



(PTY) LIMITED

PROCUREMENT PHALABORWA DIVISION

INVITATION TO TENDER

TENDER NO: T209/10

SUPPLY OF BLASTING PIPES

CLOSING DATE:

24 June 2010

CLOSING TIME:

10H00

NAME OF TENDERER:

ATTENTION:

FAX NUMBER:

E-MAIL:

SIGNATURE:

***ONLY RETURN THIS COVER PAGE WITH YOUR TENDER – DO NOT RETURN
THE ENTIRE DOCUMENT***

TABLE OF CONTENTS

IT1.	Submission of tender & correspondence	4
1.1	Submission of Tender	4
1.2	Late Tender	4
1.3	Tender Correspondence	5
1.4	Tender Preparation	5
1.5	Effective dates of pricing	5
1.6	Vendor Facilities.....	5
1.7	Evaluation Criteria.....	5
1.8	Right to Reject	5
1.9	Marketing references	5
IT2.	Contents of Tender	5
2.1	Schedules to be completed	5
2.2	Complete tenders	6
IT3.	Compliance with Tender Specifications and Conditions	6
3.1	Compliance with Tender Specifications and Conditions	6
3.2	Deviations from Tender Conditions and Specifications.....	6
IT4.	Failure to Supply Information.....	6
IT5.	Validity and Acceptance of Tender	6
5.1	Validity of Tender	6
5.2	Acceptance of Tender.....	6
IT6.	Confidentiality.....	6
IT7.	Financial.....	7
7.1	Currency and Rate(s) of Exchange	7
7.2	Price Variations	7
IT8.	Alternative and Optional Proposals	7
8.1	Alternative Offers.....	7
IT9.	Packing, Transportation & Delivery	7

IT10.	General Conditions of Contract.....	7
IT11.	Terms of Payment	7
IT12.	Safety, Health, Environment and Quality.....	7
IT13.	Transportation	8
IT14.	Documents which must be attached.....	8
IT15.	Acknowledgement of Form.....	11
IT16.	Environmental Awareness.....	12
IT17.	Scope of Work.....	13



INSTRUCTIONS TO TENDERER

TENDER NO.: T209/10

DESCRIPTION: Supply of Blasting Pipes

CONTACT DETAILS: **Commercial:** A Bezuidenhout **Tel No.:** (015) 789 2268
Technical: C Terblanche **Tel No.:** (015) 789 2804

Foskor hereby invites tenderers to submit a tender for the work as set out in the attached Scope of Work.

No tender will be considered unless submitted by a firm, which has had thorough experience in the class of services involved.

To become acquainted with Foskor's basic requirements regarding this enquiry, the Tenderer is advised to read this document very carefully.

IT1 SUBMISSION OF TENDER DOCUMENTS AND CORRESPONDENCE, EXCLUDING THE PRICING SCHEDULE WHICH MUST BE SUBMITTED VIA THE www.webportunities.net WEBSITE

IT1.1 SUBMISSION OF TENDER

Tenders may be submitted in the following manner:

- a. The tender, together with the covering letter and supporting documents, shall be enclosed in a plain sealed envelope or parcel/s clearly endorsed with the relevant enquiry number but without the Tenderer's name displayed on it, and addressed to:

POSTAL ADDRESS:

The Tender Committee
Foskor (Pty) Ltd
P O Box 1
PHALABORWA
1390

PHYSICAL ADDRESS:

The Tender Committee
Foskor (Pty) Ltd
27 Selati Road
PHALABORWA
1390

- b. The tender, together with the covering letter and supporting documents, shall be deposited in the tender box at the main entrance of the mine no later than the closing time and date for submission of tenders. A tender, which due to its size cannot be deposited in the tender box, shall be handed to the Security Officer on duty. Please make sure that you sign the register at Security as proof of delivery of your tender.
- c. Faxes may be sent to **(015) 789 2545**, faxes sent to any other fax number shall be disqualified.
- d. The closing date of this tender is Thursday the 24th of June 2010 at 10H00.
- e. **E-Mails shall not be accepted**

IT1.2 LATE TENDERS

Late tenders, i.e. tenders received by Foskor after the closing date and time will not be accepted, this includes faxes received after 10H00 on the closing date. The onus still remains with the tenderers to ensure that the tender has indeed been received.

IT1.3 TENDER CORRESPONDENCE

All relevant correspondence shall be submitted in duplicate to the Buyer and should quote the enquiry number and description.

