ADDRESS OF WITNESSES

1 _____
Name _____

2 _____
Name _____

SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE: _____
NAME: _____

Respondent's Signature

Date & Company Stamp

DESIGNATION: _____

SECTION 4

RFQ DECLARATION AND BREACH OF LAW FORM

NAME OF ENTITY: _____

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 RFQ Clarification purposes;
2. we have received all information we deemed necessary for the completion of this Request for Quotation [RFQ];
3. we have been provided with sufficient access to the existing Transnet facilities/sites and any and all relevant information relevant to the Supply of the Goods as well as Transnet information and Employees, and has had sufficient time in which to conduct and perform a thorough due diligence of Transnet's operations and business requirements and assets used by Transnet. Transnet will therefore not consider or permit any pre- or post-contract verification or any related adjustment to pricing, service levels or any other provisions/conditions based on any incorrect assumptions made by the Respondent in arriving at his Bid Price.
4. at no stage have we received additional information relating to the subject matter of this RFQ from Transnet sources, other than information formally received from the designated Transnet contact(s) as nominated in the RFQ documents;
5. we are satisfied, insofar as our entity is concerned, that the processes and procedures adopted by Transnet in issuing this RFQ and the requirements requested from Bidders in responding to this RFQ have been conducted in a fair and transparent manner; and
6. furthermore, we declare that a family, business and/or social relationship **exists / does not exist** [delete as applicable] between an owner / member / director / partner / shareholder of our entity and an employee or board member of the Transnet Group including any person who may be involved in the evaluation and/or adjudication of this Bid.
7. In addition, we declare that an owner / member / director / partner / shareholder of our entity **is / is not** [delete as applicable] an employee or board member of the Transnet Group.
8. If such a relationship as indicated in paragraph 6 and/or 7 exists, the Respondent is to complete the following section:

Respondent's Signature

Date & Company Stamp

Returnable Document

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 will lead to the disqualification of a respondent and may preclude a Respondent from doing future business with Transnet]

9. 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 entity in the forthcoming adjudication process, we shall notify Transnet immediately in writing of such circumstances.

BREACH OF LAW

10. We further hereby certify that we ~~have~~**have/have not been** [delete as applicable] 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. This includes the imposition of an administrative fine or penalty.

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 entity have been found guilty of a serious breach of law, tribunal or regulatory obligation.

SIGNED at _____ on this _____ day of _____ 20____

For and on behalf of duly authorised hereto	AS WITNESS:
Name:	Name:
Position:	Position:

Respondent's Signature

Date & Company Stamp

Signature:	Signature:
Date:	Registration No of Company/CC
Place:	Registration Name of Company/CC

"PREVIEW COPY ONLY"

**RFQ FOR THE SUPPLY OF
OFFICE FURNITURE**

ANNEXURE A : B-BBEE PREFERENCE POINTS CLAIM FORM

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 20 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 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 Code 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 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

Respondent's Signature

Date & Company Stamp

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 as per the 2007 version of the B-BBEE Codes of Good Practice and means any enterprise with an annual total revenue of R10 [ten] million or less as per the Revised Codes of Good Practice issued on 11 October 2013 in terms of Government Gazette No. 36928;
- 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 **"QSE"** means any enterprise with an annual total revenue between R5 [five] million and R35 [thirty five] million as per the 2007 version of the B-BBEE Codes of Good Practice and means any enterprise with an annual total revenue of between R10 [ten] million and R50 [fifty] million as per the Revised Codes of Good Practice issued on 11 October 2013 in terms of Government Gazette No. 36928
- 2.15 **"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;
- 2.16 **"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;
- 2.17 **"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;
- 2.18 **"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
- 2.19 **"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

Respondent's Signature

Date & Company Stamp

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 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 20]
1	20
2	18
3	16
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

4.2 Bidders who qualify as EMEs in terms of the 2007 version of the Codes of Good Practice 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 who qualify as EMEs in terms of the Revised Codes of Good Practice issued on 11 October 2013 in terms of Government Gazette No. 36928 are only required to obtain a sworn affidavit on an annual basis confirming that the entity has an Annual Total Revenue of R10 million or less and the entity's Level of Black ownership.

4.4 In terms of the 2007 version of the Codes of Good Practice, Bidders other than EMEs must submit

Respondent's Signature

Date & Company Stamp

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.

