NATIONAL YOUTH DEVELOPMENT AGENCY

OUR YOUTH. OUR FUTURE.

ADVERTISEMENT OF THE APPOINTMENT OF A SHORT-TERM INSURANCE COMPANY FOR THE NYDA FOR A PERIOD OF THREE (3) YEARS.

NATIONAL YOUTH DEVELOPMENT AGENCY (NYDA) **7 Naivasha Road** **Sunninghill** **Johannesburg** **2192**	
Name of Tenderer:	
Total Price inclusive of Value Added Tax:	
Description	Advertisement of the appointment of a short-term insurance company for the NYDA for a period of three (3) years.
Tender Number	**RFP2026/06/NYDA**
Tender Issue Date	31st of July 2026
Briefing Session Date and time	A compulsory briefing session will be held on the 13th of August 2026 @10:00am via Microsoft TeamViewer (https://teams.microsoft.com/meet/312071005305433?p=ZqUu6cjR7EPGyKUOFG). Prospective bidders are advised to download Microsoft TeamViewer prior to the time of the meeting. Bidders can access the briefing session at (https://teams.microsoft.com/meet/312071005305433?p=ZqUu6cjR7EPGyKUOFG) which is also available on the NYDA Website as well as the National e-tender portal of this tender advert
Closing Date	The closing date for submission of proposals is as follows **Date: 31st of August 2026**
Closing Time	The closing time for submission of proposals is as follows: Time **11:00am** **Bidders must ensure that bids are delivered timeously to the correct address. As a rule, if a bid is late or delivered to the incorrect address, it will not be accepted for consideration.**
Tender Validity Period	**120 Business days from closing date**.
Enquiries	Tenders Email: **tenders@nyda.gov.za**

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TENDER NOTICE AND INVITATION TO TENDER

ADVERTISEMENT OF THE APPOINTMENT OF A SHORT-TERM INSURANCE COMPANY FOR THE NYDA FOR A PERIOD OF THREE (3) YEARS - RFP2026/06/NYDA

The National Youth Development Agency invites service providers for tender Advertisement of a short-term insurance company for the NYDA over a period of three (3) years. Tender documents are available for downloading on the NYDA website: www.nyda.gov.za.

DOWNLOADING OF TENDER DOCUMENTS

An electronic copy of the bid document will be available for download directly from the National Treasury's e-Tender Publication Portal at www.etenders.gov.za, and National Youth Development Agency at www.nyda.co.za. At no cost

BRIEFING SESSIONS

A compulsory briefing session will be held as follows:

Microsoft teams: Online on 13th of August 2026 at 10:00
Venue: Online (Microsoft-TeamViewer)
Link: **https://teams.microsoft.com/meet/312071005305433?p=ZqUu6cjR7EPGyKUOFG**

Prospective bidders are advised to download Microsoft TeamViewer prior to the time of the briefing session. Bidders can access the briefing session at (https://teams.microsoft.com/meet/312071005305433?p=ZqUu6cjR7EPGyKUOFG) which is also available on the NYDA Website as well as the National e-tender portal of this tender advert.

Queries relating to the issue of these documents or technical enquiries may be addressed to Ms. Siphesihle Zondo via e-mail: tenders@nyda.gov.za.

CLOSING DATE AND TIME

The closing date and time for submission of proposals is as follows:
Date: 31st **of August 2026**
Time **11:00am**

Tenderers must ensure that the tender is delivered timeously to the correct address. As a rule, if a tender is late or delivered to the incorrect address, it will not be accepted for consideration.

Tenders may only be submitted on the tender documentation that is issued by NYDA.

The tenders must be inserted into the Tender Box available at the Reception Area of NYDA Head Office, 7 Naivasha Road, Sunninghill, NYDA Building) by 11:00am on the 31st of August 2026. Telegraphic, telephonic, telex, facsimile, e-mail, and late tenders will not be accepted.

Evaluation Method: Three stage evaluation:
1. Administrative Compliance.
2. Functionality
3. Price / Specific Goals

NB: NYDA reserves the right to cancel this tender without prior notice and not to appoint any service provider.

PART A **SBD 1**

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NATIONAL YOUTH DEVELOPMENT AGENCY)					
BID NUMBER:	RFP2026/06/NYDA	CLOSING DATE:	**31st of August 2026**	CLOSING TIME:	11:00am
DESCRIPTION	**ADVERTISEMENT OF THE APPOINTMENT OF A SHORT-TERM INSURANCE COMPANY FOR THE NYDA FOR A PERIOD OF THREE (3) YEARS.**				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*					
NATIONAL YOUTH DEVELOPMENT AGENCY					
7 NAIVASHA ROAD					
SUNNINGHILL					
JOHANNESBURG					
NYDA BUILDING					

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	**Siphesihle Zondo**	CONTACT PERSON	**Siphezihle Zondo**
TELEPHONE NUMBER		TELEPHONE NUMBER	
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS	tenders@nyda.gov.za	E-MAIL ADDRESS	tenders@nyda.gov.za

SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		**OR**	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] ☐ Yes ☐ No

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]	***ARE YOU A FOREIGN BASED SUPPLIER FOR** THE GOODS /SERVICES /WORKS OFFERED?*	Yes ☐No [IF YES, ANSWER PART THE QUESTION BELOW]

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?NO	☐ YES ☐
DOES THE ENTITY HAVE A BRANCH IN THE RSA?NO	☐ YES ☐
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?NO	☐ YES ☐
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?NO	☐ YES ☐
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?NO	☐ YES ☐

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.