IT1.4 TENDER PREPARATION

All costs incurred in the preparation and presentation of a Tender will be absorbed by the prospective vendors. In the event that modifications or additions to the Tender become necessary, prospective vendors will be notified in writing. All supporting materials submitted with the response, will become the property of Foskor, unless otherwise requested by the vendor at the time of submission.

IT1.5 EFFECTIVE DATES OF PRICING

Provide effective dates of pricing.

IT1.6 VENDOR FACILITIES

Prospective vendors shall clearly indicate the facilities available to perform the service/work as detailed.

IT1.7 EVALUATION CRITERIA

Prospective vendor's responses will be evaluated using the following general criteria:

- Ability to satisfy functional business requirements
- Ability to satisfy technical requirements
- Cost
- BBBEE status

IT1.8 RIGHT TO REJECT

Foskor reserves the right to accept or reject any and/or all submitted responses and request additional information from all prospective vendors. Foskor reserves the right to negotiate a contract with the selected vendor/s. The vendor's response to this Tender will be included in whole or by reference in the events of any potential future contracts. At the discretion of Foskor, a third-party financial institution or consulting team could be included in future negotiations.

Any contract that is eventually awarded will be made to those organizations who, based on the evaluation of all responses, applying all criteria and oral interviews (if required), is determined to be the best qualified to provided the requested solution and support. Foskor reserves the right to not select any future proposal at cost.

IT1.9 MARKETING REFERENCES

Prospective vendors may not make any reference of to the potential project in any literature, promotional material, brochure or sales presentation, or make any other commercial use of Foskor's name and/or this Tender, without the express written consent of Foskor.

IT2 CONTENTS OF TENDER

To enable Foskor to evaluate the Tenderers offer in detail, and to evaluate / adjudicate tenders on the same comparative basis, the tender shall contain all information requested in these Instructions, the Specification and the schedules of these enquiry documents, including the following:-

IT2.1 SCHEDULES TO BE COMPLETED BY TENDERER (WHERE APPLICABLE)

The Tenderer shall complete accurately and in every detail, sign and date the schedules contained in this enquiry document and submit in duplicate the completed schedules with his tender (IT1.1 refers).

Failure to submit the schedules, completed in all respects may render the tender liable to rejection. Any schedules, which merely refer to the tender specification or other information such as catalogues and pamphlets, will be considered as incomplete. Should a schedule not be applicable or only in part applicable to the tender, such schedule should be endorsed accordingly.

IT2.2 ONLY COMPLETE TENDERS WILL BE CONSIDERED

Should the Tenderer consider that certain additional equipment / work and services would be essential for the proper functioning of the plant etc. although not covered specifically in this enquiry, he shall include for such items of equipment and / or work and/ or services in his tender prices by quoting them separately.

IT3 COMPLIANCE WITH THE ENQUIRY SPECIFICATION AND CONDITIONS, DEVIATIONS AND ALTERNATIVES

IT3.1 COMPLIANCE WITH THE ENQUIRY SPECIFICATIONS AND CONDITIONS

The Tenderer shall make every effort to submit his basic offer strictly in accordance with the Specification and the conditions contained in the enquiry documents and subsequent official amendments thereto, if any. Adherence to this requirement will facilitate Foskor's task of evaluating/adjudicating tenders on a comparative basis.

IT3.2 DEVIATIONS FORM THE ENQUIRY CONDITIONS AND SPECIFICATIONS

- a. Should the Tenderer be unable to tender in accordance with the conditions and specification of this enquiry in every respect, as requested in IT4.1 above, and should, therefore, the equipment/work and services offered by him vary from these conditions/specification in any way, he shall clearly state in his tender specification and completed schedules any such proposed deviation, should any equipment and/or plant performance guarantees be affected by such deviation, this shall be also clearly stated.
- b. Unless any deviation /variation is clearly stated by the Tenderer in the tender and schedules as specified in (a) above, the contract works offered will be deemed to comply in detail with the enquiry conditions and specification. Should the Tenderer be awarded the contract and should the contract works vary in any way from the agreed conditions and specification, such contract works will be liable to rejection.

IT4 FAILURE TO SUPPLY INFORMATION CALLED FOR

Should the Tenderer fail to furnish in his tender full information on all points required by Foskor in terms of this enquiry, such failure may render the tender liable to disqualification.

