



Province of the  
**EASTERN CAPE**  
HEALTH

### INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF INSTITUTION / HEALTH FACILITY)</b>					
BID NUMBER:	SCMU3-22/23-0697	CLOSING DATE:	31/01/2023	CLOSING TIME:	11H00
DESCRIPTION	Supply, delivery, off-loading and testing of coal for boilers for power system at Bhisho, Butterworth, Komani and Tower Hospitals for a period of 2 months				
<b>BID RESPONSE DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
Next to Security Gate					
SUPPLY CHAIN MANAGEMENT, Ground Floor					
Global Life Building					
Phalo Avenue					
Bhisho					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>					
CONTACT PERSON	Mr V. Ndabeni				
TELEPHONE NUMBER	040-608 9590 / 0833780969				
FACSIMILE NUMBER	<a href="mailto:Vusumzi.ndabeni@echealth.gov.za">Vusumzi.ndabeni@echealth.gov.za</a>				
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>			
<div> <div>IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?</div> <div><input type="checkbox"/> YES <input type="checkbox"/> NO</div> </div> <div> <div>DOES THE ENTITY HAVE A BRANCH IN THE RSA?</div> <div><input type="checkbox"/> YES <input type="checkbox"/> NO</div> </div> <div> <div>DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?</div> <div><input type="checkbox"/> YES <input type="checkbox"/> NO</div> </div> <div> <div>DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?</div> <div><input type="checkbox"/> YES <input type="checkbox"/> NO</div> </div> <div> <div>IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?</div> <div><input type="checkbox"/> YES <input type="checkbox"/> NO</div> </div> <div> <div>IF THE ANSWER IS “NO” TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.</div> </div>			

**PART B**  
**TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

**NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....  
(Proof of authority must be submitted e.g. company resolution)

DATE: .....

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### Invitation to Bid (SBD 1)

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## BID CONDITIONS

- 1.1 Without limitation to any other rights of the Eastern Cape Department of Health (ECDoH) (whether otherwise reserved in this invitation to bid or under law), the ECDoH expressly reserves the right to:-
- 1.2 Request clarification on any aspect of a response to this invitation to bid received from the bidder, such requests and the responses to be in writing;
- 1.3 Amend the bidding process, including the timetables, closing date and any other date at its sole discretion;
- 1.4 Reject all responses submitted by bidders and to embark on a new bid process.
- 1.5 Award the bid to one bidder.
- 1.6 This is rate based contract for a period of 2 months.

## 2. EVALUATION CRITERIA

The bid will be evaluated in terms of Regulation 4(1) of the Preferential Procurement Regulation 80/20 Preference Point system will be applied where the lowest bidder will be allocated 80 Points for price. A maximum of 20 points will be awarded for specific goals.

The following formula will be used to calculate points out of 80 for price.

$$P_s = P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

$P_s$  = points scored for comparative price of bid or offer under consideration.

$P_t$  = Comparative price of bid or offer under consideration.

$P_{\min}$  = comparative price of lowest acceptable bid or offer.

The following table must be use to calculate the score out of 20 points for Specific Goals

B-BBEE Contribution	Status Level of	Weighting (of 20 POINTS)	Number of points (80/20 system)
Historically Disadvantaged Individuals		20%	4
Women		20%	4

Youth	20%	4
Disability	20%	4
Military Veterans	10%	2
Locality	10%	2
<b>TOTAL</b>	<b>100%</b>	<b>20</b>

- a) A tenderer must submit proof of its Specific Goals.
- b) A tenderer failing to submit proof of specific Goals may not be disqualified, but may only score points out of 80 price, and scores 0 points out of 20 for Specific Goals.
- c) The Specific Goals supporting documents required to verify claimed points may in line with the specific requirements include:
  - CSD report (must be recent within 7 days from closing date):
  - CIPRO Certificate and/or ID copies (must be certified with original stamp within 3 months from closing date of bid/quote):
  - Medical Certificate / Doctor's medical report (Impairment should be substantially limiting long term or of recurring nature)
  - Municipal accounts or proof of address

The points scored for the specific goal shall be added to the points scored for price and the total shall be rounded off to the nearest two decimal places.

Evaluation will be conducted into the following stages:

#### **First Stage: Administrative Compliance**

1. All documentation inclusive of supporting documentation requested in terms of the Bid Document requirements must be submitted and signed off where required
2. Bidders must complete and sign SBD1 (Invitation to Bid), SBD3.1 (Pricing Schedule), SBD4 (Declaration of Interest), and SBD6 (Preference Points Claim Form in terms of Preferential Procurement Regulations, 2022).
3. Bidders must be registered with the National Treasury Supplier Database (CSD) and attach copy of CSD not older than 7 days.