PART B
TERMS AND CONDITIONS FOR BIDDING

	BID SUBMISSION:
○	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
○	**ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
○	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
○	**THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**
	TAX COMPLIANCE REQUIREMENTS
▯	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
▯	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
▯	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
▯	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
▯	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
▯	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
▯	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER: ……

CAPACITY UNDER WHICH THIS BID IS SIGNED: ……

(Proof of authority must be submitted e.g. company resolution)

DATE: ……..

NYDA BACKGROUND AND INTRODUCTION

The National Youth Development Agency (NYDA) is a South African based agency established primarily to tackle challenges that the nation's youth are faced with. The NYDA was established by an Act of parliament, act no 54 of 2008. The institution was established to be a single, unitary structure, established to address youth development issues at National, Provincial and Local government level. The existence of the NYDA should be located within the broad context of South Africa's development dynamics. Similar to many developing countries, South Africa has a large population of youth, those between the ages 14-35; represent 42% of the total population. Given the youthful nature of the South African population much of the socio economic challenges faced by the nation, i.e. poverty, inequality and joblessness, poor health etc, are borne by the youth. The gravity of challenges South Africa is faced with, require multi - pronged efforts, that simultaneously promote the development of sustainable livelihoods, reduce poverty, inequality and prioritise the development of policies which create an enabling environment for youth development.

The NYDA plays a lead role in ensuring that all major stakeholder's, i.e., government, private sector, and civil society, prioritise youth development and contribute towards identifying and implementing lasting solutions which address youth development challenges. Furthermore, the NYDA designs and implements programmes aimed at improving lives and opportunities available to youth. These programmes could be clustered as follows:

At an individual level (Micro level), the NYDA provides direct services to youth in the form of information provision, mentorship, skills development & training, entrepreneurial development & support, health awareness programmes and involvement in youth initiatives. At a Community level (Meso Level), the NYDA encourages young people to be catalysts for change in their communities through involvement in community development activities, social cohesion activities and national youth service programmes and dialogue.

At a Provincial and National level (Macro Level), through its policy development, partnerships and research programmes, the NYDA facilitates the participation of youth in developing key policy inputs, which shape the socio-economic landscape of South Africa.

The National Youth Development Agency derives its mandate from the legislative frameworks, including the NYDA Act (54 of 2008), the National Youth Policy (2009-2020) and the draft Integrated Youth Development Strategy as adopted by the Youth Convention of 2006. The NYDA activities could be summarized as follows:

1. Lobby and advocate for integration and mainstreaming of youth development in all spheres of government, private sector and civil society
2. Initiate, implement, facilitate and coordinate youth development programmes
3. Monitor and evaluate youth development intervention across the board and mobilise youth for active participation in civil society engagements

TENDER DATA AND CONDITIONS OF TENDER

The Conditions of Tender are the General Conditions of Contract issued by the National Treasury. The purpose of the Conditions is to:

1. Draw special attention to certain general conditions applicable to government bids, contracts and orders; and

2. To ensure that bidders are familiar with regard to the rights and obligations of all parties involved in doing business with government.

The Standard Conditions of Tender make several references to the Tender Data which specifically applies to this tender. The Tender Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the Standard Conditions of Tender. Each item of Tender Data given below is cross-referenced to the relevant clause in the standard Conditions of Tender.

Clause Number	Clause Heading	Data / Wording
1.1	**The Employer is:**	**The Employer is:** National Youth Development Agency (NYDA). **7 NAIVASHA ROAD, SUNNINGHILL, 2192, NYDA Building)**
1.2	**Employer's Agent is:**	**Ms. Siphesihle Zondo** Tel: (087) 158 5718 E-mail: tenders@nyda.gov.za
1.3	**Eligibility**	The National Youth Development Agency reserves the right to reject bids which are non-responsive, including, without limitation, bids which contain the following defects: • Late or incomplete bids; • Failure to conform to the rules or requirements contained in the Tender document; • Proof of collusion among Bidders, in which case all proposals involved in the collusive action will be rejected; and • Non-compliance with applicable law, unauthorized additions or deletions, conditional bids or material irregularities. Tenderers will be disqualified if the entity or any of its directors is listed on the register of Bid Defaulters in terms of the Prevention and Combating of Corruption Activities Act of 2004 as a person prohibited from doing business
1.4	**JOINT VENTURES OR CONSORTIUMS**	Joint Ventures / Consortiums are eligible to submit tenders provided that: • Where bids are consortia / Joint ventures / S-contractors are involved, each party must submit a separate TCS certificate / Pin / CSD number; • A Joint Venture Agreement is signed by the JV Partners and attached to this tender document; **Tenders who do not meet the requirements above will be immediately disqualified from the tendering process.**
		A Joint Venture / Consortium must also submit a Joint Venture BBBEE Verification Certificate.

