

TRANSNET



delivering freight reliably

PORT OF DURBAN PROCUREMENT MASTER CLASS

Presented by: Ms. Bongzi Machi

Date: 23 November 2020





DISCLAIMER:

All information provided in this Procurement Masterclass webinar session is based on information supplied by Transnet and other internal sources. It is intended only for information and guide purposes in respect to Transnet's business best practice and a range of available procurement related processes & facilities.

Even though Transnet uses its best judgment to compile information presented, Transnet cannot warrant or represent or undertake that any projections, predictions, forecasts or other forward-looking statements relating to Transnet's performance will be realised or achieved.

Further, Transnet does not accept any liability for any loss or damage, howsoever caused, which may directly or indirectly result from any view, opinion, information, representation, admission or omission, whether negligent or otherwise, delivered during the session, including direct or indirect, special, incidental or consequential damages. If a third party references this session in any manner, it is not necessarily an indication of an endorsement, authorization, sponsorship, affiliation, joint venture or partnership by or with Transnet

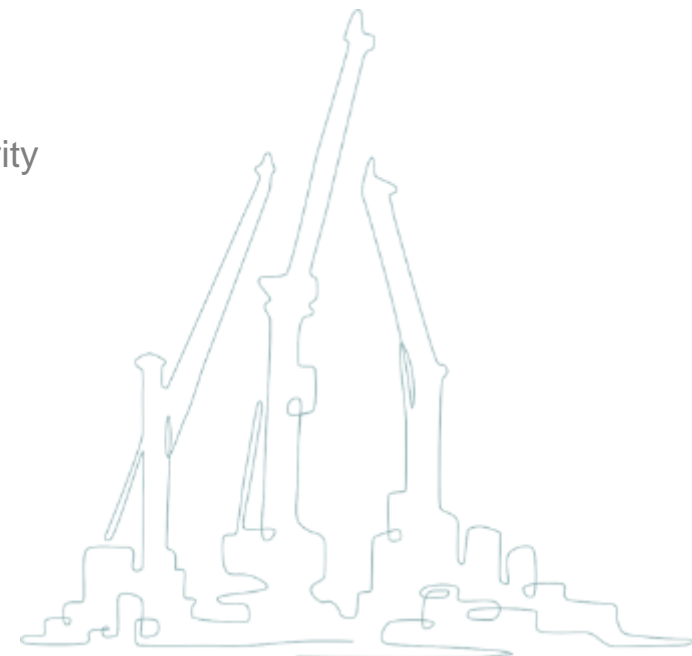
A thick red diagonal line starting from the top left and extending towards the center of the page.

CONTENTS

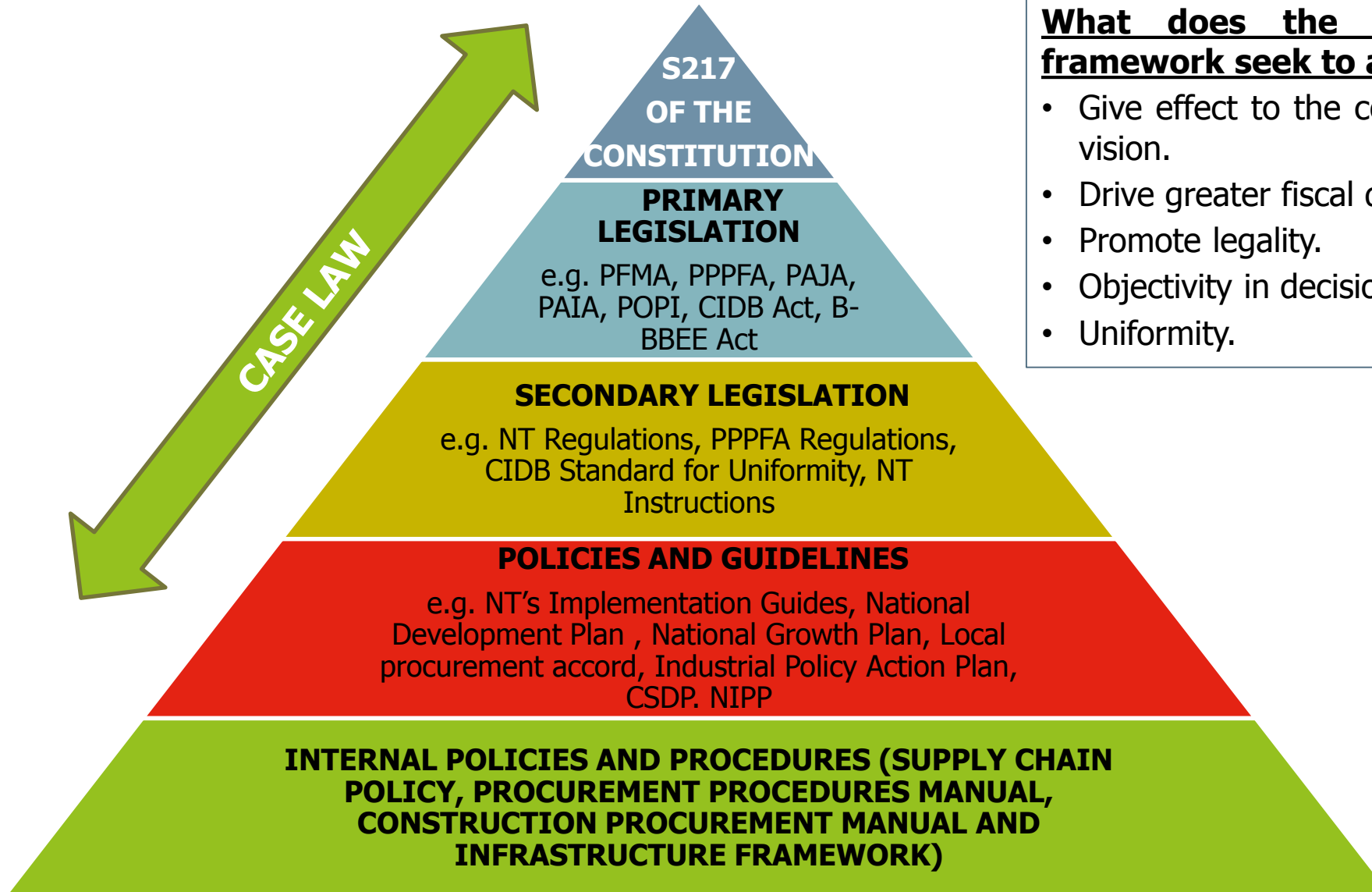
1. Regulatory Environment,
Constitutional requirements
2. PPPFA , Pre-qualification criteria for
Preferential Procurement
3. Tender process (RFQ & RFP)
4. Common mistakes made by
tenderers
5. Registration on TNPA database
6. Where tenders are advertised