IT5 VALIDITY AND ACCEPTANCE OF TENDER

IT5.1 VALIDITY OF TENDER

The period during which Foskor shall have the right to accept the tender without any right of withdrawal on the part of the Tenderer is 60 days from the closing date for the receipt of tenders.

IT5.2 ACCEPTANCE OF TENDER

Foskor does not bind itself to accept the tender lowest in price or any tender nor to assign any reason for the rejection of any tender.

No tender shall be deemed to have been accepted unless such acceptance has been conveyed to the Tenderer by Foskor's notice in writing.

IT6 CONFIDENTIALITY

The Tenderer shall treat the details contained in the enquiry documents, annexures and amendments thereto if any, in subsequent correspondence and matters discussed during negotiations as private and confidential, irrespective of whether his tender is accepted or not.

Foskor will likewise treat the Tenderer's proposal and relevant correspondence and discussions as private and confidential.

IT7 FINANCIAL

Financial aspects of the tender are important factors in the evaluation/adjudication of tenders so this must be clearly specified.

IT7.1 CURRENCY AND RATE/S OF EXCHANGE (IF ANY)

All prices shall be quoted in Rand. The rate/s of exchange (if any) used to establish the Rand values of tender prices for amounts payable overseas shall be stated in the relevant schedule.

IT7.2 PRICE VARIATIONS (ESCALATION)

Foskor shall give preference to offers submitted on a fixed price basis. However, should the Tenderer insist that certain prices be subject to price escalation, then the relevant information shall be submitted in detail together with his tender.

IT8 ALTERNATIVE AND OPTIONAL PROPOSALS

IT8.1 ALTERNATIVE OFFERS

The Tenderer may submit an alternative offer in accordance with the basic requirements of the Enquiry Specifications, but shall in addition offer alternatives, if -

- a. Any such alternative/s are called for in the enquiry, and/or
- b. He wishes to offer alternatives of his own choice, giving reasons for such alternative offers.

IT9 PACKING, TRANSPORTATION AND DELIVERY (NOT APPLICABLE)

This must be clearly defined and prices submitted should the Tender quote a delivered price. The delivery date must be clearly stipulated.

IT10 GENERAL CONDITIONS OF CONTRACT

Any eventual order will be subject to Foskor's General Conditions of Contract, which are available on request.

IT11 TERMS OF PAYMENT

Payments will only be made at the end of the month in which the service was rendered, subject to approval by the relevant Foskor Official.

Should the Foskor official not be satisfied with the invoice/work or goods for which payment is claimed, Foskor reserves the right to withhold payment until such time that such problems be rectified.

Foskor reserves the right to charge a penalty fee of 1% of total order value for every week that the order is over the quoted delivery time

IT12 SAFETY, HEALTH, ENVIRONMENT AND QUALITY

- IT12.1 Tenderers must ensure that any offer submitted to Foskor in terms of the enquiry conforms to the provisions of Section 21 of the Mine Health and Safety Act, No. 29 of 1996.

IT12.2 Should Foskor accept your tender or part thereof any goods, equipment, installation, construction etc. provided shall also conform to Section 21 of the said Act, including but not restricted to, information regarding the disposal of hazardous substances. The successful tenderer shall also ensure that they conform to Foskor's internal SHEQ standards on environmental issues.

IT12.3 As per the Foskor Health and Safety Policy it is mandatory for all Contractors to undergo medical examinations prior to commencing work on Foskor's site. Currently Foskor does accept the results of the medical examinations conducted at the Palabora Mining Company clinic provided the Contractors work at both sites and the examination was conducted in the previous twelve (12) months.

Please take note of the following, prior to undergoing medical examinations:-

- All Contractors, like Foskor employees, will undergo annual medical examinations. Medical examinations are only valid for a period of one (01) year.
- Contractors who work exclusively on Foskor site are expected to undergo examinations at the Foskor clinic; medicals conducted elsewhere will not be accepted.

IT12.4 All Contractors shall undergo an exit medical examination at the clinic on site, exit medicals conducted elsewhere will not be accepted.

IT12.5 It will remain the responsibility of the Contractor to ensure that his/her employees undergo the medical examination prior to starting work, the annual medical examinations as well as the exit medical examinations referred to above.

IT13 TRANSPORTATION (WHEN APPLICABLE)

Should the tenderer quote on the basis of delivery to Foskor premises the tenderer shall submit documentary proof that they comply with the requirements of the National Road Traffic Act, 1996 and the SABS 0231 code of practice "Transportation of Dangerous Goods – Operational Requirements for Road Vehicles".

