

# RURAL ELECTRIFICATION FUND



## BIDDING DOCUMENT FOR THE SUPPLY AND DELIVERY OF CREOSOTE OIL TO HOTSPECK ENTERPRISES

### COMPETITIVE TENDER (DOMESTIC TENDER)

TENDER NUMBER: REF/DOM/19/08/2021

CLOSING DATE: .....28 SEPTEMBER 2021

CLOSING TIME: .....1000HOURS


DATE OF ADVERT:.....20 AUGUST 2021

NON-REFUNDABLE TENDER FEE: FREE

### SUBMISSION OF BIDS/TENDERS

All bids/tenders must be deposited in the Tender Box located at:

Hotspeck Enterprises  
Jotali Building 106 Hebert Chitepo Avenue,  
Mutare  
Zimbabwe



# RURAL ELECTRIFICATION FUND



DECLARATION BY THE ACCOUNTING OFFICER IN TERMS OF SECTION 19(2)(C) OF THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS REGULATIONS, 2018.

TENDER NUMBER: REF/DOM/19/08/2021

TENDER DESCRIPTION-SUPPLY AND DELIVERY OF CREOSOTE OIL

## DECLARATION

The procurement for the tendered goods/items is based on neutral and fair technical requirements and bidder qualifications.

## Signed



J.V MASHAMBA  
CHIEF EXECUTIVE OFFICER



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## 1.0 SCOPE OF TENDER

This document is a Bidding Document(BD) for the supply of creosote oil for Hotspeck Enterprises. The Rural Electrification Fund(REF) is lighting this tender on behalf of Hotspeck Enterprises only. All bidding documents must be addressed to REF. However the resultant contract shall be entered into between Hotspeck Enterprises and the winning bidder.

Hotspeck Enterprises is a Special Purpose Vehicle formed by REF for the sole purpose of treating raw poles for use in the Rural Electrification programme. The company(Hotspeck Enterprises) is located at number 106 Jotali Building, Hebert Chitepo, Mutare.

### BRIEF SCOPE OF TENDER

LOT No	DESCRIPTION	QTY
1	Supply and delivery of creosote oil	150,000

## 2.0. TERMS AND CONDITIONS TO BE OBSERVED IN TENDERING

### 2.1 Terms and conditions

The tender and any contract shall be governed by the Public Procurement and Disposal of Public Assets Act (Cap 22:23) and the Public Procurement and Disposal of Public Assets Regulations,2018(PPDPA). Orders will be placed by and/or contracts entered into by and between the Rural Electrification Fund(REF) and the successful bidder after approval of the tender in whole or in part by Rural Electrification Fund (REF). REF shall not accept any liability for any order/contract(s) which does not bear the authentic signature of anyone of the authorized signatories at the time of placement of the order/contract. The authorized signatory is the the Chief Executive.

The Tenderer must acquaint himself/herself with the “**Terms and conditions to be observed in tendering**”. The Purchaser shall not be responsible for any misunderstanding of incorrect information however obtained except information given in writing by the Purchaser.



## **2.2 Cost of Tender**

Bidders shall bear all the costs associated with the preparation and submission of their bids.

REF will be not responsible or liable for any such costs incurred by the bidders, regardless of the outcome of the Tender Process.

## **2.3 Tender Documents**

Suppliers are expected to examine carefully the whole tender document. Failure to furnish all the information required in the bid document or submission of Tender not substantially responsive to the said document in every respect will be at the Supplier's risk and will result in the rejection of the bid.

## **2.4 Tender Queries and Clarifications**

All queries regarding the tender shall be forwarded by the bidder in writing on duly signed company letterhead and emailed on the following email address: kchinembiri@rea.co.zw and buyer@rea.co.zw , not less than five(5) working days from the closing date of the tender. Clarifications/Responses pertaining to the queries received shall be uploaded on REF website address [www.rea.co.zw](http://www.rea.co.zw) on the notice board page. It shall be the responsibility of bidders to continuously check the website for such clarifications/queries responses.