National Ports Authority



The SCM Regulatory Universe



What does the regulatory framework seek to achieve?

- Give effect to the constitutional vision.
- Drive greater fiscal discipline.
- Promote legality.
- Objectivity in decision-making.
- Uniformity.



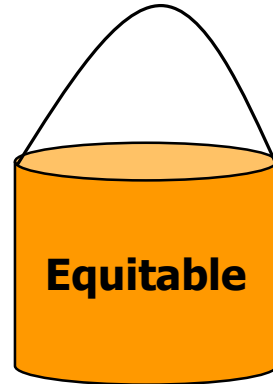
Constitutional Requirements

A specific condition in a tender disallowing other categories of the public to bid for such a contract is contrary to the principles stated below and therefore unconstitutional



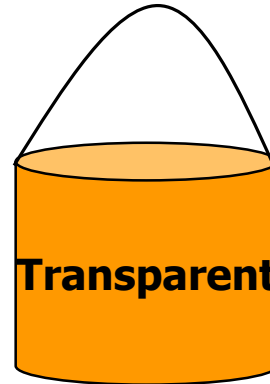
Fair

- Everyone given the same opportunity to tender
- No favouritism
- Fair evaluation of tenders



Equitable

- Decisions must promote equity
- Preference to previously disadvantaged



Transparent

- Process must be open
- Nothing to hide



Competitive

- Promotion of open and fair competition



**Cost –
effective**

- Best value for money must be obtained
- Value for money is not the same as cheapest price

Preferential Procurement Policy Framework Act (PPPFA)



PPPFA – aim is to give HDIs (Historically Disadvantaged individuals) according to a preferential point system , an advantage above other bidders and redress historical imbalances

Preferential point system:

80/20 – Applicable to price quotations and tenders with a Rand value equal to, or above R30 000 and up to a Rand value of R50 million (all applicable taxes included).

90/10 – Applicable to bids with a Rand value above R50 million (all applicable taxes included).



Application of pre qualification criteria (Regulation 4)

Must be used in identified tenders to advance designated groups on the basis of one or more of the following:

- (a) B-BBEE Status Level of contributor;
- (b) Exempted Micro Enterprises (EME) or Qualifying Small Enterprises (QSE);
- © Subcontracting

