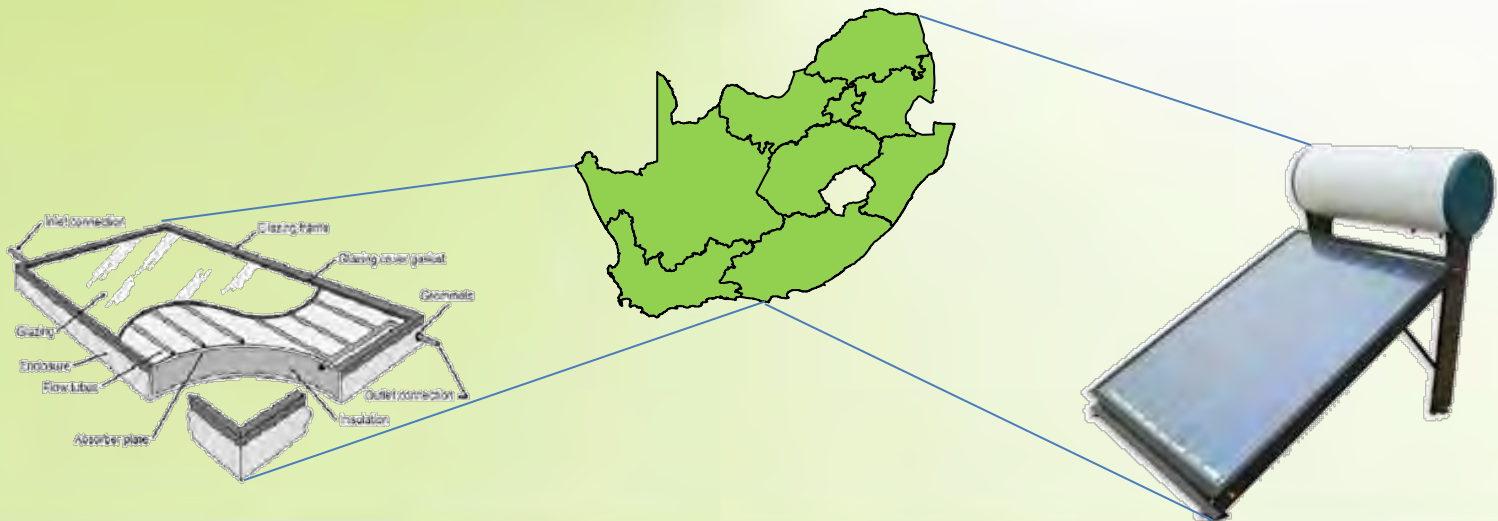


**INVITATION OF BIDS FOR THE MANUFACTURE, SUPPLY, DELIVERY,
AND WAREHOUSING OF SOLAR WATER HEATER SYSTEMS FOR THE
PERIOD 2015/16, 2016/17 AND 2017/18 FINANCIAL YEARS**

BID NO: DOE/008/2015/16



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Purpose: Tender Briefing Session – Supply of Baseline Systems
Date: 14 December 2015
Time: 10h00

Outline

- National Solar Water Heater Programme Overview
- Conceptual Framework (Social Programme)
- Structure of the Request for Bids
 - Part I: General Requirements, Rules and Provisions
 - Part II: Bidding Rules, Compliance and Functionality Criteria
 - Part III: Competitive and Comparative Evaluation Criteria
- Overview of the Supply Agreement
- Questions & Answers



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National Solar Water Heater Programme Overview

– Objectives

- Socio-economic (jobs & access to hot water)
- Energy (load reduction)
- Industrialisation (local manufacturing capacity)

