
TERMS OF REFERENCE FOR APPOINTMENT OF A SERVICE PROVIDER FOR SAMPLING AND TESTING OF PETROLEUM PRODUCTS IN THE SOUTH AFRICAN PETROLEUM INDUSTRY IN TERMS OF REGULATIONS REGARDING PETROLEUM PRODUCTS SPECIFICATIONS AND STANDARDS R 627, ISSUED ON 23 JUNE 2006 IN GAZETTE NO. 28958, AS AMENDED FOR THE DEPARTMENT OF MINERAL RESOURCES AND ENERGY FOR A PERIOD OF THREE (3) YEARS.

1 BACKGROUND

- 1.1 The South African petroleum industry is regulated in terms of the Petroleum Products Act, 1977 (Act No. 120 of 1977) as amended (“the PPA). A licensing regime for the petroleum industry was for the first time in the Republic of South Africa (“RSA”), introduced by the 2003 Amendment through the Petroleum Products Amendment Act, 2003 (Act No. 58 of 2003) and subsequent Regulations promulgated under the Act. In March 2006, Regulations Regarding Petroleum Products Specifications and Standards of 2006 (“the Regulations”), issued on 23 June 2006 in Gazette No. 28958 under Government Notice Number R. 627, were enacted to monitor and enforce compliance to fuel quality.
- 1.2 The main purpose of the PPA as amended and its Regulations is to ensure an efficient Manufacturing, Wholesaling and Retailing of petroleum products in the industry to promote an environment conducive for investment, development of small enterprises, promote competition, prohibit certain actions and ensure compliance to the PPA and conditions attached to operating licenses.
- 1.3 Further, to increase efficiency, economic viability, accelerate transformation in the RSA’s petroleum industry and to promote the sale of quality petroleum products in an effort to mitigate against harmful effects and pollutants emitted from petroleum products (e.g high sulphur content in Diesel and Petrol), and to mitigate the effects of global warming, evident from erratic weather patterns and current persistent draughts affecting the country’s socio-economic status.
- 1.4 To achieve the above, the Department of Minerals Resource and Energy (“DMRE”) issue operating licenses to manufacturers, wholesalers and retailers of petroleum products, monitors compliance to conditions of issued licenses and further monitors compliance to legislative requirements applicable in the petroleum industry.

- 1.5 Data on quality of fuel in RSA is scanty and mostly available from oil majors who conducts own fuel quality checks through their value chain. It is against this backdrop that DMRE undertakes to appoint a suitably qualified service provider to conduct sampling and testing of petroleum products to establish compliance status by operators in the industry, to check the quality of fuel that is sold in RSA, and obtain data and broader understanding of challenges experienced by industry in terms of fuel quality compliance.
- 1.6 Fuel quality monitoring programme in RSA will deal with challenges regarding identification of fuel that do not meet minimum quality specifications. Failure to monitor fuel quality will result in influx of fuel that are below set specifications and standards, and such will, *inter alia*, reduce RSA's efforts against air pollution control, quality of health and effects of global warming. Furthermore, there are unscrupulous petroleum operators in our midst who smuggle petroleum products below set specifications into RSA with deliberate purpose to evade tax such as *custom, excise or import duties*. The foregoing has negative impact on revenue collection and fiscus.
- 1.7 Fuel quality monitoring is of strategic importance in RSA and as such, forms part of DMRE's strategic objectives aimed to, *inter alia*, improve Mineral Resources and Energy regulation, competition, efficiency, human and environmental protection.
- 1.8 In this regard, fuel quality monitoring in RSA regulates certain aspects of petroleum products with application of South African National Standards (SANS ISO 4295). The foregoing aims to assure consumers of their choices and guarantees fit-for-purpose product, while at the same time addressing certain environmental aspects in the following manner:
- 1.8.1 *Petrol and diesel must be supplied to regulated specifications.*
 - 1.8.2 *Suppliers must label fuel dispensers with the mandated label (grade and quality).*
 - 1.8.3 *Consumer has a right to request information about the product sold.*
 - 1.8.4 *DMRE has the mandate to conduct fuel quality monitoring as per regulations, (Emphasis).*
- 1.9 Prior to 2006, RSA did not have compulsory fuel specifications and standards for all petroleum products manufactured and sold in RSA. Oil companies were at leeway to produce, export and import petroleum products such as petrol and diesel at any level of specifications and standards. When the process of introducing cleaner fuels in RSA's petroleum industry began, the focus was on the reduction and complete removal of lead in petrol and reduction of sulphur content in both diesel and petrol.