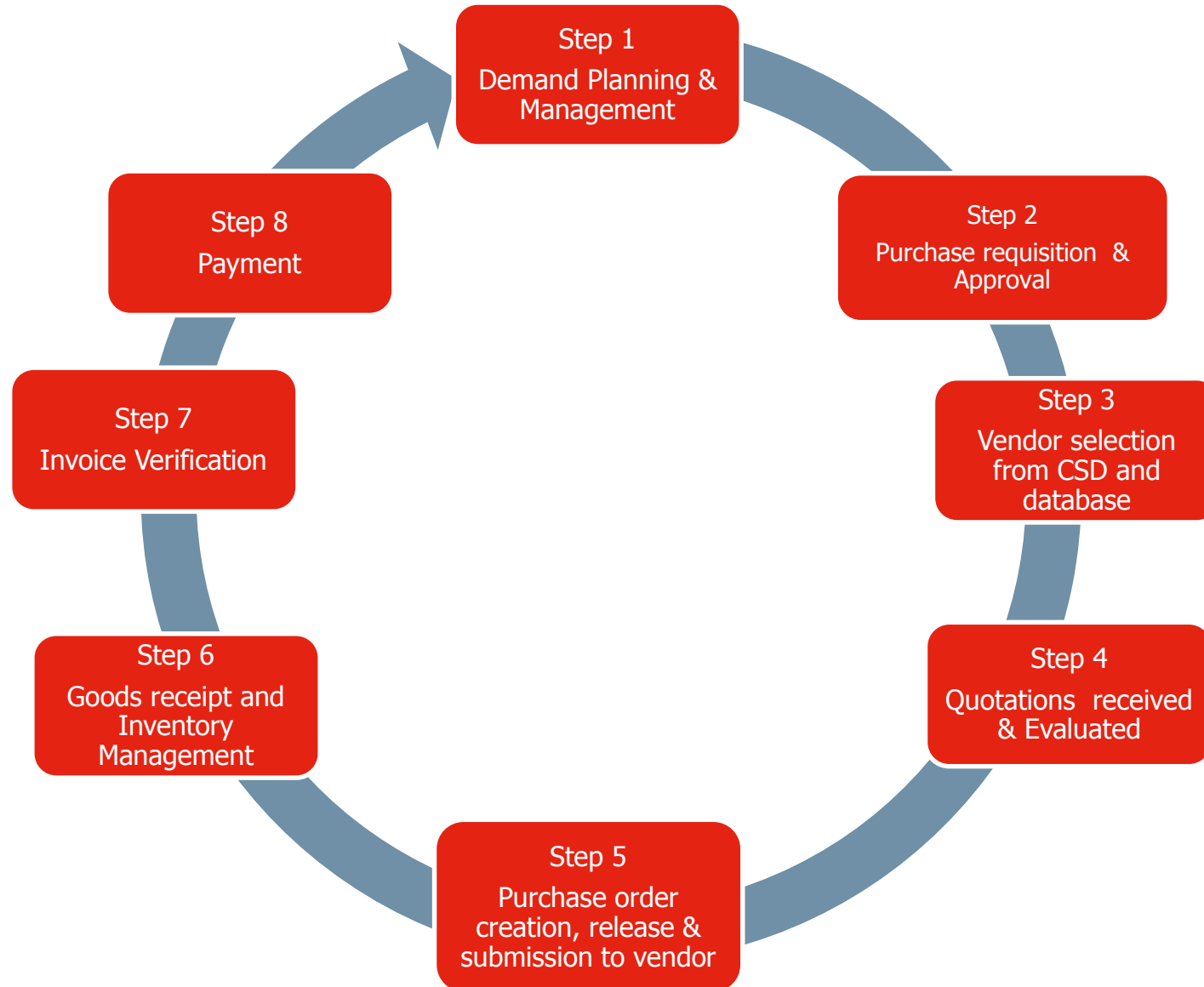
For a tenders above R30 million, where procurement opportunities have been identified, Tenders are advertised with a specific tendering condition:

“successful tenderer must subcontract a minimum of 30% of the value of the contract to EMEs or QSEs that are 51% owned by the following enterprises :

