



## FOSKOR (PTY) LIMITED SCOPE OF REQUIREMENTS

for

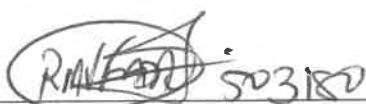
### Development of the Water Conservation and Water Demand Management Strategy For Foskor Mine in Phalaborwa

#### DOCUMENT AND SERVICE CONTRACT APPROVAL

Compiled by: Michael Radzilani

Approved by: Vukile Fada

  
Environmental Management Specialist

  
Environment, Quality & Chemical Laboratory Manager

Foskor (Pty) Limited  
27 Selati Road / P.O Box 1  
Phalaborwa  
1390

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## SCOPE OF REQUIREMENTS

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### Development of the Water Conservation and Water Demand Management Strategy for Foskor Mine in Phalaborwa

#### 1. INTRODUCTION

Foskor (Pty) Ltd (Foskor) is one of the world's leading phosphate rock and phosphoric acid producers and was established in 1951. Foskor operates two opencast mines for the extraction of pyroxenite ore in order to produce high quality phosphate rock. The process involves crushing, grinding and slurring of the ore, from which the apatite is recovered as a mineral concentrate (referred to in the trade as phosphate rock) by means of froth flotation. About 75% of the annual production of 2.7 million tons of phosphate rock is transported by rail to Foskor's Richards Bay Plant for processing and export as phosphoric acid. The remainder is transported to various domestic fertilizer plants.

Foskor (Pty) Ltd. is an opencast mining and beneficiation operation situated in Phalaborwa. The core business of the Phalaborwa operation is the mining and beneficiation of phosphate rock. (The Foskor operation situated in Richards Bay is primarily a producer of phosphoric acid, phosphate-based fertilizers, and lower volumes of sulphuric acid).

#### 2. BACKGROUND

With increase in water demand through urbanization and increased industrial and domestic water use, South Africa's water resources have been under stress. This has led to the South African Government Department of Water and Sanitation (DWS) to challenge high-water demanding industries such as mining to re-assess the way they use and manage water. The National Water Resource Strategy (NWRS) was developed to ensure optimal and responsible use of the national water resource. One key principle of this was the concept of Water Conservation and Water Demand Management (WC/WDM). Simplified, the WC of this principle focuses on minimizing the loss or waste of water through efficient and effective control of the supply and demand of water. While the WDM is the adaptation, implementation, development of policies or measures which serve to control or influence the amount of water used.

Various factors drive and influence future water demand, such as scarcity, water policies and price of water. The mining sector is a significant user of water with an estimated demand of about 5% of the country's available water according to the NWRS 2 and is currently expanding into new areas with projected increase in water demand. The implementation of WC/WDM programmes contributes to the protection of water resources by reducing the unnecessary abstraction of water and thereby promoting better management by the users.

Foskor (mining division) is in possession of the Water Use License (License No: 06/B73C/G/12356) (WUL) issued by the DWS on the 04<sup>th</sup> of November 2022. Appendix I Condition 2.18 to 2.25 of the WUL stipulates all the conditions that Foskor mine is obligated to follow in terms of establishment, implementation, and development of the WC/WDM. One crucial condition (i.e., 2.21) requires that the licensee (Foskor) to develop and submit WC/WDM plan to submit to the Provincial Head that has to be updated every five years within one year of issuance of the license. With mentioned obligations, the appointment of an independent consultant is required to undertake an in-dept study to compile and develop a comprehensive WC/WDM report for Foskor.

### 3. SCOPE

Foskor would like to appoint a service provider or environmental consultant to assist in the development of the Water Conservation and Water Demand Management Strategy (WC/WDM) for the Foskor mine in Phalaborwa. The WC/WDM should be able to assist Foskor with the implementation of t measure that seeks to minimize loss or waste of water through efficient and effective control of the supply and demand for water. This is a once-off project and the work must be done in line with National Water Act, Act No. 36 of 1998, associated Regulations, and Best Practice Guidelines.