- 1.10 Post 2006, RSA began to experience influx of new vehicle technologies that used catalytic converters in order to improve air quality by restraining vehicle exhaust emission to the atmosphere. Lead additive is prone to damaging catalytic converters which then results into substantial vehicle emissions. During this period, the market also experienced reduction of sulphur levels in diesel, e.g diesel sulphur content was reduced from 5 500 ppm to 3 000 ppm in 2001 and further reduced to 500 ppm in 2006, with 50 ppm prominent in RSA. And sulphur content on unleaded petrol (ULP) was also reduced from 1000 ppm to 500 ppm. Oil majors have now introduced diesel 10 ppm in RSA which is cleaner and more efficient to 50 ppm.
- 1.11 The following fuel parameters are critical in the quality of petroleum products; **Petrol:** *to reduce level of benzene in order to reduce carcinogenic emissions, reducing volatility to reduce evaporative emissions, reducing sulphur to improve catalytic converter efficiency and reduce particulate matter (PM); Diesel:* *to reduce sulphur to improve particulate matter, oxides of sulphur (SO_x), oxides of nitrogen (NO_x) emissions, tightening total aromatics, final boiling point and cetane number.*
- 1.12 Petroleum products used as fuel are required to meet the regulated quality "ex nozzle", that is, at the point of sale or supply. Some minor changes occur with regard to fuel properties during storage and distribution and such is inevitable. The fuel suppliers/ marketers have therefore developed exchange specifications for refined product and are more comprehensive, and in some cases, more stringent than the regulatory requirements. These exchange specifications reflect more specific fit-for-purpose requirements (such as geographical and atmospheric variations) and allow some operating margin for quality changes between storage and sale.
- 1.13 According to published DMRE statistics on National Fuel Sales Volumes/ Consumption for period, **January to December 2022**, petrol and diesel sales in RSA were recorded as follows:

Fig 1:

2022 JANUARY TO DECEMBER SA FUEL SALES VOLUME / CONSUMPTION					
VOLUME IN LITRES					
Product name	Q1- January to March	Q2 - April to June	Q3 - July to September	Q4 - October to December	Grand Total
Diesel (All grades)	3 231 738 750	3 133 180 422	3 243 821 404	3 108 585 743	12 717 326 319
Petrol (All grades)	2 341 864 168	2 236 069 851	2 215 985 646	2 390 950 250	9 184 869 916
Jet Fuel	348 615 167	337 004 668	366 946 268	425 583 749	1 478 149 853
Paraffin	305 535 945	299 681 865	300 792 072	271 889 750	1 177 899 632
Furnace Oil	146 344 818	144 652 082	138 673 744	164 369 521	594 040 165
LPG	90 989 584	86 753 233	68 725 142	76 921 377	323 389 336
Aviation Gasoline	1 495 073	1 236 517	902 118	1 062 723	4 696 431
Grand Total	6 466 583 506	6 238 578 638	6 335 846 394	6 439 363 113	25 480 371 651

- 1.14 Reality in RSA's context is that local demand exceeds the supply, hence the shortfall is met through imports of finished product. Importation of refined products by nature presents an opportunity for off-specification molecules that find way into RSA's petroleum operations and consumer value chain, hence the importance of an ongoing fuel quality monitoring programme by DMRE.
- 1.15 In executing its legislative mandate, the Chief Directorate; Petroleum Compliance Enforcement and Fuel Pricing ("CD: PCE&FP") undertakes to appoint a competent and appropriately resourced service provider (**with own laboratory**) to conduct fuel sampling and testing project on behalf of DMRE for a period of three (3) years.
- 1.16 Fuel quality monitoring is of strategic importance and critical to safeguard interest of motorists, environment and public health. Value proposition is that the project will assure cleaner product, fuel quality compliant industry and transparency on quality of petroleum products consumed in RSA. Economic benefits are derived from consumers receiving quality products in areas of fuel quality, vehicle efficiency and vehicle maintenance.