T14 DOCUMENTS WHICH MUST BE ATTACHED TO THIS TENDER

IT14.1 If you are a **LIMITED** entity:

- Broad based black economic empowerment verification certificate by a verification agency duly accredited and defined in the Codes of Good Practice of the Broad-Based Black Economic Empowerment Act, 53 of 2003;
- Letter of good standing from the compensation commissioner stating that the tenderer has complied with section 89 of the Compensation for Occupational Injuries and Diseases Act, 130 of 1993;
- Covering letter on entity's official letter head signed by authorised person;
- Memorandum of association;
- Articles of association; Certificate to commence business;
- Necessary resolutions of authority to contract with Foskor;
- SARS tax clearance certificate;
- VAT registration number;
- ITC clearance certificate.

IT14.2 If you are a **(PTY) LTD** entity

- Broad based black economic empowerment verification certificate by a verification agency duly accredited and defined in the Codes of Good Practice of the Broad-Based Black Economic Empowerment Act, 53 of 2003;
- Letter of good standing from the compensation commissioner stating that the tenderer has complied with section 89 of the Compensation for Occupational Injuries and Diseases Act, 130 of 1993;
- Covering letter on entity's official letter head signed by authorised person;
- Memorandum of association;
- Articles of association;
- Certificate to commence business;
- Necessary resolutions of authority to contract with Foskor;
- SARS tax clearance certificate;
- VAT registration number;
- ITC clearance certificate.

IT14.3 If you are a **CLOSE CORPORATION** entity:

- Broad based black economic empowerment verification certificate by a verification agency duly accredited and defined in the Codes of Good Practice of the Broad-Based Black Economic Empowerment Act, 53 of 2003;
- Letter of good standing from the compensation commissioner stating that the tenderer has complied with section 89 of the Compensation for Occupational Injuries and Diseases Act, 130 of 1993;
- Covering letter on entity's official letter head signed by authorised person;
- Founding statement document;
- Full names of members and certified copies of identity documents;
- Certificate to commence business;
- Necessary resolutions of authority to contract with Foskor;
- SARS tax clearance certificate;
- VAT registration number;
- ITC clearance certificate.

IT14.4 IF you are a **TRUST** entity:

- Broad based black economic empowerment verification certificate by a verification agency duly accredited and defined in the Codes of Good Practice of the Broad-Based Black Economic Empowerment Act, 53 of 2003;
- Letter of good standing from the compensation commissioner stating that the tenderer has complied with section 89 of the Compensation for Occupational Injuries and Diseases Act, 130 of 1993;

- Covering letter on entity's official letter head signed by authorised person;
- Letters of authority;
- Full names of trustees;
- Necessary resolutions of authority to contract with Foskor;
- SARS tax clearance certificate;
- VAT registration number;
- ITC clearance certificate.

IT14.5 If you are a **PARTNERSHIP** entity:

- Broad based black economic empowerment verification certificate by a verification agency duly accredited and defined in the Codes of Good Practice of the Broad-Based Black Economic Empowerment Act, 53 of 2003;
- Letter of good standing from the compensation commissioner stating that the tenderer has complied with section 89 of the Compensation for Occupational Injuries and Diseases Act, 130 of 1993;
- Covering letter on entity's official letter head signed by authorised person;
- Full names of all the partners. If any of the partners are legal entities as described in paragraphs above, provide the appropriate documents as requested above.
- Necessary resolutions of authority to contract with Foskor;
- SARS tax clearance certificate;
- VAT registration number;
- ITC clearance certificate.

IT14.6 If you are a **SOLE PROPRIETORSHIP**:

- Broad based black economic empowerment verification certificate by a verification agency duly accredited and defined in the Codes of Good Practice of the Broad-Based Black Economic Empowerment Act, 53 of 2003 (if required);
- Letter of good standing from the compensation commissioner stating that the tenderer has complied with section 89 of the Compensation for Occupational Injuries and Diseases Act, 130 of 1993 (if required);
- Covering letter on official letter head signed by sole proprietor;

- Full name of sole proprietor and certified copy of identity document;
- SARS tax clearance certificate;
- VAT registration number;
- ITC clearance certificate.