. Activities associated with the scope of work includes, but not limited to:

- Meeting mine representatives, stakeholders, and authorities as and when required
- Acquisition and review of existing information
- Site inspection of all mining activities in the applicable areas
- Compile an accurate and computerized water balance model.
- Site-specific indicator targets (volumetric and water use efficiency targets)
- Compilation and submission of final WC/WDM plan

### 4. METHODOLOGY

The service provider must use the procedure set out in the DWS WD/WCM Implementation Guidelines, benchmarks for WC/WDM in the mining sector and the BPG H3 (amongst others) for the development of the strategy.

### 5. DELIVERABLES

Deliverables include:

- Water Conservation and Water Demand Management Survey Report; depicting current status quo (situation assessment), high and low consumption and proposed recommendations.
- Comprehensive Water Conservation and Water Demand Management Plan that Foskor can implement.
- Map indication high consumption areas
- Water balance for the whole mining division and showing contributions by all sections of the mine.

***Note: A non compulsory site visit will be arranged prior to submission of the quotations***

**6. REPORTING**

The successful contractor must report to Environmental Specialist at Foskor Environmental Department.  
Regular reporting and updating of the various milestones achieved.

**7. LEGISLATIVE- AND REGULATORY REQUIREMENTS**

- 7.1 The successful or appointed service provider shall comply with:
- a) The Mines Health and Safety Act with Regulations (Latest revision)
  - b) The National Road Traffic Act with Regulations (Latest revision)
  - c) All applicable national and international legislative requirements and regulations.
- 7.2 The successful or appointed service provider shall comply with the latest revisions of all Foskor COP's and SOP's (Compendium of Procedures, Standard Operating Procedures) (COP's, policies and procedures are available on request) and
- a) Any other Foskor safety, health, quality and environmental policies and procedures deemed applicable by a Foskor representative.
  - b) All other Foskor procedures and policies applicable to the successful application of this contract.
- 7.3 The successful or appointed service provider shall comply with all Foskor's Environmental Specifications, Policies and Procedure and also the national, provincial and local environmental legislation such as
- a) National Environmental Management Act 107 of 1998 (NEMA)
  - b) National Environmental Management Waste Act 59 of 2008 (NEMWA) as amended.
  - c) The successful service provider shall include in his/her SAFETY FILE, and comply with, the following documents:
    - i. Environmental Aspect and Impact Register (Applicable to this contract).
    - ii. Environmental Objectives and Targets (Applicable to this contract).
    - iii. Waste Management Plan (Applicable to this contract).
    - iv. FOSKOR Atmospheric Emissions License (Copy available on request)
    - v. FOSKOR Waste Management Licence (Copy available on request)
    - vi. FOSKOR Water Use Licence (Copy available on request).
- 7.4 The successful or appointed service provider shall comply with:
- d) The Mines Health and Safety Act with Regulations (Latest revision)
  - e) The National Road Traffic Act with Regulations (Latest revision)
  - f) National Water Act (No 36 of 1998)
  - g) All applicable national and international legislative requirements and regulations.
- 7.5 The successful or appointed service provider shall comply with the latest revisions of the following Foskor COP's (Compendium of Procedures) (COP's, policies and procedures are available on request):

- c) Any other Foskor safety, health, quality and environmental policies and procedures deemed applicable by a Foskor representative.
- d) All other Foskor procedures and policies applicable to the successful application of this contract.

7.6 The successful or appointed service provider shall comply with the following Environmental Specifications, Policies and Procedures:

- d) COP 41 Housekeeping and workplace organisation
- e) COP 49 Waste Management

7.7 Although every effort has been made to ensure that the information contained within this document is correct, it remains the responsibility of the bidder to verify actual status and site conditions. (A site visit can be arranged)

## **8. BASIC SPECIFICATIONS, REQUIREMENTS AND RESPONSIBILITIES**

The successful bidder is responsible to:

- a) Comply with all the specifications and requirements of this document.
- b) Comply to all the requirements of Foskor COP 25, Service Provider Control (Available on request).
- c) Supply required PPE (Personal Protection Equipment) and safety equipment to safely conduct the required service.

## **9. PERMIT TO WORK**

The following guidelines are provided to assist the appointed service provider in obtaining access to the mine:

- 8.1 All the appointed service providers' on-site employees shall receive the basic Foskor site induction training at the Foskor Security office.
- 8.2 All the appointed service providers' on-site employees shall receive site specific induction training provided by the Foskor area Regulation 2.6.1 appointee/s.
- 8.3 Registration and proof of payment under the Compensation for Occupational Injuries and Diseases Act, no. 130 of 1993. Registration number must be provided.