4.5 The Department of Trade and Industry recently revised the Codes of Good Practice on 11 October 2013 [Government Gazette No. 36928]. The Revised Codes will replace the Black Economic Empowerment Codes of Good Practice issued on 9 February 2007. The Revised Codes provide for a transitional period ending 30 April 2015. During the transitional period, companies may elect to be measured in terms of the Revised Codes or the 2007 version of the Codes. Companies which are governed by Sector-specific Codes will be measured in terms of those Sector Codes.

4.6 As such, Transnet will accept B-BBEE certificates issued based on the Revised Codes. Transnet will also continue to accept B-BBEE certificates issued in terms of the 2007 version of the Codes provided it was issued before 1 May 2015. Thereafter, Transnet will only accept B-BBEE certificates issued based on the Revised Codes.

4.7 In terms of the Revised Codes of Good Practice, Bidders who qualify as QSEs must comply with all the elements of B-BBEE for the purposes of measurement. QSEs that are at least 51% or 100% Black owned are only required to obtain a sworn affidavit on an annual basis confirming that the entity has an Annual Total Revenue of R50 million or less and the entity's Level of Black ownership. Large enterprises 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.

4.8 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.

4.9 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.

4.10 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.

4.11 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.

4.12 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.

4.13 Bidders are to note that in terms of paragraph 2.6 of Statement 000 of the Revised Codes of Good Practice issued on 11 October 2013 in terms of Government Gazette No. 36928, any

Respondent's Signature

Date & Company Stamp

representation made by an entity about its B-BBEE compliance must be supported by suitable evidence or documentation. As such, Transnet reserves the right to request such evidence or documentation from Bidders in order to verify any B-BBEE recognition claimed.

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 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 a sworn affidavit in the case of an EME or QSE.

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 [TICK APPLICABLE BOX]
 - ☐ Partnership/Joint Venture/Consortium
 - ☐ One person business/sole propriety
 - ☐ Close Corporations
 - ☐ Company (Pty) Ltd
- (v) Describe Principal Business Activities
.....
.....
- (vi) Company Classification [TICK APPLICABLE BOX]
 - ☐ Manufacturer
 - ☐ Supplier
 - ☐ Professional Service Provider

Respondent's Signature

Date & Company Stamp

- ☐ Other Service Providers, e.g Transporter, etc
- (vii) Total number of years the company/firm has been in business.....

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-BEE 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-BEE 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.

.....

2.

.....

DATE:.....

COMPANY NAME:

ADDRESS:.....

SIGNATURE OF BIDDER

Respondent's Signature

Date & Company Stamp

ANNEXURE B

SBD 6.2

**DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR
DESIGNATED SECTORS**

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2011, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

1.1. Preferential Procurement Regulations, 2011 (Regulation 9) makes provision for the promotion of local production and content.

1.2. Regulation 9.(1) prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.

1.3. Where necessary, for bids referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and 3-BBEE.

1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286:2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on <http://www.thedti.gov.za/industrialdevelopment/ip.jsp> at no cost.

- 1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

2. Definitions

- 2.1. **“bid”** includes written price quotations, advertised competitive bids or proposals;
- 2.2. **“bid price”** price offered by the bidder, excluding value added tax (VAT);
- 2.3. **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.4. **“designated sector”** means a sector, sub-sector or industry that has been designated by the Department of Trade and Industry in line with national development and industrial policies for local production where only locally produced services, works or goods or locally manufactured goods meet the stipulated minimum threshold for local production and content;
- 2.5. **“duly sign”** means a Declaration Certificate for Local Content that has been signed by the Chief Financial Officer or other financially responsible person nominated in writing by the Chief Executive, or senior member / person with management responsibility (close corporation, partnership or individual).
- 2.6. **“imported content”** means that portion of the bid price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or its subcontractors) and which costs are inclusive of the costs abroad (this includes labour or intellectual property costs), plus freight and other direct importation costs, such as landing costs, dock duties, import duty, sales duty or other similar tax or duty at the South African port of entry;
- 2.7. **“local content”** means that portion of the bid price which is not included in the imported content, provided that local manufacture does take place;
- 2.8. **“stipulated minimum threshold”** means that portion of local production and content as determined by the Department of Trade and Industry; and
- 2.9. **“sub-contract”** means the primary contractor’s assigning, leasing, 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.
3. **The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
COLOGNE DOUBLE PEDESTAL DESK 2000X1000	85%
COLOGNE COMBINATION CREDENZA WITH DRAWERS	85%
COLOGNE RECTENGULAR CONFERENCE TABLE 2700X1200	85%
EDEN WALL UNIT 900X450X1900H FULL GLASS	85%
TUSCAY VISITORS ARMCHAIR	70%

7600 VISITORS BLACK EPOXY FRAME

85%

4. Does any portion of the services, works or goods offered have any imported content?

(Tick applicable box)

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

- 4.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rate(s) of exchange information is accessible on www.reservebank.co.za

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate(s) of exchange used.

5. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be notified accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on http://www.thdti.gov.za/industrial_development/ip.jsp. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in**

order to substantiate the declaration made in paragraph (c) below. Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of (name of bidder
entity), the following:

(a) The facts contained herein are within my own personal knowledge.

(b) I have satisfied myself that:

(i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and

(c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.

The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

(e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 13 of the Preferential Procurement Regulations, 2011 promulgated under the Preferential Policy Framework Act (PPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____ **DATE:** _____

WITNESS No. 1 _____ **DATE:** _____

WITNESS No. 2 _____ **DATE:** _____

Annex D

Imported Content Declaration - Supporting Schedule to Annex C

(01)	Tender No.	ERAC EMU 19217803114
(02)	Tender description:	SUPPLY AND DELIVER OFFICE FURNITURE 1. COLOGNE DOUBLE PEDESTAL DESK 2000X1000 2. COLOGNE COMBINATION CREDENZA WITH DRAWERS 3. COLOGNE RECTANGULAR CONFERENCE TABLE 2700X1200 4. EDEN WAH UNIT 900X5001900H FULL GLASS 5. TUSCANY 2 SEATERS ARMCHAIR 6. 7600 VISITORS BLACK EPOXY FRAME
(03)	Designated Products:	
(04)	Tender Authority:	
(05)	Tendering Entity name:	
(06)	Tender Exchange Rate:	EUR R 9.00

Note: VAT to be excluded from all calculations

EU	R 9.00
GBP	R 12.00

A. Exempted imported content

[illegible]

B. Imported directly by the Tenderer

[illegible]

C. Imported by a 3rd party and supplied to the Tenderer

[illegible]

D. Other foreign currency payments

D. Other foreign currency payments				Calculation of foreign currency payments	
Type of payment	Local supplier making the payment	Overseas beneficiary	Foreign currency value paid	Tender Rates of Exchange	
(D46)	(D47)	(D48)	(D49)	(D50)	

Signature of tenderer from Annex B

Date:

(052) Total of foreign currency payments declared by tenderer and/or 3rd party

(D53) Total of imported content & foreign currency payments - (D35), (D45) & (D52) above

Local Content Declaration - Supporting Schedule to Annex C

Note: VAT to be excluded

(E13) Total local content R 0

This total must correspond with Annex C - C24

Date: _____

ANNEXURE F - CERTIFICATE OF ATTENDANCE OF RFQ BRIEFING

RFQ FOR THE SUPPLY OF OFFICE FURNITURE

It is hereby certified that –

1. _____
2. _____

Representative(s) of _____ *[name of entity]*
attended the RFQ briefing in respect of the proposed Goods to be supplied in terms of this RFQ on
_____ 20____

TRANSNET'S REPRESENTATIVE

DATE _____

RESPONDENT'S REPRESENTATIVE

DATE _____

EMAIL _____

Respondent's Signature

Date & Company Stamp



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA
Private Bag X115, Pretoria, 0001

TO: ACCOUNTING OFFICERS OF ALL NATIONAL DEPARTMENTS AND
CONSTITUTIONAL INSTITUTIONS

ACCOUNTING OFFICERS OF ALL MUNICIPALITIES AND MUNICIPAL
ENTITIES

ACCOUNTING AUTHORITIES OF ALL SCHEDULE 2 AND 3 PUBLIC ENTITIES

HEAD OFFICIALS OF PROVINCIAL TREASURIES

NATIONAL TREASURY INSTRUCTION 34 OF 2015/2016

**AMENDMENT OF DECLARATION CERTIFICATES FOR LOCAL PRODUCTION AND
CONTENT FOR DESIGNATED SECTORS [STANDARD BIDDING DOCUMENT (SBD 6.2)
AND MUNICIPAL BIDDING DOCUMENT (MBD 6.2)]**

1. PURPOSE

1.1 The purpose of this instruction is to prescribe the amended Standard Bidding Document (SBD 6.2) and Municipal Bidding Document (MBD 6.2) to give effect to the new requirements prescribed by the Department of Trade and Industry (the dti).