If a prospective tenderer sends a query less than the stated days above, the query may not be responded. Any neglect, delay or failure on the part of the Tenderer to obtain additional information on the above or any other matters, which the tenderer considers necessary, shall not relieve him/her from responsibility as a Tenderer. Only bidders facing challenges in receiving responses to their queries may call the Procurement Administrator on 0719 409 691.

## **2.5 Tender Responses**

Suppliers wishing to respond to the tender must submit three (3) copies of their responses, in a sealed envelope deposited in the Tender Box situated at:

Hotspeck Enterprises  
Jotali Building 106 Hebert Chitepo Avenue,  
Mutare  
Zimbabwe

By not later than 10.00am on the advertised closing date. Prospective suppliers may attend the opening of tender at the above address on the opening date and time.



## **2.6 Amendment of Tender Documents**

At any time prior to the deadline for the submission of the tenders, Rural Electrification Fund may for any reason whether at its own initiative or response to a clarification requested by a prospective supplier modify the tender document by amendment(s). Such amendment(s) will be notified in writing or by e-mail to all prospective suppliers, who have purchased the tender documents and these amendments will be binding on them.

In order to afford the supplier reasonable time in which to take the amendment(s) into account in preparing their tenders, Rural Electrification Fund may, extend the deadline for submission of tenders.

## **2.7 Language**

The tenders and all relevant correspondence and documents exchanged between the Seller and Purchaser shall be written in English language.

## **2.8 Tender Validity Period**

**Tender validity period** is the **period** in course of which the supplier is bound by the **tender**, in relation to its content and conditions offered (price, execution time, guarantee, etc). Tender prices shall remain valid and fixed for a minimum of sixty(60) days period after the deadline from the date of submission of the tender. Bidders must state clearly in writing the price validity of their bid document.

## **2.9 Payment Terms and Conditions**

Hotspeck Enterprises shall pay the winning bidder in local currency only(ZW\$) within 14 days after delivery, inspection and acceptance of the delivered goods. Any other payment terms and conditions resulting in Hotspeck Enterprises paying a deposit or advancing payment such bidders must state ability to secure a bank guarantee from a registered commercial bank acceptable to Hotspeck Enterprises equal to the amount to be advanced. The bank guarantee must be provided within two weeks of contract signing.

Bidders are therefore requested to clearly state payment terms and conditions in the bid document.





**2.10 Errors of Extension or addition**

The Rural Electrification Fund reserves the right to adjust arithmetical in the bid total price. Any adjustments made by the Rural Electrification Fund to a bid total price will be stated to the bidder prior to the acceptance of the bid, and will be made on the basis that the unit price is taken as correct and all extensions and additions will be adjusted accordingly. In such cases the effect will be that the total amount of the bid will be altered so that this amount agrees with the amount arrived at after the errors of extension or additions have been corrected.

**2.11 Penalties/Liquidated damages**

The purchaser shall without prejudice to its other remedies under the contract, deduct from the contract price, as liquidated damages, sum equivalent to 0.5% of contract price of the delayed goods for each week of delay until actual delivery, up to a maximum of 10% of the tender sum.

**2.12 Delivery terms**

Delivery term- the delivery terms shall be DDP(2000). This means the supplier shall deliver the goods to Hotspeck Enterprises inclusive of import duties, import taxes, transportation costs and any risks.

**2.13 Company Profile**

The company profile to include financial details such as Banking Institution Name; Bank Key: Branch; Town/City; Bank Account Number; Type of Account; Account Holder Name; and Sort/Swift Code. VAT registered companies to provide vat number. Provide full name of a person who is authorized to sign for and behalf of the company, cell phone number, email and physical address.

**2.14 Bid Preparation**

The bid shall be typewritten only. Bids must be properly spirally bound. A clearly labeled table of contents with correct page numbers or index must be provided on the second page of the bid document. Company name, tender number, tender description, closing date must be displayed on the cover page of the bid document.