- 1.17 The behavior of petroleum industry, whether due to ignorance, weaknesses, recklessness or deliberate non-compliance only means that instances of failure to comply with PPA and its Regulations will exist. Hence the need to monitor compliance with fuel quality will enable DMRE to keep non-compliance with petroleum legislation to a minimum. The aim is to ensure that compliance takes place in such a manner that inspires confidence in the industry, citizens of RSA, and business at large.

2. CONTRACT PERIOD

- 2.1 The duration of the contract is for a period of three (3) years.

3. OBJECTIVES OF THE PROJECT

- 3.1 To conduct ongoing fuel quality monitoring and compliance enforcement as mandated by Regulations Regarding Petroleum Products Specifications and Standards, R 627, issued on 23 June 2006 in Gazette No. 28958.
- 3.2 The creation of the RSA fuel quality database for future policy/ legislative intervention aimed at improving Mineral Resources and Energy regulation, competition, efficiency, and human and environmental protection.
- 3.3 Respond to instances of consumer fuel contamination complaints and dispute resolution.
- 3.4 Identify fuel quality compliance challenges at point of sale (fuel service stations and wholesale depots) and mitigate them through policy/ legislative intervention.
- 3.5 Enhance advocacy and encourage regular stakeholder engagements to discuss the importance of fuel quality compliance in RSA, thereby attracting foreign investments in new engine technologies and the creation of job opportunities.
- 3.6 Continue to prioritize high risk areas to establish product sources, extent, and/ or magnitude of non-compliance to prescribed fuel specifications and standards.

4. SCOPE OF WORK

- 4.1 The successful service provider is expected to perform the following responsibilities as a minimum deliverable including all items referenced below:

- 4.2 Sample minimum total of **1080 petrol and diesel** products annually (**540 diesel and 540 petrol**) from selected sites, conducted monthly in the different provinces (**e.g North West, Northern Cape, Western Cape, Eastern Cape, Limpopo, KwaZulu Natal, Mpumalanga, Gauteng and Free State**) as informed by risks, provincial dynamics and the prevalence of non-compliance. A total of each specified petroleum product sampled and tested should amount to 1080 units tested for specifications **per Annum**.
- 4.3 Testing properties in **Petrol** must include: **appearance, octane, aromatics content, benzene, manganese (metal content), sulphur content and distillation**.
- 4.4 Testing properties on **Diesel** must include: **appearance, flash point, sulphur content, total contamination and water content and distillation and A1 marker**. Prepare report summarizing the results of analytical testing and comparing the results against prescribed requirements as per the Regulations;
- 4.5 **Conduct on-site rapid test on selected fuel samples, and collect minimum of 2.5 litres of failed test samples** for further laboratory analysis. 1 litre of excess fuel sample will be tamper proof sealed in the presence of site owner/ manager and retained **by Service Provider** for re-sampling, if necessary. Failed samples shall be retained by service provider for a minimum period six (6) months after date of analysis for potential future compositional analysis and as evidence in the event of non-compliance disputes.
- 4.6 Re-sampling of retained samples by alleged offender shall be done in the presence of DMRE Energy Inspector and/ or service provider lab technician to witness braking of tamper proof seal, and confirm correct retainer sample is analysed in line with prescribed minimum specification, standards, international best practice, methodologies and accredited laboratory fuel analysis equipment/ machinery.
- 4.7 Use appropriate container compliant to SABS approved minimum specification, standards and methodology, consistent with international accepted best practice.