2. BACKGROUND

2.1 The Preferential Procurement Regulations, 2011 ('the Regulations') made in terms of section 5 of the Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000) which came into effect on 7 December 2011 make provision for the dti to designate sectors in line with national development and industrial policies for local production.

2.2 Regulation 9 (1) of the Regulations prescribes that in the case of designated sectors, where in the award of bids local production and content is of critical importance, such bids must be advertised with the specific bidding condition that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content will be considered.

2.3 Since 16 July 2012, the dti has designated and determined the stipulated minimum threshold for various sectors/products for local production and content.

2.4 Giving effect to the designations in question, the National Treasury has issued the following instructions, prescribing how the designation of sectors/products for local production and content should be implemented:

- (a) Furniture Products
- (b) Set top boxes sector
- (c) Bus sector
- (d) Steel power pylons sector
- (e) Canned or processed vegetables sector
- (f) Textile, clothing, leather and footwear sector
- (g) Rail rolling stock sector
- (h) Solar Water Heater Components
- (i) Electrical and Telecom Cable products
- (j) Residential Electricity Meters
- (k) Working vessels (Boats)
- (l) Valve products and Actuators

3. DISCUSSION

3.1 The SBD and MBD 6.2 prescribe that ***“bidders must submit a certificate from a registered auditor confirming that the local content declaration templates have been audited and certified as correct”***.

3.2 This is a mandatory requirement and should bidders not adhere to it, it will result in their bids being disqualified from the bidding process.

3.3 The dti received numerous complaints from various stakeholders that this requirement is cumbersome and costly. It is for this reason that the dti decided that the provision be relaxed and only provides that the South African Bureau of Standards will conduct post award local content verification to ensure that the declaration made by bidders is true and correct.

3.4 From the effective date of this instruction, institutions must utilise the attached SBD and MBD 6.2 when inviting bids for sectors/products that have been designated for local production and content.

4. RETROSPECTIVE APPLICATION OF THIS INSTRUCTION

4.1 The application of the new condition that abolishes the submission of a certificate by bidders from a registered auditor confirming that the local content declaration templates have been audited and certified as correct may be applied retrospectively.

4.2 Bids that have already been issued and not yet awarded having the submission of the audit certificate as a requirement may be evaluated with that condition withdrawn (i.e. a requirement for a certificate by a registered auditor).

4.3 The retrospective application of this instruction does not apply to bids that have already been awarded.

5.

ENQUIRIES

Any enquiries in respect of Local Production and Content and all documents to be submitted to the dti must be directed as follows:

The Department of Trade and Industry
Private Bag X84
Pretoria
0001

For Attention: Dr Tebogo Makube
Chief Director: Industrial Procurement
Tel: (012) 397 3927
Fax: (012) 397 4937
EMAIL: TMakube@thedti.gov.za

6.

APPLICABILITY

This instruction applies to all national and provincial departments, constitutional institutions, public entities listed in schedules 2 and 3 to the PFMA and municipalities and municipal entities to which the MFMA apply.

7.

DISSEMINATION OF INFORMATION CONTAINED IN THIS INSTRUCTION

7.1

Heads of provincial treasuries are requested to bring the contents of this instruction to the attention of accounting officers and supply chain management officials of their respective provincial departments.

7.2

Accounting officers of national and provincial departments are requested to bring the contents of this instruction to the attention of accounting authorities and the supply chain management officials of Schedule 3A and 3C public entities reporting to their respective executive authorities.

7.3

Accounting officers of municipalities and municipal entities are requested to bring the contents of this instruction to the attention of the supply chain management officials of their municipalities and municipal entities.

7.4

Accounting authorities of Schedule 2, 3B and 3D public entities are requested to bring the contents of this instruction to the attention of the supply chain management officials of their public entities.

8.

NOTIFICATION TO THE AUDITOR-GENERAL

A copy of this Instruction will be forwarded to the Auditor-General for notification.

9.

AUTHORITY FOR THIS INSTRUCTION AND EFFECTIVE DATE

9.1

The Minister of Finance has approved the issuance of this instruction in terms of regulation 9(2) of the regulations.

9.2

This instruction takes effect from the date of issue.

CONTACT INFORMATION

Ms Leanda Kleinbooi
Director: SCM Policy
Tel No: 012 315 5715
E-mail: Leanda.Kleinbooi@treasury.gov.za



SCHALK HUMAN
ACTING CHIEF PROCUREMENT OFFICER
DATE: 21/7/2015

"PREVIEW COPY ONLY"