### **2.15 Bid Security**

Bidders must submit a refundable Bid Security of ZW\$60,000.00, valid for 60 Days, together with their bid in line with Section 26 of the Procurement Regulations (S.I.5) of 2018). The Bid Security shall be payable using the below Options:

- Option 1.....A certified Bank Cheque
- Option 2.....A Bank Guarantee
- Option 3.....A Cash Deposit to the PRAZ

If Option 3 is chosen bidders must also submit proof of payment to Procurement Regulatory Authority of Zimbabwe (PRAZ) of non-refundable cash bid bond establishment fee equivalent to ZW\$12,000.00 in line with Part V of the Procurement Regulations (Amendment (S.I 219 of 2020). Failure to comply with the above will lead to automatic disqualification.

### **2.16 Contract Administration Fee Payable by the Contractors**

Bidders are advised that the winning bidder may be required to pay contract administration fees in terms of equivalent of S.I 219 of 2020 PART VI.

### **2.17. Companies owned by same person**

No bidder may submit more than one bid, either individually or as a joint venture partner in another bid, except as a subcontractor and a conflict of interest will be deemed to arise if bids are received from more than one bidder owned, directly or indirectly, by the same person.





### 3 EVALUATION CRITERIA

The evaluation criteria of the tender shall include the below listed requirements. Bidders who fail to comply with any of the clauses below shall be disqualified from the tender(subject to provisions of the PPDPA) as their bid will not be responsive.

3.1 Compliance to technical specifications-Bidders must comply with the technical specifications provided.

3.2 Bidders are required to submit the following company documents:

- A Certificate of Incorporation - in terms of the Companies Act (Chapter 24.03).
- or equivalent registration document in country of residence.
- CR14- indicating names and addresses of the directors and their shareholding Structure.
- CR 6 Form -principal place of business
- Proof of registration with Zimbabwe Revenue Authority (ZIMRA) - in the form of a valid current tax clearance certificate ITF 263 and VAT registered companies in addition to submit VAT Certificate.

3.3 Pricing format-Bidders shall use the following pricing format without fail. Failure to use the correct pricing format may lead to disqualification:

Lot No	ITEM DESCRIPTION	QTY	Price per KG (USD) VAT Excl	Price per KG (ZW\$) VAT Excl	VAT 14.5 %	Total price(ZW\$) Incl VAT
1	Supply and delivery of creosote oil	150,000KG				

Exchange rate used:

Attach proof of exchange rate from the bank:

#### **NOTE**

- Dual pricing in terms of Statutory Instrument (S.I) 185 of 2020-Bidders must quote their bid prices both in USD and the RTGS currency using the prevailing exchange rate. **Bidders must state the exchange rate used.**
- Bids that use a non existent exchange rate shall be rejected as non-compliant.
- Bidders must STATE the exchange rate used and ATTACH the proof of the exchange rate used. Attach proof from the bank without fail.
- Payment shall be strictly in local currency at the prevailing exchange rate.
- The bid price should **clearly and separately** show the unit price and the total price of the creosote oil to be supplied.
- The ZW\$ prices shall be used for purposes of tender evaluation and tender award.
- Bidders **MUST** state clearly whether they charge VAT or not.

- 3.4. Bidders must state the required payment terms. REF prefers payment after delivery, however where bidders require pre-delivery payment they must state ability to secure a bank guarantee from a registered commercial bank acceptable to REF with a value equal to the amount to be paid in advanced. The bank guarantee must be provided within two weeks of contract signing/order issuing.
- 3.5. SAZ/ISO certificate of the manufacturer-Bidders must attach the SAZ/ISO quality certificate for the manufacturer of the creosote oil without fail.
- 3.6. Hotspeck Enterprises shall pay the winning bidder in local currency(ZW\$) only. Bidders may provide their local bank account details.
- 3.7. Bidders must be registered with the Procurement Regulatory Authority of Zimbabwe(PRAZ) on the relevant list.Bidders must attach proof of PRAZ registration without fail.
- 3.8. Delivery period-REF requires the winning bidder to supply the full order within a period of 12 weeks from the date of contract signing/order. Bidders must state their capacity to deliver as stated.
- 3.9. Delivery term/Incoterm- the delivery terms shall be DDP(2000).This means the Supplier shall deliver the goods to Hotspeck Enterprises inclusive of import duties,import taxes,transportation costs and any risks. Bidders must state their price is DDP(2000)
- 3.10 Reference letters-Bidders must attach at least two reference letters from companies where the bidder has supplied creosote oil over the past five years.
- 3.11 Bidders are free to bid for one or more lots.
- 3.12 Bid bond compliance-Bidders must attach proof of bid bond compliance as per clause 2.15 above without fail.
- 3.13 Bid validity of a minimum of 60 days is required and must be clearly stated.
- 3.14 Tenders must be submitted in three (3) copies and the ORIGINAL” copy must be clearly marked.
- 3.15 The Bidders must submit the bid with a duly filled in and signed Declaration on Non-Engagement in Corrupt or Fraudulent Practices Form Annexure 2.
- 3.16 The bidder must submit with the bid a duly filled in and signed attached Form of Tender Annexure 3.

