Transnet Freight Rail, a division of

TRANSNET SOC LTD

Registration Number 1990/000900/30

[hereinafter referred to as **Transnet]**

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REQUEST FOR QUOTATION [RFQ] No RME CPT 274/2015

FOR THE SUPPLY OF: TRACK CONSUMABLES AND TOOLS ON AN "AS AND WHEN" REQUIRED BASIS FOR 24 MONTHS

FOR DELIVERY TO: BELLVILLE STORES SQUARE, CAPE TOWN

ISSUE DATE:	**09.04.2015**
CLOSING DATE:	**21.04.2015**
CLOSING TIME:	**10:00**

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: [post and/or courier]

CLOSING VENUE: [courier and/or tender box at physical address]

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 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 exceed R1 000 000 (all applicable taxes included); and therefore the **90/10** 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.

2.1 B-BBEE Improvement Plan

Transnet encourages its Suppliers/Service Providers to constantly strive to improve their B-BBEE rating. Whereas Respondents will be allocated points in terms of a preference point system based on its B-BBEE scorecard to be assessed as detailed in paragraph 2.1 above, in addition to such scoring, Transnet also requests that Respondents submit a B-BBEE improvement plan. Respondents are therefore requested to indicate the extent to which the extent to which they will maintain or improve their B-BBEE status over the contract period. Respondents are requested to submit their B-BBEE Improvement Plan as an additional document with their Proposals by completion of ***Annexure B*** appended hereto. *[Refer to Annexure* B *for further instructions]*

3 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: T Ndlovu Email: Thabisile.Ndlovu@transnet.net

Telephone: 021 940 1840

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Respondents may also, at any time after the closing date of the RFQ, communicate with the Tender Admin of the Transnet Freight Rail RME on any matter relating to its RFQ response:

Telephone 021 940 1896 Email: Iwan.Theron@transnet.net

4 Legal Compliance

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

5 Changes to Quotations

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

6 Pricing

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

7 Prices Subject to Confirmation

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

8 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.

9 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 award business to the highest scoring bidder/s unless objective criteria justify the award to another bidder.

Transnet reserves the right to conduct Post Tender Negotiations (PTN) with selected Respondents or any number of short-listed Respondents, such PTN to include, at Transnet's discretion, any evaluation criteria listed in the RFQ document.

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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

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RFQ FOR THE SUPPLY OF: TRACK CONSUMABLES AND TOOLS
CLOSING VENUE: THE SECRETARIAT, 6th FLOOR ACQUISITION COUNCIL, TRANSNET PARK TENDER BOX, ROBERT SOBUKWE ROAD, BELLVILLE
CLOSING DATE & TIME: 21.04.2015 & 10:00 AM
VALIDITY PERIOD: 60 Business Days

SECTION 2
EVALUATION CRITERA AND RETURNABLE DOCUMENTS

10 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	Prequalification criteria, if any, must be met and whether the Bid materially complies with the scope and/or specification given.
Final weighted evaluation based on 90/10 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.

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11 Validity Period

Transnet desires a validity period of 60 [Sixty] Business Days from the closing date of this RFQ.
This RFQ is valid until _____.

12 Disclosure of Prices Quoted

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

YES ☐ NO ☐

13 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	

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	
ANNEXURE B – B-BBEE Improvement Plan	

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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.

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/service/s 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 afresh 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	Estimated Quantities	Unit Price (ZAR)	Total Price (ZAR)
1	400mm Hydrolic rail disc cutter blades	EA	100		
2	350mm Petrol rail disc cutter blades	EA	100		
3	230mm steel cut-off wheels	EA	100		
4	230mm steel grinding disc	EA	100		
5	115mm steel cut-off wheels	EA	100		
6	115mm wire steel grinding disc	EA	100		
7	MC2 grinding stones	EA	100		
8	MP12 grinding stones	EA	100		
9	Hand held wire brushes	EA	100		
10	115mm wire cup brushes	EA	100		
11	Dillon chrome manganese Electrodes	EA	100		
12	450 ISO-ARC Electrodes	EA	100		
13	350 Afrox hardsurfacing electrodes	EA	100		
14	2,50mm Afrox Vitamax Electrodes	EA	100		

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15	3.15mm Afrox Vitamax Electrodes	EA	100		
16	4.00mm Afrox Vitamax Electrodes	EA	100		
17	5.00mm Afrox Vitamax Electrodes	EA	100		
18	Cutting torch nozzle cleaners	EA	100		
19	Triple flint lighters	EA	100		
20	Triple flints	EA	100		
21	18mm oetiker hose clamps	EA	100		
22	18mm parallel hose clamps	EA	100		
23	Yellow hard lumber chalk	EA	100		
24	White hard lumber chalk	EA	100		
25	Split leather aprons	EA	100		
26	Leather aprons	EA	100		
27	Faceshield	EA	100		
28	Safety specs dark	EA	100		
29	Safety specs clear	EA	100		
30	Safety specs for dust and uv protection	EA	100		
31	Soapstone chalk	EA	100		
32	Uvex welders goggles	EA	100		
33	40cm Cuff chrome leather gloves	EA	100		
34	Industrial auto darkening welding helmet	EA	100		
35	Scull cap for welders	EA	100		
36	Flip front welders helmets	EA	100		
			ESTIMATED TOTAL PRICE EXCLUDING VAT		

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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

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 e.g. 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.