#### **2<sup>nd</sup> Stage: Mandatory Requirements**

Bidders must submit Analysis of Coal to be supplied from the mine with the bid. **Failure to submit the Coal Analysis Report will invalidate the bid.**

#### **3<sup>rd</sup> Stage: Price and Specific Goals**

80/20 preference point system will apply. The bid will be awarded to the highest point scoring bidder.

**SUPPLY, DELIVERY, OFF-LOADING AND TESTING FOR THE COAL OF THE BOILERS FOR THE POWER SYSTEMS AT BISHO, BUTTERWORTH, KOMANI AND TOWER HOSPITAL.**

**SECTION A**

**GENERAL SPECIFICATION**

**Coal Supply Specifications for ECDoH Boilers**

**A1 GENERAL**

This Contract section is part of continuous improvement to ensure that the Eastern Cape Department of Health's Coal Fired Steam Boilers and Standby Power Supply Systems function correctly and safely to comply with the statutory requirements/standards.

The supplier shall be responsible for the supply, delivery, off-loading and testing of the coal, fuel, power fuels for boilers and other consumables in the hospital. These specifications shall be read in conjunction with the rest of this contract in its entirety, including tender general conditions of contract.

The attached General Standard Technical Specifications cover the general technical requirements with respect to material, technical specification, testing, commissioning and performance sample tests. If the conditions and/or specifications herein are at variance with anything contained in the detail specification the latter shall take preference, otherwise these General Standard Technical Specifications shall apply as if duly included.

The scope of works for this project is a detailed later in this specification.

This contract is for the period of thirty-six (36) months.

**A2 SITE INSPECTION BEFORE TENDERING AND ACCESS TO SITE**

Before tendering, its recommended that Suppliers visit the sites and acquaint themselves with all the local conditions, the accessibility of the site, the full extent and nature of the operations, the supply of and conditions affecting labour, unloading, of coal and safe custody of materials necessary for the execution of the contract generally. Claims on the grounds of lack of knowledge in such respects or otherwise will not be entertained at all. The following hospitals form part of the scope.

Lists of hospitals that need Boiler Coal:

- Tower Hospital
- Komani Hospital
- Bisho Hospital
- Butterworth Hospital

The Eastern Cape Department of Health (ECDoH) hospitals have boilers that use coal and are situated within spectrum of the Eastern Cape region.

Queries pertaining to the technical portion of this specification tender should be directed to Mr Philasande Mtheleli, Health Department in Bhisho, Eastern Cape Department of Health on email to [Philasande.mtheleli@echealth.gov.za](mailto:Philasande.mtheleli@echealth.gov.za).

### **A3      SUPPLIERS RESPONSIBILITY FOR THE WORKS**

The Conditions of Contract (Supply Contract – 2nd edition of CIDB document 1021) and the Particular Conditions state that the Supplier will be responsible for the material, technical specification, testing, commissioning and performance sample tests. These specifications shall be read in conjunction with the rest of this contract in its entirety, including tender general standard technical specifications.

During the period of the Works, the Supplier will become aware of technical matters which require attention. The Supplier shall be responsible for communicating these to the client, who will manage the matters in accordance with the applicable contractual conditions and issue variations where required. A provisional sum for spending on such contingencies work shall be provided for this purpose under the summary of tender section.

The conditions and/or specifications in this document shall be regarded as the absolute minimum requirement. More stringent similar conditions and/or specifications stated in the detail specification shall take preference to those in these Standard Technical Specifications.

The supplier shall consider all aspects of such as general safety requirements.

### **A4      MATERIAL OF COAL, SPECIFICATION AND SCOPE**

#### **A4.1      SCOPE**

The coal quality specification details the acceptable and rejection coal quality for all the ECDOH coal-fired BOILERS. This specification is defined by the boilers ability to produce the designed rated output without any coal related load losses. Required coal grade is A for all boilers.

#### **A4.2      PURPOSE**

The coal qualities in this specification shall form the baseline for the coal supply contract negotiations and the supply mechanism.

#### **A4.3      APPLICABILITY**

This document shall apply throughout ECDoH. The coal specifications given in this document are valid from the date of approval by both Client and Supplier.

### **A5      COAL QUALITY SPECIFICATIONS**

#### **A5.1      Coal Quality Effective Model (CQEM)**

The CQEM is developed for the determination of bonuses and penalties that should be applied to the coal contracts as well as the minimum coal specification that the boiler can tolerate.