#### **4.0 FINANCIAL INFORMATION**

All prices must be inclusive of delivery costs and any other duties and taxes payable by the supplier.All VAT registered suppliers must show VAT separately in their bid.

#### **5.0 TENDER AWARD CRITERIA**

Tender shall be awarded to the lowest priced bidder to specification per lot.





## **6.0 CONTACTING THE PURCHASER**

Any effort by the bidder to influence REF or Hotspeck Enterprises in the tender evaluation, tender comparison, and contract award or order placement decisions will result in the rejection of the bidder's bid.

## **7.0 CONFIDENTIALITY**

After the public opening of tenders, information relating to the examination, clarification, evaluation and comparison of tenders and recommendations concerning the award of the contract shall not be disclosed to bidders or other persons not officially concerned with such process until the award of contract is announced. **No bidder shall contact the Purchaser on any matter relating to this** tender, from the time of the tender opening to the time the tender is awarded. Any bidder in possession of confidential tender information will be obliged to reveal the source of information and/or face disqualification of his/her tender.

## **8.0 CORRUPT OR FRAUDULENT PRACTICES**

Rural Electrification Fund requires that Tenderers observe the highest standard of ethics during the procurement process and execution of contracts. A tenderer shall sign and submit together with the bid the attached form (Annexure 2), that states that she/he has not or will not be involved in corrupt or fraudulent practices. Rural Electrification Fund will reject a proposal for award if it determines that the tenderer has engaged in corrupt or fraudulent practices in competing for the contract. A Tenderer who is found to have indulged in corrupt or fraudulent practices will be automatically disqualified.

## **9.0 SUBMISSION OF BIDS**

The tender must be enclosed in sealed envelopes, endorsed on the outside with the advertised tender number, the closing date and description of tender and must be sent by courier in time to be deposited or deposited in the Tender Box situated at,

Hotspeck Enterprises  
106 Jotali Building, Hebert Chitepo,  
Mutare Harare  
Zimbabwe

By 10.00 hours on the closing date notified.



- 9.1 Tenders which are properly addressed to the Procurement Administrator in envelopes with the advertised tender number, the closing date and tender description endorsed on the outside are not opened until 1000 hours on the closing date.
- 9.2 **Note:** Tenders which are not received by 1000 hours on the closing date whether by hand or by courier will be treated as late tenders and will be rejected.
- 9.3 Tele-fax and e-mail bids are not accepted i.e. electronic bidding is not accepted.
- 9.4 Any tender submitted that does not fully comply with the above terms and conditions will be rejected without further consideration as will tenders received after the published closing date.
- 9.5 Bidders are required to adhere to the instructions regarding preparation and submission of tenders as those who do not comply will be disqualified.
- 9.6 Tenderers are free to attend and witness the public tender opening at the above captioned address. The opening ceremony shall be done on the tender closing date soon after the closing time.

10.0 **RIGHT FOR ACCEPTANCE OR REJECTION OF ANY OR ALL BIDS**

***The Fund reserves the right to accept the whole or part of the tender. The Fund reserves the right to accept or reject any bid and to annul tendering process and reject all bids at any time prior to award of contract/order, without incurring any liability to the affected Tenderer(s) or obligations to inform the affected Tenderer(s).***



11) TECHINICAL SPECIFICATIONS

- Instructions to bidders.