5. DELIVERABLES OR PROJECT OUTPUT AND/ OR OUTCOME

- 5.1 The service provide shall produce laboratory analysis reports on quality of fuel samples.
- 5.2 Share international best practices on fuel quality monitoring including new technologies, standards and methodologies.
- 5.3 Provider learnership opportunities to graduates during duration of the project, consistent with relevant SITA's pivotal skills programme and report to project manager annually.
- 5.4 Hold quarterly meetings with DMRE to discuss progress on project deliverables and targets. Service provider will be required to record minutes and avail same to project manager within three working days after date of meeting.
- 5.5 Develop site sampling manual incorporate safety, health, environment and quality requirements for use by DMRE and service provider.
- 5.6 Develop clearly defined dispute resolution procedure in the event of any contestation of samples results by petroleum operators/ consumers.
- 5.7 Develop comprehensive sampling schedules and testing criteria (compliant to SABS approved methodology, (e.g ISO 4295). The sampling methods and choice of sample sizes must achieve randomness and representativeness. Proposed sampling schedule and methodologies shall be subject to DMRE consideration and approval.
- 5.8 Develop comprehensive logistical plan before commencement of project for transportation of samples from source to laboratory to ensure sample integrity is maintained.
- 5.9 Develop comprehensive plan/ procedure to deal with any eventuality resulting in sample(s) being compromised in any form or manner (e.g in transit or otherwise).
- 5.10 At the end of the project service provider will make recommendations to the DMRE for future policy/ legislative design as well as compliance monitoring and enforcement strategies.

6. EVALUATION CRITERIA

This bid will be evaluated in four stages, i.e. functionality, mandatory requirements, administrative compliance and point scoring system.

No.	Evaluation criteria	Points	Weight
	<p>industry, industry trends, related policies, legislations, demonstrate the capability of analyzing fuel samples using internationally accepted methods, good ability to collate and interpret data and make recommendations, demonstrate project management, communication, writing and presentations skills.</p> <p>(Attach detailed CV highlighting relevant projects, with contactable references).</p> <p>Team members</p> <p>(ii) Team member/s must have experience of having been involved in a minimum of four (04) projects in fuel testing, sampling, and analysis, deep knowledge of the South African petroleum industry, industry trends, related policies, legislations, demonstrate the capability of analyzing fuel samples using internationally accepted methods, good ability to collate and interpret data and make recommendations, demonstrate project management, communication, writing and presentations skills.</p> <p>(Attach detailed CV highlighting relevant projects, with contactable references).</p> <p>(iii) The Team Leader must have exposure to petroleum and liquid fuels sector in the past seven (7) years.</p> <p>(Attach detailed CV highlighting experience of the dynamics of the minerals</p>	<p>(3-4) projects = 2 points 2 or less projects = 1 point No indication = 0 points</p> <p>6 or more projects = 5 points 5 projects = 4 points 4 projects = 3 points 3 projects = 2 points 2 or less projects = 1 point No indication = 0 points</p> <p>(Number of projects = average of the team members)</p> <p>Has experience and knowledge of the dynamics in the minerals and/or energy sector = 5 point</p>	<p>10</p>

No.	Evaluation criteria	Points	Weight
	and/or energy sector, and copy/copies of qualification/s that reflect knowledge of the minerals and/or energy sector).	<p>Has either experience or knowledge in the dynamics of the minerals and/or energy sector = 3 points</p> <p>No indication = 0 points</p>	
3.	<p>Qualifications of Team Leader and Team Members</p> <p>Qualifications:</p> <p>Team Leader qualifications</p> <p>(i) Team leader must possess a minimum of bachelor's degree in Chemistry or Petrochemicals engineering recognized by SAQA (Attach certified copies of qualification/s),</p> <p>Team member qualifications</p> <p>(ii) Team member(s) must possess a minimum of bachelor's degree in Chemistry or Petrochemicals engineering recognised by SAQA (Attach certified copies of relevant qualification/s)</p>	<p>NQF level (9 – 10) = 5 points</p> <p>NQF level 8 = 4 points</p> <p>NQF level 7 = 3 points</p> <p>NQF level 6 = 2 points</p> <p>NQF level 5 or below = 1 point</p> <p>No qualification = 0 points</p> <p>NQF level 9 or higher = 5 points</p> <p>NQF level 8 = 4 points</p> <p>NQF level 7 = 3 points</p> <p>NQF level 6 = 2 points</p> <p>NQF level 5 or below = 1 point</p> <p>No qualification = 0 points</p> <p>(Number of projects = average of the team members)</p>	<p>20</p> <p>10</p> <p>10</p>