The CQEM consists of sub-models to assist in determining the effect that coal quality may have on the different plant equipment as installed in the boiler plant. These models are:

- Efficiency model (Mass & Energy)
- Mill heat balance model
- Erosion model (at economiser inlet)
- Gaseous Emission Model
- Flue gas particulate cleaning model, and
- Cost models that incorporates maintenance costs, operational costs and Life Of Plant Plan (LOPP) costs

The information used as input in developing the CQEM is:

- Coal data from either the Hospital Boiler, PED or S&I, or a combination thereof
- Station Thermal Efficiency Program (STEP) reports

- Design data from OEM schedules, modification data or a combination thereof
- Actual Plant data from tests carried out on the plant to validate the DimBo models

The CQEM calculated results should be compared to the maximum capabilities of each plant component as installed or modified in order to determine the plant limitation. From this the minimum coal specification are calculated. The plant referred to include the following: □ Unit output

- fans
- Mills – including drying capacity
- Ash plant – including ash storage site capacity
- Pumps
- Coal plant
- Erosion rates at economiser gas inlet
- Gaseous emissions
- Cost related to coal quality changes based on the data provided by the Hospital Steam Plants

The minimum coal quality specification for each Hospital Steam Plant is determined by the relevant CQEM with the following assumptions:

- **ACCEPTABLE COAL QUALITY** - is the coal specification at which the plant is capable of operating at 100% MCR without any load losses or changes to maintenance or operating philosophies and agrees with the Regulation 6.3.2. of the FFFR.
- **REJECTION COAL QUALITY** – is the worst (absolute minimum) coal specification that can be tolerated by the plant while still producing the desired output with no load losses due to coal quality. 95% of all coal supplied to a hospital boiler shall be within the rejection coal quality as specified in this document. However, a change in maintenance and/or operating philosophies may be required for example: more frequent ashing and/or soot blowing, reduction in operating hours between mill services and/or even between unit outages due to higher erosion rates on tubes, velocity distribution screens, ducting, etc.

## **A5.2**      MODIFICATIONS TO MINIMUM COAL QUALITY SPECIFICATION

Any coal from a new or existing supplier (new supply contract) to be supplied to a Hospital Steam Plant with qualities outside the boundaries of the coal quality specification provided in the tables and where the quantities of such a supply exceeds 20% of the monthly consignment, shall be accompanied by “Request for coal quality change”, a proximate, an ultimate and ash elemental analysis report of samples taken according to the SAMREC code with a full motivation as to the reason for change. These reports, together with estimated quantities, duration of supply and expected range of qualities shall be submitted to Technology for review and assessment to determine the influence it shall have on the plant and will thereafter be accepted or rejected. During this review of the new coal quality submission, the following shall be taken into account:

- Steam requirements
- Remnant Life of Hospital Steam Plant
- Environmental requirements
- Equipment capacities
- Costs



Should the coal from a new or existing supplier contribute less than 15% of the monthly consignment of a Hospital Steam Plant, PED will negotiate with the Hospital Steam Plant provided a full spectrum of qualities and quantities accompanies the request to accept the coal at a certain Hospital Steam Plant. The Hospital Steam Plant may choose to request for assistance from Technology Group to determine the impact of such coal on their plant.

### **A5.3 COAL ANALYSIS REQUIREMENTS FOR PLANT PERFORMANCE REVIEWS**

#### **Proximate Analysis:**

The proximate analysis (according to the latest standard of analysis) has to accompany the new coal qualities submission or plant modification and must include of the following data:

- Ash content [% - moisture free basis]
- Volatile matter content [% - moisture free basis]
- Fixed Carbon content [% - moisture free basis]
- Inherent moisture content [%]
- Additional analysis for Hospital Steam Plant monitoring and contracting purposes
- CV content [MJ/kg – moisture free basis]
- Total moisture content [%]
- Abrasiveness Index as per Hospital/Mining House method or latest standard of analyses  
[mgFe/kg of coal]
- Hardgrove Index
- Sulphur content [% - moisture free basis]

#### **Ultimate Analysis**

An ultimate analysis shall be carried-out on the new coal which will be used to determine the air and flue gas mass and volume flow rates required by the combustion process. The ultimate analysis must include at least the following results (on air dried basis):

- Carbon content [%]
- Hydrogen content [%]
- Nitrogen content [%]
- Oxygen content [%]
- Sulphur content [%]

#### **Ash Elemental Analysis**

A full ash elemental analysis shall accompany the submission for a change in coal quality request to determine the slagging potential within the combustion chamber.

The following formulae or the latest standard will be used as a guideline to determine the slagging potential of the coal sample

Index	Units	Formula	Slagging Risk (Low and High)	
Silica ratio		$SR = [Si_2O \times 100] / [Si_2O + Fe_2O_3 + CaO + MgO]$	> 90	< 75
Calculated Viscosity	Poise	$CV_{1426^\circ C} = 10z$ Where $Z = 0,05784 \times SR$	> 2000	< 350

Base/Acid ratio		$BA = \frac{[Fe_2O_3 + Na_2O + K_2O + CaO + MgO]}{[Si_2O + Al_2O_3 + TiO_2]}$	< 0,09	> 0,3
Iron Index	%	$Fi = Fe_2O_3 \times BA$	< 0,6	> 2,0
Iron + Calcium	%	$Fe + Ca = Fe_2O_3 + CaO$	< 7,0	> 12,0

#### **Additional Analysis**

If required or where uncertainties do exist, coals will be subjected to coal combustion performance evaluations at the DTF and PSCTF for comparison against previous test results and plant performances. A 5 ton representative sample of the final product from the mine/hospital will be required by RT&D to perform these tests.