## 10. PRICING SCHEDULE

Item No	Development of the Water Conservation and Water Demand Management Strategy for Foskop Mine in Phalaborwa	Rate per item/ hour	Number of hours	Total
1	Travel and accommodation			
2	Medical surveillance/ certificate for the consultant (cost for the medical for the Red ticket)			
3	Initial site visit and kick off meeting with mine representatives (virtual)			
4	Site Visit for work assessment			
5	Review of existing information			
6	Compilation of the WC/WDM report and supplementary documents (specialist studies)			
7	Submission of the WC/WDM report and supplementary documents			
8	Provide feedback to mine representatives			
9	Other (specify):			
	a)			
	b)			
	c)			
	d)			
	<b>Total Cost for the project</b>			

**Scope of Work**  
**Development of the Water Conservation and Water Demand Management Strategy for Foskop Mine in Phalaborwa**

**11. EVALUATION CRITERIA AND BID ASSESSMENT**

As part of the process to assist with the evaluation of the bidder's proposal/quotation and to make an informed decision in the awarding of this contract, the following information is required:

**Technical Evaluation**

	MEASUREMENT CRITERIA	Criteria scoring (%)	Score (%)	Type of proof to be submitted.
<b>1</b>	Company- Years in business in conducting Water Conservation and Water Demand Management strategies.	No experience = 0% 1- 3 years combined experience = 10% >4 years combined experience = 20%	20%	Company profile and referral letter from the companies indicating the type of work done and the dates or duration of the contract
<b>2</b>	List the top five (5) similar/same contracts awarded in past five years. Provide the following information/details: a) Brief description of the contract type b) Address/ site of the contract c) Name and telephone/ cell number of clear contact person	No previous projects = 0% 3- 4 Projects = 10% >4 projects = 20%	20%	Confirmation letter from the companies indicating the type of work done and the dates or duration of the contract
<b>3</b>	Team Leader/ project specialist individual experience in conducting Water Conservation and Water Demand Management strategies	<1 year = 0% 1-2 years = 5% 3- 4 years = 10% >5 years = 20%	20%	CV indicating number of years the individual was involved with similar type of projects
<b>4</b>	Team Leader/ Project Specialist relevant qualification	Degree/ Diploma in Natural Sciences or Environmental Management. Provide copies of CVs and qualification	10%	Copies of academic qualifications for example certificates
<b>Mandatory requirement below</b>				
<b>***NB - Failure to provide the mandatory documents will lead to disqualification and your company will not be evaluated further</b>				
<b>5</b>	Team Leader/ Project Specialist SACNASP or EAPASA registration as a professional Scientist	SACNASP and EAPASA registration	10%	Copies of Applicable Certificate SACNASP Certificate EAPASA Certificate
<b>6.</b>	Understanding of the project- The brief methodology or proposal stipulating the whole Water Conservation and Water Demand Management strategies process to be followed	Proposal not submitted = 0% Proposal submitted = 10%	10%	Provide detailed proposal for Water Conservation and Water Demand Management strategies protocols.
<b>For the bid to be considered for shortlisting, the bidder needs to score 70% and above and comply to all mandatory requirements</b>				

**TAKE NOTE:**

- 1) Any bidder/service provider that fails to comply or to provide/include/supply requested information and/or copies of all requested supporting certificates and documents will result in a reduced evaluation score that could adversely affect the bidder/service providers chance of being awarded this contract/order.
- 2) Any MANDATORY REQUIREMENT not met will result in immediate rejection of bid/quotation.
- 3) Any bid/quotation with an evaluation score of less than 70% will not be considered.

**TECHNICAL:**

Michael Radzilani  
Tel: (015) 789 2393  
Cell: 060 526 6608  
Email: michaelpr@foskor.co.za

**COMMERCIAL:**

Daleen Kruger  
Tel: 011 347 0660  
Cell: 074 455 2238  
Email: [Daleenk@foskor.co.za](mailto:Daleenk@foskor.co.za)

BIDDER: \_\_\_\_\_

**SIGNATURE**

\_\_\_\_\_  
**DESIGNATION**

\_\_\_\_\_  
**DATE**

**COMPANY STAMP**