Bidders must study the technical specifications attached as annexure "A". Bidders are required to complete the technical specifications table without fail. Bids with wrongly filled or incomplete technical tables will be rejected as non-responsive.

Annexure 1

DECLARATION ON NON-ENGAGEMENT IN CORRUPT OR FRAUDULENT PRACTICES FORM

The Chief Executive  
Rural Electrification Fund  
6<sup>th</sup> Floor Megawatt House  
44 Samora Machel Ave  
P. Bag A250  
Avondale  
Harare  
Zimbabwe

**TENDER NUMBER:** \_\_\_\_\_

**TENDER DESCRIPTION:** \_\_\_\_\_

the undersigned (*Director of Company*) on behalf of  
\_\_\_\_\_ (*Name of Organisation*), do hereby declare  
that our organization has not been engaged in any corrupt or unethical practices  
during the subsistence of our organisation.

Name in Full \_\_\_\_\_

I. D. Number \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_



Annexure 2

LETTER OF TENDER (TENDER FORM)

NAME OF TENDER: Supply & Delivery of .....

Tender Number REF/COMP...../..../2021

TO: The Chief Executive  
Rural Electrification Fund (REF)  
6<sup>th</sup> Megawatt House,  
44 Samora Machel Avenue,  
Harare,  
Zimbabwe

We, *[insert name of Tenderer]*, herewith enclose a Tender for selection of our firm as Contractor/Supplier for .....

We have examined the Conditions of Contract, Employer's Requirements, Schedules, the attached. Appendix and Addenda Nos \_\_ of the above-named Works. We have examined, understood and checked these documents and have ascertained that they contain no errors or other defects. We accordingly offer to design, execute and complete the Works and remedy any defects therein, in conformity with this Tender which includes all these documents and the enclosed Proposal, for the lump tender sum of: RTGS.....

We agree to abide by this Tender until \_date\_/\_month\_/\_year\_ [i.e. \_\_\_\_\_ days from the tender opening date] and it shall remain binding upon us and may be accepted at any time before that date. We acknowledge that the Appendix to Tender forms part of this Letter of Tender.

If this offer is accepted, we will provide the specified Performance Security, commence the Works as soon as is reasonably practicable after the Commencement Date, and complete the Works in accordance with the above-named documents within the Time for Completion. We guarantee that the Works will then conform to the Schedule of Guarantees.

Unless and until a formal Agreement is prepared and executed, this Letter of Tender, together with your written acceptance thereof, shall constitute a binding contract between us. Our Tender is binding upon us and subject to the modifications resulting from pre-award contract negotiations.

We understand that you are not bound to accept the lowest or any tender you may receive.

Signature \_\_\_\_\_ in the capacity of \_\_\_\_\_  
Duly authorized to sign tenders for and on behalf of \_\_\_\_\_

Address: \_\_\_\_\_  
Date: \_\_\_\_\_





**ANNEXURE "A"**  
**TECHNICAL SPECIFICATIONS TABLE**

<b>Specifications parameter</b>	<b>Standard Method</b>	<b>The required specifications</b>	<b>Bidders must state their product specifications in this column without fail</b>
Product	Creosote-Type 1	Creosote-Type 1	
Moisture % w/w	ASTM D95	1.5max	
Standards Certification Boards	ZWS 514	ZWS 514	
	SANS 539	SANS 539	
	SANS 1290	SANS 1290	
	BS 144, TYPE 2	BS 144, TYPE 2	
Density gcm-3	ASTM D368	1.003-1.108	
Liquidity @32°C	SAZ 514:1995	Pass	
	Sub clause 6.2		
Log Test @85°C	ASTM D367	Pass	
Distillation fractions	ASTM D246		
(%m/m)			
Up to 205°C		6max	
230°C		40 max	
270°C		-	
315°C		78	
355°C		60min	