IT16 ACKNOWLEDGMENT FORM

Tender Description:

Tender No.:

COMPANY NAME:

CONTACT PERSON:

TEL NO:

FAX NO:

Hereby acknowledge receipt of Tender No.: _____

And in response (**Please** ✓ **appropriate block below**)

Will submit a tender

Will not submit a tender

Reason for not submitting a tender:

Return this page back to Fax no: 015 789 2908 marked for Attention Ms Alta Bezuidenhout by 21/06/2010.



IT17 PROCUREMENT ENVIRONMENTAL MATRIX

Foskor as a company has a commitment towards our environment. This commitment is not only limited to our company premises and employees, but extends towards our communities, stakeholders and suppliers. Foskor would like to see the commitment of its suppliers regarding but not limited to the following areas:

Environmental training and education

Training of employees and educating local communities or schools on relevant environmental topics such as pollution prevention, recycling, alien plants, water usage and conservation by making use of classes, banners, posters, pictures, plays etc.

Local projects and hands-on involvement

Getting involved with an enviro-school initiative, the clean-up of rivers, the building of a bird hide or the setting up of a local nursery, developing food gardens or planting trees etc.

Sponsorships for environmental work

NGO's for example: WWF, Birdlife SA, Honorary Rangers and National parks, Botanical gardens, Zoos, local projects etc.

Environmental Policy

Transparency and procedures of the company concerning environmental practices.

Compliance with environmental legislation

ISO14001, NEMA, Environmental Acts etc.

Score	Rating	Description
1	Very Poor	Company complies with environmental legislation only.
2	Poor	Company complies with environmental legislation while being transparent in environmental practices.
3	Good	Company shows environmental commitment in the form of environmental training, and complying with legislation.
4	Very Good	Company shows environmental commitment in the form of one environmental project or sponsorship in the last year, complies with environmental legislation, and participates in training initiatives while also being transparent in environmental practices.
5	Excellent	Company shows environmental commitment in the form of one or more environmental projects within the last year, complies with environmental legislation, and participates in training initiatives and allocated one or more sponsorship while being transparent in environmental practices.



SCOPE OF TENDER

1. INTRODUCTION

Foskor, Phalaborwa Division, Mining Department uses approximately 17 500 meters of DPI manufactured blasting pipes annually and currently has only one Vendor supplying the particular pipe in use. As this is a critical item the Procurement Department has initiated a process to source alternative blasting pipes to ensure continuity of supply and also to enter into a term agreement with possibly more than one Vendor.

This tender calls for potential Vendors to participate in this process by submitting proposal via the online tender/quoting system.

2. PROCESS

Once the tenders have been received and evaluated commercially a technical evaluation will be done and based on the commercial and technical evaluation a short list will be drawn up. The shortlisted Vendors will be required to provide Foskor with a batch of pipes which will be tested in the mining environment. On completion of the test/s a report will be compiled by the Mining Department and together with Procurement a decision will be made as to which pipes will be acceptable for use at Foskor, this decision will be submitted to the Divisional Procurement Committee who has the right to either accept or reject the recommended decision.

As this is a test Vendors are to be aware that the final decision will take much longer to make than for the normal tender process.

3. SPECIFICATIONS

3.1 Quantity

200 lengths

This quantity is only for the test batch, once the final award has been done the monthly quantity will be approximately 360 pipes per month.

3.2 Size

Length of pipe	- 4 meters (fixed)
Internal diameter	- 163 to 165mm
Wall thickness	- 3 to 4mm

4. MATERIAL

4.1 The current pipe in use is manufactured by DPI and is sufficiently "plastic" enough so that it deforms when pressure is applied to it in length. The composition of the material is most likely proprietary information.

4.2 Any pipe (blasting tube) supplied must be of the same material type or material with similar characteristics since it is a safety and operational requirement. Material specifications must be submitted with your tender.

5. STOCKHOLDING

The successful Vendor/s will be expected to keep these pipe on their premises as a Supplier Held item and this would mean that they would be required to keep at least two months stock in their own warehouse.

6. PRICING

Prices must be submitted via the www.webportunities.net website, only offers received via this online system will be accepted.

7. ADDITIONAL INFORMATION

Any additional information which the Tenderer would like to bring under our attention must be stipulated in a covering letter which must be submitted with the tender.

8. ENQUIRIES

Technical enquiries may be directed to Christiaan Terblanche at 015 789 2804 and commercial enquiries to Alta Bezuidenhout at 015 789 2268.