No.	Evaluation criteria	Points	Weight
4.	Project Plan		30
	(i) Detailed project plan with: <ul style="list-style-type: none"> ➤ Project deliverables ➤ Logistics plan ➤ Key milestones ➤ Scope ➤ Schedule ➤ Cost ➤ Resources ➤ Contingencies (Attach project plan)	Detailed Project plan = 5 points No project plan = 0 points	15
	(ii) Propose methodology outlining: <ul style="list-style-type: none"> ➤ Management of the project (Attach methodology proposal)	Methodology proposal = 5 No methodology proposal = 0 points	10
5.	Skill Transfer Plan		5
	(i) Skills transfer and implementation plan for Internship/ Learnership aligned with relevant SETA pivotal skills programme	Detailed skills transfer and implementation plan = 5 No skills transfer and implementation plan = 0	5

Formula; $\frac{A}{B} \times 100 = C\%$

Where: A = Total score for the bid under consideration

B = Maximum possible score

C = Percentage score for the bid under consideration

6.2 Gate 02 – Mandatory requirements

The following requirements are mandatory. Bidders who do not comply with the mandatory requirements will be disqualified.

- (i) The service provider must have **at least ten (10) years (demonstrable) practical experience** in fuel testing, sampling and analysis, deep knowledge of RSA petroleum and liquid fuels industry, industry trends, best practices, legislation and related policies. Demonstrate capability and capacity to analyse fuel samples using internationally accepted best practices/ methods, good ability to collate and interpret complex fuel data and make recommendations, demonstrate project management, communication, written and presentations skills.
- (ii) Team leaders must have **at least seven (7) years practical experience** and individual team members must **at least have five (5) years practical experience** in the fuel testing, sampling, analysis, deep knowledge of RSA petroleum and liquid fuels industry, trends best practices, legislation and related policies. Demonstrate capability and capacity to analyse fuel samples using internationally accepted best practices/ methods, good ability to collate and interpret complex fuel data and make recommendations, demonstrate project management, communication, written and presentations skills.
- (iii) Team leaders and members must possess at least bachelor's degree in chemistry or petrochemicals engineering recognised by SAQA.
- (iv) Team leaders and members must attach CV's and certified copies of relevant qualifications.
- (v) Service provider must have own fully resourced, accredited and compliant laboratory and storage facility.

6.3 Gate 03 - Administrative compliance

- (i) Compliance to the specification / Terms of Reference.

(ii) Fully completed SBDs (Duly signed and dated) listed hereunder.

- SBD 1
- SBD 4
- SBD 6.1

(iii) The following will be regarded as noncompliance.

- Price amendments / other amendments without signature/initials.
- Use of correctional fluid.
- Completion of the bid document in coloured ink other than black ink.

6.4 Gate 04 – Point Scoring System

Bids will be evaluated on the 80/20 preference point system as outlined in the Preferential Procurement Regulation of 2022.

- Price points = 80
- Preferential points = 20

6.4.1 The bidder that scores the highest points in this phase will be awarded the tender.

6.4.2 Should more than one bidder score the same number of points, the award will be made to the bidder who scores more points on specific goals.

6.4.3 Should there be more than one bidder who score the same number of points overall and same points on specific goals, the award will be made to the bidder who scored the highest points on functionality.

6.4.4 Should there be more than one bidder who score the same number of points in all aspects, the bid will be determined by the drawing of the lot.

6.4.5 The preferential points will be allocated in terms of the Departmental objectives on specific goals. Points allocation on specific goals are tabulated hereunder.

6.4.6 Bidders who do not submit proof (means of verification) of specific goals claimed will not qualify for preference points for specific goals.