#### **A5.4 MINIMUM COAL QUALITIES**

Subsequently, with the use of the verified and updated CQEM models, the minimum coal qualities required for each of Hospital's coal-fired Hospital Steam Plants were determined regarding the ability of the plant to produce MCR and are given below. The tables contain three sets of data, namely

□ *Design Coal Quality*

This is the original coal quality which forms the basis of the boiler plant design and was used by the OEM's of the boilers to guarantee boiler plant performance

□ *Acceptable Coal Quality (to meet FFFR)*

This is the quality at which the limiting plant on a Hospital Steam Plant will operate at 90% of its maximum capacity and is seen as the acceptable coal quality (depending on the moisture content). Burning these coals, the Hospital Steam Plant shall have no load losses due to coal quality (ascendancy of air quality limits excluded)

□ *Rejection Coal Quality (as determined by CQEM)*

This is the absolute minimum (not average quality) coal quality that a Hospital Steam Plant can receive and still produce full load (ascendancy of air quality limits excluded). 95% of all future coal supply to a Hospital Steam Plant should have a coal quality better than the specified qualities in these columns.

Each Hospital Steam Plant table depicts the influence of moisture; i.e. the moisture content is directly proportional to the CV content. The mill heat balance results determine the sustainability of the milling plant performance as well as achieving the relevant output for the boiler plant to operate at 100% steam supply. The moisture content also influences the performance of the coal transport and storage systems upstream of the mills. Therefore, the evaluation of different coal flow ability characteristics needs to be conducted for these systems to determine the maximum moisture content that can be tolerated.

Thus, during the selection process of a suitable coal quality for a specific boiler plant (utilising the recommended standards), the limitations of the coal transportation and storage systems must be considered. Once the maximum moisture content has been determined for both the materials handling plant and the boiler plant then the associated Rejection coal quality column will become the minimum coal specification for that Hospital Steam Plant.

After the establishment of the minimum coal quality requirements based on the maximum moisture content for a Hospital Steam Plant, the results will be subjected to the Coal Impact Total Cost of Ownership model which will establish the economic impact of the specified coal quality on the Hospital Steam Plant's performance parameters.

## **A6** **COAL QUALITY MANAGEMENT PROCEDURE**

### **A6.1** **CONTRACTUAL APPLICATION OF ANALYTICAL RESULTS**

The Nominated Laboratory's analytical results shall be used for payment purposes, subject to the dispute resolution procedure outlined in this document.

The bulk sample will be collected at and by the colliery under Hospital's oversight, transported to the Hospital Nominated Laboratory where the sample will be prepared and analysed according to the procedures set out hereunder:

### **A6.2** **SAMPLING**

Sampling shall be in accordance with ISO 18283 and ISO 13909. Clause 5.1 is applicable where the contractual sampling, as specified in the coal supply agreement, is based on auto-mechanical sampling while Clause 5.2 hereunder is applicable where the coal supply agreement prescribes manual scoop or stopped belt sampling. The Bulk Sample shall be representative of each created stockpile and shall meet the minimum requirements as set out in Table 1 of this document, for contractual analysis to be performed and produce results that will be used for stockpile and / or pre-certification and payment purposes. The Mine shall be responsible to perform control sampling and analyses of product constituents.

### **A6.3** **SAMPLE PREPARATION**

The bulk sample shall be prepared for the contractual analysis at the Nominated Laboratory as described hereunder. The supplier may at its own cost analyse the duplicate sample for analysis at a mutually agreed laboratory.

#### **Sample Preparation Regime**

The sample preparation regime shall be in accordance with the guidelines set out in the relevant ISO 18283 or ISO 13909 - 4. The supplier may, once in a given week, visit the Nominated laboratory on 24 hour notice, to ensure that correct procedure is being followed. The sample preparation shall be performed in line with the minimum requirements as indicated in table 2 below, for the top size specified in the coal supply agreement.

#### **A6.4**     TRANSPORT OF BULK SAMPLE TO THE NOMINATED LABORATORY

The Supplier of this contract, meaning the tenderer is responsible for the transport of the contractual samples from the hospital to the Nominated Laboratory. The nominated laboratory shall make available the duplicate pf sample within 24 hours of the receipt samples from ECDoH. ECDoH's representative (transporter and observer) shall sign for the receipt of the contractual sample and the Supplier's on-site representatives shall sign that the duplicate pf reference sample was returned to site as stipulated above. The results of the test will be compared with the claimed quality of coal as submitted by the supplier, the results must be sent to the Client directly from the Laboratory.