– Comprises **Social** and **Load Reduction** Programmes

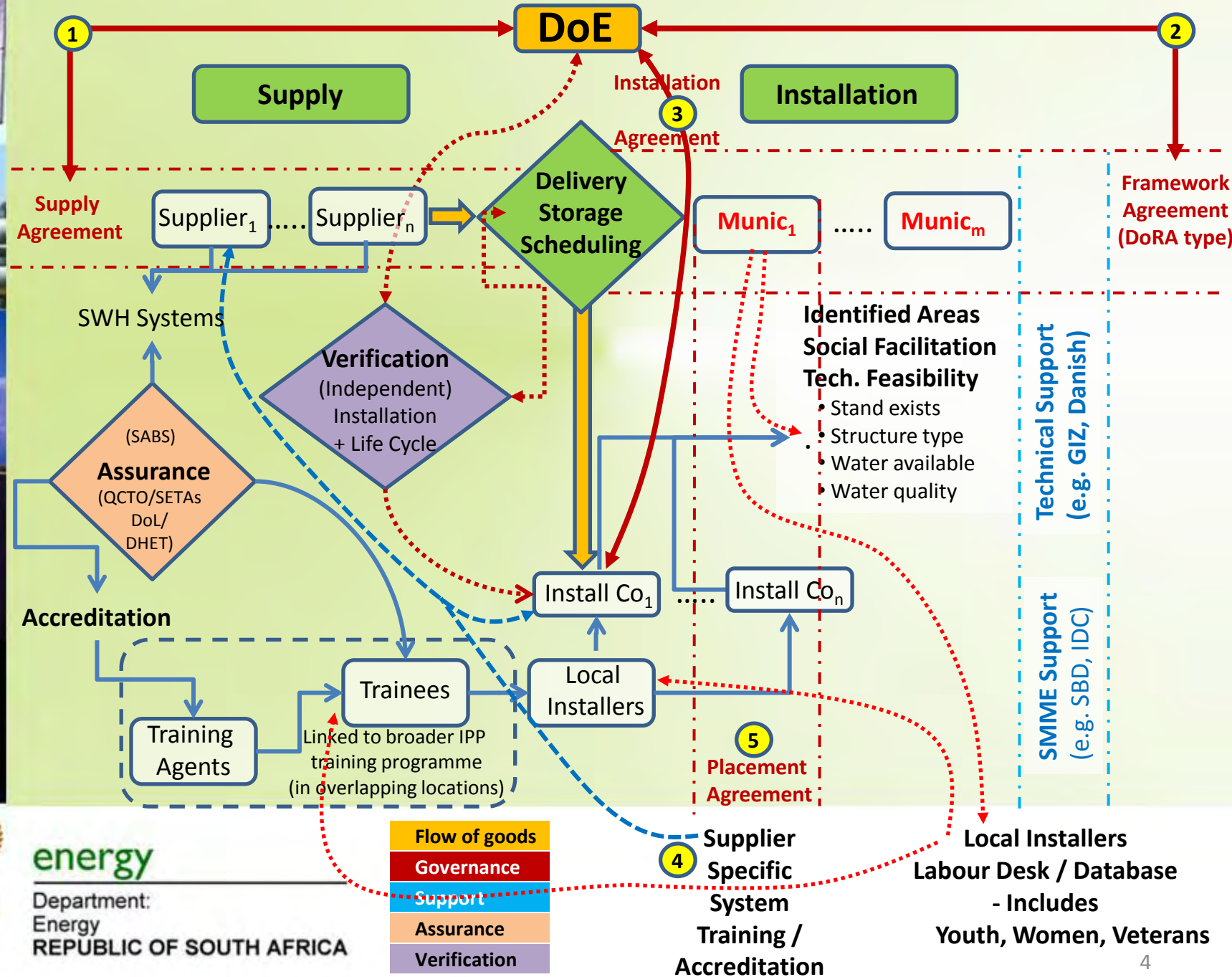
- **Social Programme** (subject of this RFB)
 - Large scale supply and installation of fully-subsidised Baseline Systems in residential dwellings of Designated Installation Areas
 - Implemented in terms of s217 of the Constitution and applicable laws, regulations, etc.
- **Load Reduction Programme** (planned for implementation in the 1st half of 2016)
 - *Reactive Scheme*
 - ❖ Failed electric geysers replaced with SWHs (DoE/Participating Insurer/Insured Client collaboration)
 - *Pro-active Scheme*
 - ❖ Functional electric geysers replaced with SWHs (DoE/Participating Insurer/Insured Client collaboration)
 - *Voluntary Scheme*
 - ❖ Interested clients voluntarily request (partial) subsidy from DoE for a SWH installation



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Conceptual Framework (Social Programme)



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Structure of the Request for Bids

Part I

- **Clause 1 - 35**
- Disclaimer
- ...
- ...
- ...
- Selection of Preferred Bidders

Part II

- **Clause 36 - 37**
- Format of the Bid response
- Compliance and Functionality Criteria (37.3 to 37.6)
- **NB: 100% (absolute) pass required to proceed to Part III**

Part III

- **Clause 38 - 40**
- Purpose of this Part III
- Price Evaluation Methodology
- Contributor Status Level



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Structure of the Request for Bids ...

Highlights for **Part I: General Requirements, Rules and Provisions**

- Importance of fully understanding the **Disclaimer** cannot be over-emphasised.
- The RFB (and all associated attachments):
 - is the DoE's formal invitation to Bidders and Potential Bidders to submit Bid Responses for the Supply of Baseline Systems through Medium Term Expenditure Framework aligned Bid Submission Phases.
 - Envisages procurement of about 100 000 Baseline Systems in two intervals and according to the Bid Categories outlined hereunder.



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Structure of the Request for Bids ...