Specific Goal	Number of points (80/20 Preference System)	Means of Verification
Enterprise owned by Black people	4	Identity documents and CIPC document
Enterprise owned by Women	4	Identity documents and CIPC document
Enterprise owned by Youth	4	Identity documents and CIPC document
Enterprise owned by disabled persons	4	Medical certification
Enterprise owned by SMMEs (QSE or EME)	4	B-BBEE certificate issued by a SANAS accredited Agency or DTIC, or Sworn affidavit

NB: "Ownership = 51% of the company share. Designated group/person that are part of the entity directorship but have less than 51% share = points will be calculated on a pro-rata basis in relations to the share/s held by the designated group/persons.

E.g.

Number of women directors = 01
 Shares owned by women = 20%
 Specific goal for women = 4 points
 Points claimable for women ownership = $\frac{20}{100} \times 4 = 0.8$ points

100

7. REPORTING REQUIREMENTS

7.1 The service provide shall produce Certificate of Analysis ("COA") on quality of fuel samples on weekly/ by-weekly basis, and overall national report on monthly basis.

7.2 Reports shall be on or combination of the following formats: (Word, Excel and/ or PowerPoint), hard and electronic copies of monthly reports including (e.g “Laboratory COA”).

8. WORK PLAN AND METHODOLOGY

8.1 Fuel sampling and testing project will be carried out on fuel service stations (“sites”), according to selected cities/ towns as scheduled and approved by DMRE, which will include identified high risk areas, but not limited to. **Samples of selected fuel will be tested on site using rapid testing instrument.**

8.2 Samples that failed rapid test will be collected in fit for purpose and SANS ISO 4295 approved container (minimum of 2.5 litres) for further testing at the laboratory for conclusive analysis.

8.3 Service provider must provide detailed Project Plan with intermediate and final outputs, identified time frames / milestones.

8.4 Proposed Methodology for sampling and testing.

8.5 Overall management plan of the project.

9. ROLE AND RESPONSIBILITY

9.1 The project manager for DMRE will provide quarterly and monthly schedules to service provider.

9.2 DMRE reserves the right to instruct service provider to sample and test petroleum products and have results available within 24 hours as and when required and/ or on an urgent basis.

9.3 DMRE project manager or delegated official will from time to time conduct physical inspection at the service provider’s laboratory where samples are tested and stored for audit.

9.4 Service Level Agreement will be entered into with the successful service provider which will include, *inter alia*, obligations of the DMRE and the successful service provider.

- 9.5 DMRE reserves the right to appoint more than one service provider for the project.
- 9.6 Successful service provider will be required to submit payment schedule providing projections for the period of 12 months on work performed.
- 9.7 Successful service provider shall disclose all information in its proposal regarding any interests that may result in an actual or perceived conflict of interest.

10 CONFIDENTIALITY OF INFORMATION

- 10.1 Names of all members of service provider team must be disclosed for prior approval of DMRE. Any changes, replacements and additions should be submitted for prior approval of DMRE.
- 10.2 All members will have to sign Non-Disclosure Agreement before project commencement and may be required to undergo security screening and tests as the DMRE deems necessary.
- 10.3 Successful service provider and its personnel/ partners/ associates/ sub-contractors shall handle all data and testing results in accordance with applicable confidentiality and law.
- 10.4 All information generated, created and/ or obtained by the service provider under the fuel quality monitoring project shall be and remains the property of DMRE.
- 10.5 Successful service provider must ensure that all such information referred to above is transferred to DMRE within three months from date of completion of project. Access to all such information by third party shall be made directly to the DMRE in writing. DMRE shall consider such request at its sole discretion and apply provisions of PAIA and POPIA.

11. PAYMENT

- 11.1 The DMRE will not make an upfront payment to a successful service provider. Payment will only be made in accordance with the delivery of service that will be agreed upon by both parties and upon receipt of an original invoice.

11.2 Payment will be made monthly at the completion of set targets. Service provider shall be required to provide original invoice and comprehensive monthly report.

12 TAX CLEARANCE CERTIFICATE

12.1 Bidders must ensure compliance with their tax obligations.

12.2 Bidders are required to submit their unique personal identification number (pin) issued by SARS to enable the organ of state to view the taxpayer's profile and tax status.

12.3 Application for tax compliance status (TCS) or pin may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the website www.sars.gov.za.