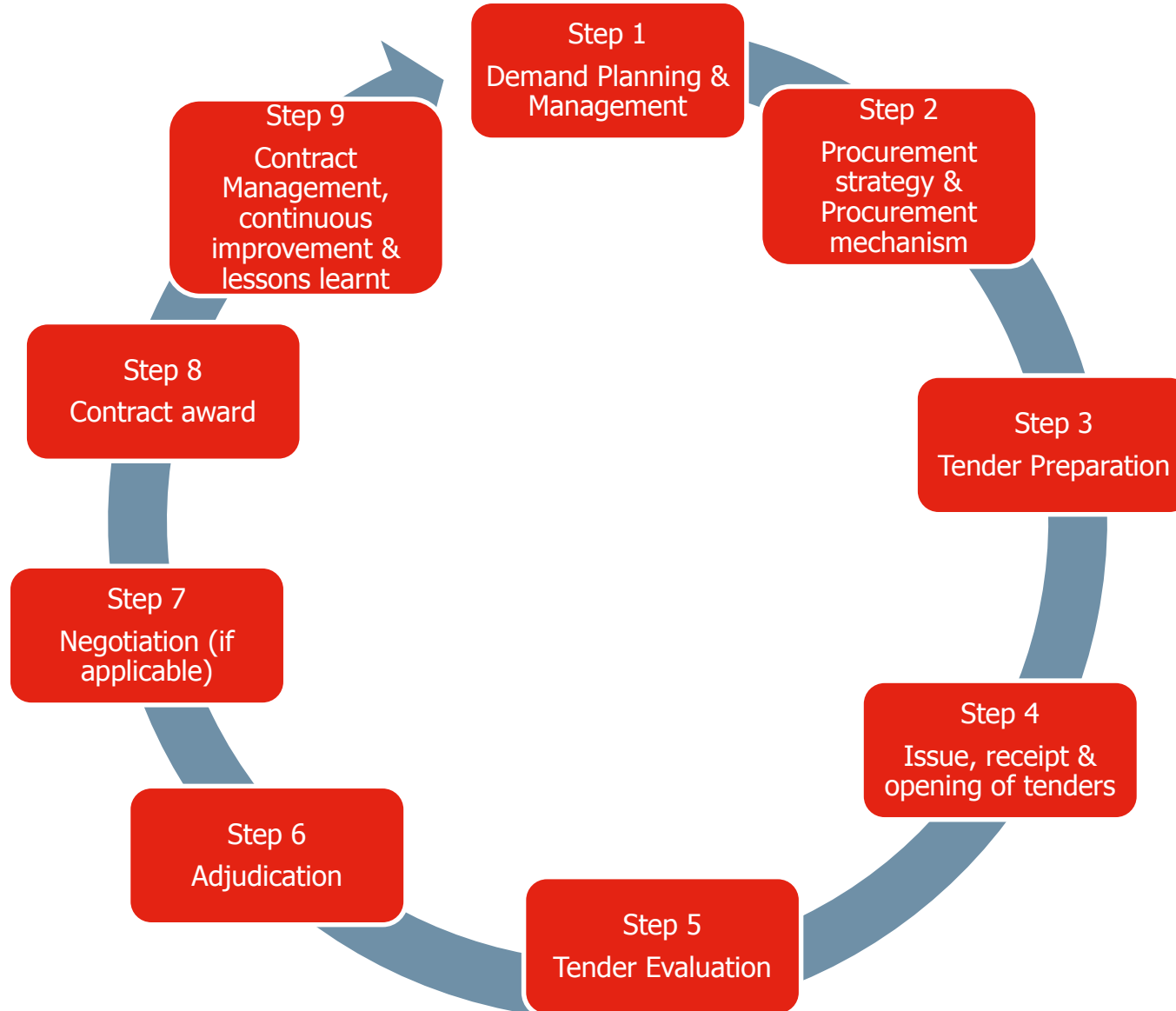
- (i) Black people
- (ii) Black people who are youth
- (iii) Black people who are women
- (iv) Black people with disabilities
- (v) Black people living in rural or underdeveloped areas or townships
- (vi) Cooperatives which are 51% owned by Black people
- ~~(vii)~~ Black people who are military veterans

*** may chose to prequal a or b or c or combination of the categories referred to above

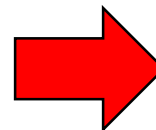
TNPA Procurement Process: <R250k



TNPA Procurement Process: >R250k



Common Mistakes made by Tenderers



- Tenderers often do not submit mandatory documents (BBBEE certificates , CIDB grading) – which result in **disqualification**
- Lack of understanding the **RFP documents** and key requirements
- Lack of understanding on how to **complete tender documentation**
- Non attendance of compulsory briefing sessions
- Not updating contact details

Registration on TNPA Database

- Suppliers must first register on CSD (Central Supplier Database) and obtain MAA.....number
- Only get registered on TNPA database **once contract has been awarded**
- Complete the Supplier Declaration Form (SDF)
- Proof of CSD Registration with the MAAA...number
- Original Tax Clearance Certificate
- Certified B-BBEE Certificate (QSE,EME) /Standard Affidavit
- Banking Details
- Company Letterhead stating Contact Details
- CIPC (Companies and Intellectual Property Commission documents (Company Registration Document)
- Certified ID Copies of Members/Directors/Shareholder/Owner.
- Proof of Registration on CIDB where applicable.

Where are tenders advertised

National Treasury developed a web application in the form of eTender Publication Portal for the purpose of advertising and publishing all bids. This application ensures that all potential bidders have easy, free and equal access to advertised bids.

- National Treasury website www.etenders.gov.za
- CIDB website www.cidb.gov.za (for engineering & construction tenders)

TRANSNET



delivering freight reliably

THANK YOU