#### **A7**     ANALYTICAL

##### **A7.1**     Standard Methods

The contractual analysis of the prepared sample will be performed at the Nominated Laboratory or any other approved Laboratory performing part of the contractual analysis in accordance with the latest ISO standards outlined in Table 3 hereunder.

**Table 3:** Standard Methods for Analysis

Heat Value (Gross Calorific Value)	SABS-ISO 1928 DDS Standard Operating Procedure
Ash	ISO 1171, SANS 131
Volatile Matter	ISO 562, SANS 50, SANS ISO 562
Ash Fusion Temperature (Initial Deform	ISO 540 (Reducing Atmosphere)
Total Moisture	ISO 589, SANS 589, SABS 0135 part 2 (one or two st
Moisture in the Analysis Sample	ISO 331, SABS-ISO11722
Hardgrove Grindability Index	ISO 5074
Abrasiveness Index	Mining Industry Methodology and Addendum 4.3
Bulk Density	ISO 567
Size Determination (dry method)	ISO 1953
Total Sulphur	ASTM D4239
Expected grade	A
Sample kg of coal	50kg

## **A7.2     Turnaround Time**

In the event that the ECDoH contracted laboratory is unable to provide contractual results within 30 hours, the weighted average qualities of the last three pre-certified stockpiles or the last three days delivery will be used for contractual payment of the specific stockpile for which the results are not available, provided that the supplier furnish ECDoH with the qualities of the control samples so that ECDoH can approve the continued delivery. This arrangement shall not exceed five times in a single calendar month.

The supplier will be required to remove the rejected coal at their costs and supply the correct coal as per specification. The services in the health institution should not be interrupted. Any costs incurred by the department due to such act will be charged to the supplier.

## **A8            ANALYTICAL DIFFERENCES AND RESOLUTION**

### **A8.1     Conditions for Declaring Disputes**

Either party may declare a dispute under the following conditions:

- 1) The duplicate pulverised samples exceed the limits of reproducibility as set out in Table 4 of this document, on provision of these results to the other party.
- 2) If reasonable grounds exist to suspect that the procedures and requirements as set out in this document were not adhered to, as per findings arising from a recent (conducted within a month) audit.
- 3) In the case of size grading where no reproducibility limits apply either party may declare a dispute. In such case the bulk reference sample shall be the referee sample and not the Supplier's sample for process and quality control as described in document.

A dispute shall be declared in writing within five working days of the contractual analytical results becoming available to both parties. Once an analytical dispute has been declared, the party raising the dispute can call for the bulk reference sample as specified in Clause 7.2 of this document to be submitted to a mutually agreed independent approved laboratory. Should a dispute be declared on any of the quality parameters in the case of the general analysis, then all such parameters (Ash, volatiles, moisture in the analyses sample, and Calorific value) shall be re-analysed and reported for contractual purposes. If there is a dispute on Total Sulphur, the parameters to be analysed on the bulk reference sample shall be total sulphur and moisture in the analyses, ash, volatiles and calorific value. If there is a dispute on abrasiveness index then only abrasiveness index shall be done on the bulk reference sample. If there is a dispute on ash fusion temperatures then only ash fusion temperatures shall be done on the bulk reference sample.

Where the independent laboratory's result is within the reproducibility limit of the disputed result, then the cost of the said analyses together with the costs of transporting and preparing and analysing the sample shall be borne by the Party declaring the analytical dispute. Where the independent laboratory's result is outside the reproducibility limits, then the cost of the said analyses together with the costs of transporting and preparing the sample shall be for the account of the Party whose analyses differs the most from those of the independent laboratory.

Only one dispute shall be declared per pre-certified stockpile. The results from the independent laboratory will be final and binding.

### **A8.2     Limits for Analytical Differences**

The limits for Repeatability (intra-laboratory) and Reproducibility (inter-laboratory) as specified in the respective methods listed in Clause 8.1 of this document are summarized in Table 4.

**Table 4:** Limits for Analytical Differences

CONTRACTUAL	LIMITS	
Quality	Repeatability	Reproducibility
Total moisture	0.5%	1.5%
Abrasiveness Index	7.5% of mean	15% of mean
Ash	> 10% : 2% of mean	3% of the mean
Volatile Matter	> 10% : 3% of mean	0.5%(absolute)
Moisture in analysis sample	< 5% : 0,1% abs > 5% : 0,2% abs	N/A
Calorific Value	0,12 MJ/kg(absolute)	0,3 MJ/kg(absolute)
AFT Initial Deformation in Reducing Atmosphere	30o C (absolute)	80oC (absolute)
Total Sulphur	0.05% (absolute)	0.1% (absolute)

## **A9 COAL QUALITY REPORTING**

The Nominated Laboratory shall, within 24 hours, simultaneously forward all daily coal quality results directly to Bhisho-ECDoh for Clients attention, Quality Assurance Auditor, the coal fire boiler representative and the Supplier. The results must be declared to all parties simultaneously in writing (e-mail).