12.4 A bidder may also submit a printed TCS together with the proposal.

12.5 In proposals where consortia / joint ventures / sub-contractors are involved, each party must submit a separate proof of TCS / pin / CSD number.

12.6 Where no TCS is available but the bidder is registered on the central supplier database (CSD), a CSD number must be provided

13 MANDATORY DOCUMENTATION

13.1 Scope of SANS Mandatory Accreditation/ Certification, but not limited to:

13.1.1 Chemical and petroleum products analysis – ISO: IEC 17025

13.1.2 Inspections, sampling and testing of petroleum products – ISO: 45001/2018

13.1.3 Inspections, sampling and testing of petroleum products – ISO: 14001/2015

13.1.4 Inspections, sampling and testing of petroleum products – ISO: 9001/2015

14 COST / PRICING

- 14.1 The bidders are requested to provide a quoted proposal regarding the work to be undertaken.
- 14.2 The quotation value must present clear indication of monthly payment schedules payable by DMRE to the service provider upon satisfactory work delivery, provision of monthly report and COA's.
- 14.3 Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. The total cost must be VAT inclusive and should be quoted in South African Rands (i.e. ZAR).
- 14.4 Bidders should provide hourly rates as prescribed by Department of Public Service and Administration (DPSA), Auditor- General (AG) or the body regulating the profession of the consultant.
- 14.5 Bidders should provide (Subsistence & Travel (S&T)) rates that are in aligned to the National Treasury instruction note as follows:
- (i) Hotel Accommodation – R1550 per night per person, including breakfast, dinner and parking.
 - (ii) Air travel must be restricted to economy class.
 - (iii) Claims for kilometres may not exceed the rates approved by the Automobile Association of South Africa.
- 14.6 The total cost of the project must include costs for buying fuel (Diesel and/ or Petrol) at sampled service stations which will be remunerated in accordance with the regulated prices.

15 CONDITIONS OF THE CONTRACT

- 15.1 The General Conditions of Contract must be accepted as these are issued by National Treasury and are non-negotiable.

- 15.2 Successful service provider will sign a confidentiality agreement regarding the protection of DMRE information that is not in the public domain.
- 15.3 No state information may be furnished/ communicated to the public or news media by service provider or any of their employees.
- 15.4 Successful service provider shall ensure that the contract is executed in line with the scope of work.
- 15.5 Successful service provider may be subjected to security screening by the State Security Agency.
- 15.6 DMRE reserves the right to verify the authenticity of the information submitted, any falsified information may result in the disqualification or cancellation of the contract.
- 15.7 Force Majeure / Casus Fortuitus – in dealing with the foregoing occurrence which may potentially affect carrying out of project, service provider has the responsibility to bring such to the immediate attention project manager to which same shall be dealt with in terms of relevant laws.

16 FORMAT OF SUBMISSION OF PROPOSAL

- 16.1 Bidders are requested to submit two (2) copies of technical proposals plus the original.
- 16.2 Bidders are requested to index their proposals for easy reference.

17 PRE-BID MEETING / BRIEFING SESSION DETAILS

- 17.1 A compulsory briefing session will be held on **12 March 2024 @ 10:00**, Department of Mineral Resources and Energy, **at 192 Matimba House, Cnr Visagie and Paul Kruger Streets.**
- 17.2 Bidders must ensure that they sign a register during a compulsory briefing session to confirm attendance. Failure to sign the register to confirm attendance will invalidate your bid.

18 CLOSING DATE

- 18.1 Proposals must be submitted on or before **05 April 2024 @ 11:00** at Department of Mineral Resources and Energy, at 192 Matimba Building, Corner Visagie and Paul Kruger Streets, Pretoria in the **bid box** marked Department of Mineral Resources and Energy. **No late bids will be accepted.**

19 ENQUIRIES

- 19.1 **All general enquiries relating to bid documents should be directed to:**

Ms. Lucia Nkhethoa

Tel No: (012) 406 7702

Email: Lucia.Nkhethoa@dmre.gov.za

- 19.2 **Technical enquiries should be directed to:**

Mr. Ngwako Kekana

Tel: 012 406 7583

Email: Ngwako.kekana@dmre.gov.za