Part I cont'

Description	Category A	Category B	Qty	Delivery Date
Baseline Systems <i>(Freeze Resistant OR Non-Freeze Resistance)</i>	A1	B1	10 000	01/03/2016
	A2		30 000	01/06/2016
	A3	B2	50 000	01/10/2016
		B3	70 000	01/04/2017
		B4	100 000	01/09/2017

- Category A, with the final delivery date of 01/10/2016, covers the targets for the 1st two financial years of the 2015 MTEF.
- Category B, with the final delivery date of 01/09/2017, covers the targets for the entire 2015 MTEF.
- DoE is only able to commit to procure budgeted Baseline Systems.
- The Supply Programme and the Installation Programme will be aligned as far as possible.

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Structure of the Request for Bids ...

Part I cont'

– DoE advises Bidders that:

Only locally produced or locally manufactured Baseline Systems, with a minimum of 70% local production and content (local raw material or input) for storage tanks and collectors, shall be considered.

– Bidders are further urged to follow to the letter all rules and guiding provisions contained in the RFB, including but not limited to:

- *Online registration of the intention to bid;*
- *Guidance on local production and content self-declarations;*
- *Compliant Bids & appointment as Preferred Bidders;*
- *Timetable for 1st Bid Submission Phase. Written requests to be received by DoE not later than **23 December 2015**;*
- *Contact Policy, Disqualification & Loss of Preferred Bidder Status*
- *Format of Bid Response.*



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Structure of the Request for Bids ...

Highlights for **Part II: Bidding Rules, Compliance & Functionality Criteria**

CRITERIA	Legal	Technical	Financial	Local Content
Criterion 1	Signed Appendix 2A (confirmation acceptance of Supply Agreement & Signatory)	Valid SABS Mark Approval certificate & Full SABS Test Report (not older than 18 months)	Completed Pricing Schedule provided in Schedule 4 of Appendix 2H	Signed Appendix 5A (SBD6.2) plus Annexures C, D & E, demonstrating compliance of the Baseline System with designation requirements ¹
Criterion 2	Valid Tax Clearance Certificate as per Appendix 2B (SBD2)	Indication of the freeze-resistance status of the Baseline as confirmed by SABS	Bidder's Financial standing i.e. submission of: <ul style="list-style-type: none"> • Bidder's past 3 years' audited financial statements • Lender's Letter of Support 	
Criterion 3	Signed Declaration of Interest as per Appendix 2C (SBD4)	Heat output of 9 MJ and above per 100 litres at 16MJ/m ² /d as confirmed by SABS		
Criterion 4	Form of Bid as per Appendix 2F (SBD1)	Confirmation of OEM status & manufacturing capacity as per Appendix 3B		

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Designation requirements¹: **Submit separate SBD6.2 for storage tank & for collector**

Structure of the Request for Bids ...

Highlights for **Part III: Competitive & Comparative Evaluation Criteria**

- Only Compliant Bids (*satisfying Compliance and Functionality Criteria*) will be considered.
- Bid Responses will be evaluated in accordance with the 90/10 Point System (**Price = 90 points & B-BBEE Status Level of Contributor = 10 points**) per Bid Category as provided by the Bidder in the *Pricing Schedule*.
- Preference points are only claimable upon completion of SBD 6.1 and submission of valid B-BBEE Verification Certificate (or certified copy thereof) issued by an eligible Verification Agency.
- Department may decide to appoint one or more Bidders as **Preferred Bidder(s)** following the evaluation process or may decide against appointment of any Bidder – *having, among other things, due regard of the overall scores achieved by the Bidders*.
- **In terms of clause 35:** After Part III, DoE will send letters to the selected Preferred Bidders notifying them provisionally of their status and requesting the Preferred Bidders to, *inter alia*, finalise their contractual arrangements and project documents in order to conclude a Supply Agreement.



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Summary Stages: Bid Response → Compliant Bid → Preferred Bidder → Supplier

Overview of the Supply Agreement

- Parties to the Supply Agreement are **DoE** (“Purchaser”) AND **Supplier** (“Seller”).
- Supply of Goods is to be undertaken in accordance with the terms of the Supply Agreement and the General Conditions of Contract with the former superseding the latter, in all and any cases of conflict.
- Orders for Goods shall be placed Purchase Order(s) issued by DoE in accordance with the pro-forma Purchase Order attached as **Schedule 1**, unless advised otherwise in writing by DoE.
- Goods to be transported to the Designated Installation Areas and Participating Residential Dwellings by Transporters and Installation Contractors (separately appointed by the Purchaser) , respectively.
- Suppliers will be expected to meet the Installer training, accreditation and supervision obligations.



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Overview of the Supply Agreement ...

– Payments Milestones:



80%

- Upon completion of the manufacture and storage of Goods and issuance or deemed issuance of a **“Manufacture Complete Certificate”**

10%

- Upon delivery of the Good Delivery and issuance or deemed issuance of a **“Delivery Certificate”**

5%

- Upon successful completion of the training and accreditation of Installers (05 or more) and issuance or deemed issuance of a **“Certificate of Completion”**

5%

- 1% released yearly until the end of the 5 year Warranty period



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THANK YOU



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