## **A10 TECHNICAL AUDITS**

### **A10.1 Laboratory Audits**

Joint audits of the Nominated Laboratory or other approved contractual laboratory or any other laboratory that is used for contractual analysis in terms of this agreement shall be carried out on at least a quarterly basis. Laboratory systems shall comply with ISO 17025.

### **A10.2 Sampling Audits**

The sampling procedure and / or pre-certification process shall be jointly audited at least on a monthly basis on 24 hour notice by Hospital PED. A copy of the report shall be forwarded to the supplier.

## **A11 AMENDMENTS**

Any amendments to this document shall be proposed in writing and mutually agreed by all parties and there after ratified in a meeting before implementation.

## **A12 COMPROMISE**

Both parties understand and agree that the ISO standards prescribe that splitting of a bulk sample shall be preceded by crushing. However, in this procedure it is a compromised allowance that the bulk sample is split prior to crushing as it is not practical and is a bigger risk to take a separate sample for general analysis, size grading and total moisture.

It must be noted that the sample preparation flow sheet is an interpretation of the ISO standards and therefore the ISO standards supersedes the CQMP.

## **A13      PROGRAMME AND PLANNING**

### **A13.1    Programme**

The supplier shall submit his coal delivery program for approval to the representative and shall make all reasonable adjustments to the program as required within thirty (15) days from the commencement date. The supplier shall implement the program and shall re-program the works if required to do so by the ECDoH representative. Copies of the program and its supporting documents together with all updates shall be provided by the supplier for the use of the representative and must be issued to the representative in an electronic format similar to MS project. The supplier takes full responsibility for the workability of the program and confirms that no policy decisions relating to the compilation of the planning, programming and management of the work has been enforced on the supplier directly or by implication, through the submission to, processing, analysis and approval of the program by the representative.

### **A13.2    Planning**

The supplier should note that the plant will not be shut down during the steam generation period and the supplier will execute the works while the Boiler Plant remains live during the complete duration of the fuel supply, hence the off-loading is to be carried out in a systematically manner.

The supplier is responsible for co-ordinating the Works and shall programme all aspects to ensure that the coal supply requirements are achieved.

## **A14      QUALITY MANAGEMENT**

### **A14.1    Quality System**

#### **A14.2**

The supplier shall, for the purpose and duration of the contract, operate and maintain a quality management system complying with the requirement of the ISO 9000 series (as applicable). The quality system shall take form of a co-ordinated and formally documented statement and shall include quality management objectives, policies, organisation, procedures, and work instructions that demonstrate the supplier's implementation of the requirements of ISO 9001 code of quality management system.

### **A14.3    Quality plan**

The supplier's project quality plan for the contract shall indicate how the supplier's quality system shall apply to the specific requirements of the contract. It shall clearly indicate, by the way of written description, schedules, flow diagrams and procedures to ensure compliance with ISO 9001, as appropriate to the classification of the product or service.

The project quality plan shall identify all documentation concerning implementation of the procedures and will form part of the demonstration of the conformance to requirements for the plant material and equipment to be supplied under this contract.

### **A14.4    Component Quality Plans**

Component quality plan shall be prepared by the supplier or his Sub-supplier/Supplier for each component or group of components or item of equipment, or service in accordance with an approved schedule of all plant and equipment and services to be provided under the contract according to the designated category.

Component quality plans shall be submitted to the Client for approval and inspection of his surveillance requirements before construction, manufacturing or installation may take place.

## **A15      STANDARDS**

All coal materials supplied under this contract shall be new and the best of their respective kinds and shall comply with the requirements laid down in the latest editions of the relevant ISO, SANS and/or BS and their amendments (see clause A7) and with the requirements of this specification. The following standards specification, publications and codes of practice shall be read in conjunction with the tender and contract/agreement and shall be deemed to form part thereof.

- a) All government regulations, laws, by-laws and special requirements of the local authority shall be adhered to unless otherwise specified.
- b) All regulations and statutory requirements as laid down in the latest edition of the Occupational Health and Safety Act, 1993 (Act no.85 of 1993) shall be adhered to.

Parties using this document shall use the most recent edition(s) of the document(s) listed in this section.