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SIGNED at _____ on this _____ day of _____ 2015

SIGNATURE OF WITNESSES

1 _____

Name _____

2 _____

Name _____

ADDRESS OF WITNESSES

_____

_____

_____

_____

SIGNATURE OF RESPONDENT'S AUTHORISED REPRESENTATIVE: _____

NAME: _____

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:

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

_____

_____

Indicate nature of relationship with Transnet:

_____

_____

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[Failure to furnish complete and accurate information in this regard will lead to the disqualification of a response 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 *I/we* ***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 _____ 2015

For and on behalf of _____ duly authorised hereto	AS WITNESS:
Name:	Name:
Position:	Position:
Signature:	Signature:
Date:	Registration No of Company/CC _____
Place:	Registration Name of Company/CC _____

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RFQ FOR THE SUPPLY OF
TRACK CONSUMABLES AND TOOLS
FOR A PERIOD OF 24 MONTHS

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.

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1. INTRODUCTION

1.1 A total of 10 preference points shall be awarded for B-BBEE Status Level of Contribution.

1.2 Failure on the part of a Bidder to fill in and/or to sign this form and submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System [**SANAS**] or a Registered Auditor approved by the Independent Regulatory Board of Auditors [**IRBA**] or an Accounting Officer as contemplated in the Close Corporation Act [**CCA**] together with the bid will be interpreted to mean that preference points for B-BBEE Status Level of Contribution are not claimed.

1.3 Transnet reserves the right to require of a Bidder, either before a Bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by Transnet.

2. GENERAL DEFINITIONS

2.1 **"all applicable taxes"** include value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

2.2 **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

2.3 **"B-BBEE status of contributor"** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

2.4 **"Bid"** means a written offer in a prescribed or stipulated form in response to an invitation by Transnet for the provision of goods, works or services;

2.5 **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 [Act No. 53 of 2003];

2.6 **"comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can utilised have been taken into consideration;

2.7 **"consortium or joint venture"** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a

contract;

2.8 **"contract"** means the agreement that results from the acceptance of a bid by Transnet;

2.9 **"EME"** means any enterprise with an annual total revenue of R5 [five] million or less 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

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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 10]
1	10
2	9
3	8
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

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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

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

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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 10 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

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☐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-BBEE status level of contribution indicated in paragraph 4 above, qualifies the company/firm for the preference(s) shown and I / we acknowledge that:

(i) The information furnished is true and correct.

(ii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 6 above, the contractor may be required to furnish documentary proof to the satisfaction of Transnet that the claims are correct.

(iii) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, Transnet may, in addition to any other remedy it may have:

(a) disqualify the person from the bidding process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) restrict the Bidder or contractor, its shareholders and directors, and/or associated entities, or only the shareholders and directors who acted in a fraudulent manner, from obtaining business from Transnet for a period not exceeding 10 years, after the *audi alteram partem* [hear the other side] rule has been applied; and/or

(e) forward the matter for criminal prosecution.

WITNESSES:

1. .....

2. .....

SIGNATURE OF BIDDER

DATE:.....

COMPANY NAME: .....

ADDRESS:.....

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Respondent's Signature

Date & Company Stamp

TRANSNET

ANNEXURE B: B-BBEE IMPROVEMENT PLAN

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

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

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

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

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

1 *"**Black**" means South African Blacks , Coloureds and Indians , as defined in the B-BBEE Act, 53 of 2003*
2 *"**Black youth**" means Black persons from the age of 16 to 35*
3 *"**New Entrants**" means an early stage business which is similar to a start-up. However, an early stage business is typically 3 years old or less.*

Respondent's Signature

Date & Company Stamp

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

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

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[4] *"**Empowering Suppliers**" means a B-BBEE compliant entity, which should meet at least three of the following criteria if it is a Large Enterprise or one if it is a QSE:*
(a) At least 25% of cost of sales excluding labour cost and depreciation must be procured from local producers or local supplier in SA, for service industry labour cost are included but capped to 15%.
(b) Job creation - 50% of jobs created are for Black people provided that the number of Black employees since the immediate prior verified B-BBEE Measurement is maintained.
(c) At least 25% transformation of raw material/beneficiation which include local manufacturing, production and/or assembly, and/or packaging.
(d) Skills transfer - at least spend 12 days per annum of productivity deployed in assisting Black EMEs and QSEs beneficiaries to increase their operation or financial capacity.

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

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[5] ***"Designated Groups"*** *means:*

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

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

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[6] "***Supplier Development***" means *monetary or non-monetary contributions carried out for the benefit of value-adding suppliers to the Measured Entity, with the objective of contributing to the development, sustainability and financial and operational independence of those beneficiaries:*
(a) Supplier Development Contributions to suppliers that are Exempted Micro-Enterprises or Qualifying Small Enterprises which are at least 51% black owned or at least 51% black women owned.
Supplier Development within the contest of the B-BBEE scorecard must be differentiated from Transnet's Supplier Development Initiatives. Whereas the former relates to the definition above, the latter relates to improving the socio-economic environment through initiatives that are committed to as part of a contract award that contribute to the development of a competitive supplier base in relation to a particular industry.

[7] ***"Enterprise Development"*** *means monetary and non-monetary contributions carried out for the following beneficiaries, with the objective of contributing to the development, sustainability and financial and operational independence of those beneficiaries:*
(a) Enterprise Development Contributions to Exempted Micro-Enterprises or Qualifying Small Enterprises which are at least 51% Black owned or at least 51% Black women owned;