- 1) 36-680 - Fossil Fuel Firing Regulations
- 2) Government Gazette No 35894 – National Environmental Management: Air Quality Act. 2004 (Act no 39 of 2004)
- 3) C-Schedule data from Coal fire boiler design and guarantee contracts
- 4) Performance data as per STEP available for each relevant hospital
- 5) Financial data of each Coal fire boiler as per the SAP system
- 6) 240-54041252 – Standard for Boiler, Coal and Ash Plant Sizing on Existing Hospital
- 7) BS 1016: Part 16: 1981 – Methods for reporting analysis and testing of coal and coke
- 8) RP/FUEL/QS/10/08 – Ash/Calorific value variations
- 9) Clienting Change Management Procedure – 240-53114002
- 10) RP/FUEL/QS/12/131 – Devolatilisation Index
- 11) 474-9273 – Bulk Materials Handling Plant Design Capacity Requirements

## **A16      GENERAL EQUIPMENT DESIGN CRITERIA**

The following requirements shall be met:

- a) The material shall be designed to facilitate efficient operation, inspection, transportation, cleaning and repairs.
- b) The material shall be designed to ensure safe and satisfactory operation for a life expectancy under the conditions of the machine.
- c) The material shall be designed to prevent undue stresses being produced by expansion and contraction due to temperature change and other local natural and manmade conditions.
- d) The material shall be designed to keep maintenance costs to a minimum.
- e) The material shall be designed to comply with all the legal requirements in respect of safety and the prevention of environmental pollution.



- f) The material shall be designed to satisfy any specific requirements contained in the relevant statutory codes and standards.
- g) The material shall be designed for operation of 365 day per annum, 24hrs per day.
- h) The material shall be designed such that all coal from which the material is manufactured from shall be compatible with the intended duty and service conditions. All equipment shall be suitable treated and protected from corrosion.
- i) After approval by the Client, at the time of the award of the contract, the information stated in the data sheets shall be fully complaint, unless otherwise agreed upon by both parties in writing.

#### **A17      INSPECTION, STARTING, TESTING & COMMISIONING**

The fact that the plant and coal material has satisfactorily passed any test made at the Supplier's works shall in no way lessen the responsibility of the Supplier to obtain the same results after it has been delivered and used on site. The achievement of adequate standards during tests at the place of manufacture, if performed, is only a first material. The final criterion will be the performance onsite, and any of the coal material which prove to be defective due to bad workmanship or coal material shall be replaced forthwith by the supplier at his own cost on the instruction of the Client.

The entire supply and delivery shall be inspected, started, tested and commissioned in the presence of the Client as described by general technical specification for works. Testing sheets be provided for completion by the supplier during quality performance test.

The supplier shall provide all tools, instruments, documents, electricity, equipment, fuel, consumables, labour, materials, etc required for off-loading coal material. Once the supplier has completed the total supply and delivery, written notice shall be given to the Client in order that a mutually acceptable date may be arranged for a joint inspection, to happen upon request. Inspection of the works shall only commence once the following items were issued and agreed upon:

- The supplier's quality control process which shall consist of quality inspection sheet developed from specification, and standards.
- Valid proof that he did his own quality control and inspection.

During the course of the inspection the client, will compile a list of items (if any) requiring further attention. These items shall be identified by checking each clause in the contract (all specifications and standards) in relation to the offered coal material. A copy of this list of outstanding items will be provided to the following:

- (a) Supplier - for action
- (b) Client – for information

Subsequent and/or final inspection), the supplier shall then similarly provide written notice that he is ready for an inspection of the initial work done on the offending items. If the installation is accepted as completed at this stage by the client, they may certify the works as completed. If at this stage there are still outstanding items requiring attention irrespective of whether these items were identified during prior inspections or not, the procedure will continue until the entire supply and delivery has, been correctly completed to the satisfaction of the Client. In addition to the above, the supplier shall have the complete material tested, commissioned and the correct operation of all plant demonstrated to the client.

#### **A18      STAFF TRAINING**

The supplier shall provide on-site training and training material to the Clients, Operators and Maintenance personnel prior to taking-over of the stock-pile. The training shall preferable be offered during the start of the contract for a maximum of ten (10) personnel.

The supplier shall, prior to commencing the project, satisfy the Eastern Cape Department of Health or authorized representative that maintenance and operational personnel are competent and adequately trained to inspect the coal material and are able to use the material supplied.

The training shall cover the following, however not limited to:

- Theoretical training on coal mining, its operation etc.
- Safety training, covering all aspects of plant which need to be treated with particular care.
- Practical training, by regularly involving the employer's personnel during the supply, delivery, inspection and quality performance test. It shall include step-by-step instructions of operation and maintenance of specific coal quality.

Steps for Conducting On-site Training shall include:

- Preparation
- Introduction □ Explanation
- Demonstration
- Practice Under Supervision
- Conclusion

The operating and maintenance manual must be available during the training of site staff. Site staff must also be made conversant with the contents of that manual.

#### **A19      COAL HANDLING MANUALS**

The supplier shall submit two (2) draft copies of the coal handling manuals to the Client prior to start of the project. The coal handling manuals shall be detailed enough to stockpile and usage of coal during the boiler operation. One copy will be returned to the Supplier with comments. The second copy will be retained on site while waiting for the final documentation.

Six copies of the final version of the Manual, as accepted by the Client, shall be provided. Content and format shall conform to ISO 9000 quality standards. Final copies of Operation & Maintenance manual are to be provided in both hard and soft copy either by e-mail or a CD.

The operating and maintenance instructions specified above shall preferably be obtained from the material manufacturer and where no such manuals exist, they shall be compiled by the supplier to the best of his ability for approval by the client.

The contract will be considered incomplete until all tests have been conducted to the satisfaction of the client's authorized representative or the client and all sample test and manuals have been handed over to the client.

First acceptance will not be taken until the coal handling manuals together with sampling data and certificates is made available and the quality controls are in place or guarantee period will commence from the date that the maintenance manuals and performing data are received.

Refer to the General standard specification for coal quality test

The following shall, in particular, be provided in the Manual:

- (a) Data sheets
- (b) handling manuals of all material supplied on site.

- (c) Technical reports and specifications.
- (d) Testing procedure and results.
- (e) Information on guarantee period and responsible person to be contacted during the Defects Liability.

**SBD 3.1****PRICING SCHEDULE –FIRM PRICES  
(PURCHASES)**

**IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT**

Name of Bidder.....	Bid number: <b>SCMU3-22/23-0697-HO</b>
Closing Time 11:00 .....	Closing date: <b>31-01-2023.</b>

OFFER TO BE VALID FOR 60 DAYS FROM THE CLOSING DATE OF BID.

**BID PRICE IN RSA CURRENCY**

**\*\*(ALL APPLICABLE TAXES INCLUDED)**

	Description	Unit	Estimated Quantity	Rate per ton	Amount
	<b>COAL SUPPLY AND DELIVERY</b>  Allow all costs and expenses (2 months) in connection with the following:				
1	Butterworth: Supply and delivery of A Graded Coal to hospital	Tonnes	35 per month		
2	Bhisho: Supply and delivery of A Graded Coal to hospital	Tonnes	70 per month		
3	Tower: Supply and delivery of A Graded Coal to hospital	Tonnes	70 per month		
4	Komani: Supply and delivery of A Graded Coal to hospital	Tonnes	90 per month		
5	Note: The Coal is delivered to the hospital, and the hospital start using the coal immediately, the sample is being tested at the Lab, should the results show that the Coal is not grade A, that load will not be paid for. This applies for all deliveries.				
5	All other items not included above but which are nevertheless necessary to meet the Scope of Work and/or are				

	required for the proper, safe and effective operation of the plant (Specify):-				
	<b>TOTAL AMOUNT EXCLUDING VAT</b>				
	<b>15% VAT</b>				
	<b>TOTAL AMOUNT INCLUDING VAT</b>				

- Does the offer comply with the specification(s)? \*YES/NO
- If not to specification, indicate deviation(s) .....
- .....
- .....
- .....

- Period required for delivery 7 DAYS  
.....

- Delivery: \*Firm/not firm

\*\* “all applicable taxes” includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.

\*Delete if not applicable

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are listed in the Register for Tender Defaulters and / or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

### 2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

- 2.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of institution	State

- 2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

- 2.2.1 If so, furnish particulars:

.....

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<sup>1</sup> the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

- .....
- 2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?  
**YES/NO**

- 2.3.1 If so, furnish particulars:

.....  
.....

### 3 DECLARATION

I, \_\_\_\_\_ the \_\_\_\_\_ undersigned,  
(name)..... in  
submitting the accompanying bid, do hereby make the following statements  
that I certify to be true and complete in every respect:

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of

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<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....	.....
Signature	Date
.....	.....
Position	Name of bidder



## PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

**NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022**

### 1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

### 1.2 To be completed by the organ of state

*(delete whichever is not applicable for this tender).*

- a) The applicable preference point system for this tender is the 80/20 preference point system.
- b) 80/20 preference point system will be applicable in this tender. The lowest acceptable tender will be used to determine the accurate system once tenders are received.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

### 1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms

of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

## 2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

#### 3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 \mathbf{Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)}
 \end{array}$$

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

### 3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

### 3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \\ \mathbf{Ps = 80 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)} \end{array}$$

Where

- Ps = Points scored for price of tender under consideration  
Pt = Price of tender under consideration  
Pmax = Price of highest acceptable tender

## 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

**Table 1: Specific goals for the tender and points claimed are indicated per the table below.**

***(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.***

***Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)***

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)

#### **DECLARATION WITH REGARD TO COMPANY/FIRM**

4.3. Name \_\_\_\_\_ of  
company/firm.....

4.4. Company \_\_\_\_\_ registration \_\_\_\_\_ number:  
.....

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
  - ☐ One-person business/sole propriety
  - ☐ Close corporation
  - ☐ Public Company
  - ☐ Personal Liability Company
  - ☐ (Pty) Limited
  - ☐ Non-Profit Company
  - ☐ State Owned Company
- [TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering 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) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

	..... <b>SIGNATURE(S) OF TENDERER(S)</b>
<b>SURNAME AND NAME:</b>	.....
<b>DATE:</b>	.....
<b>ADDRESS:</b>	..... ..... ..... ..... .....