1.5	**Returnable Documents**	Tenderers are to submit fully completed and signed returnable documents as stipulated. Tenders should only be submitted on original tender documentation which is issued by the NYDA and completed in black ink. Tender documents may not be retyped or reproduced. **<u>COMMERCIAL RETURNABLES</u>** The following Standard Bidding Documents are duly completed and signed 1. **MANDATORY RETURNABLE DOCUMENTS:** • **TECHNICAL RETURNABLES** 2. **ESSENTIAL ADMINISTRATIVE RETURNABLE DOCUMENTS:** • National Treasury Registration on **Central Data Base (CSD)** (certificate). • Valid and original (or a certified copy) B-BBEE certificate/Affidavit. proof of Respondent's compliance to B-BBEE • Tax Clearance Certificate or electronic access PIN obtained from SARS's new Tax Compliance Status (TCS) system [Consortia / Joint Ventures must submit a separate Tax Clearance Certificate for each party] • Section: SBD 1 Form • Section: SBD4 Disclosure Form • Section: Preferential Procurement Regulations
1.6	**Number of copies of tender offers to be submitted to the Employer**	The returnable part of the tender offer communicated on paper should be submitted as an original written in black ink hard copy and a softcopy/electronic version in PDF-format on a Flash Drive.
1.7	**Sealing of tender offers**	Tender should be sealed and externally endorsed as follows: • Tender number and description should be clearly stated/written. • All envelopes should be clearly marked in case of two-envelop system (i.e., Financial/Commercial Proposal and/or Technical/Functionality).
1.8	**Tender offer validity**	NYDA requires a validity period of (**120 Business days**) from closing date against this RFP, excluding the first day and including the last day. NYDA may at any time prior to the expiry of the bid validity period, extend the above validity period by 60 days written notice in the NYDA website and E-tender website, on the same terms and conditions. In that event, NYDA will not require consent from the bidders, and bidders will not be required or permitted to amend any of their proposals. However, bidders are not obliged to extend the validity period. In the case where bidders are not in agreement with the validity extension, they must inform NYDA in writing and their proposals will be considered non responsive. Once the adjudication body has approved the process and award of the business to the successful bidder(s), the validity of the successful bidder(s)' bid will be deemed to remain valid until a final contract.
1.9	**National treasury's supplier database (CSD) registration**	• Bidders must submit proof of registration on the National Treasury's Central Supplier Database (CSD). A Tenderer that is selected as a preferred Tenderer but is not registered on the Central Supplier Database (CSD) of the National Treasury, shall not be awarded the Tender. Failure to submit such proof of registration, as requested, shall result in their tender being disqualified. • Bidders are requested to register on the National Treasury CSD

		and include the copy of supplier number in order to enable the institution to verify the supplier's tax status on CSD. • Registration can be completed online at www.csd.gov.za
110	**Clarification on submitted information**	During the evaluation of the bids, clarification may be requested in writing from bidders only for the purpose of clarifying aspects mentioned in the bid. Replies to such requests must be submitted, within two (2) working days or as otherwise indicated.
1.11	**Two-Envelope System**	A two-envelope system **will not** be followed.

A. TERMS OF REFERENCE ADVERTISEMENT OF A SHORT-TERM INSURANCE COMPANY FOR THE NYDA FOR A PERIOD OF THREE (3) YEARS.

1. PURPOSE AND OBJECTIVES OF THIS SUBMISSION

The purpose of the insurance company appointment is to ensure that NYDA complies with the Public Finance Management Act No. 1 of 1999, Section 51(1)(c) and Section 57 (e), which requires safeguarding of assets and management of assets expenditure and liabilities.

To appoint an insurance company to render insurance services including insurance claims for all the short-term insurance covers indicated in the scope of work for a period of three (3) years. The insurance company must ensure that NYDA receives comprehensive insurance that is professional, experienced, and reliable service at cost effective rates.

2. SCOPE OF WORK

The appointed insurance company will be expected to provide advice on insurance matters, solicit and negotiate insurance covers and assist with the administration and maintenance of insurance claims. Scope of services will relate to the following insurance covers:

2.1 **Assets Insurance**

To cover all tangible property of every description belonging to the NYDA or which the NYDA has any propriety or pecuniary interest against loss or damage caused by fire or allied perils including electronic breakdown (first loss/breakage basis).

2.1.1 **Electronic equipment,** to cover on electronic business equipment including computers, laptops, and licensed software, etc.

2.1.2 **Stock and assets,** to cover on goods that forms part of the NYDA business activity.

2.1.3 **Stock and assets in transit,** to cover on transportation of stock anywhere in South Africa, offshore, and African countries.

2.1.4 **Motor fleet,** fully comprehensive cover on all vehicles owned, leased, borrowed, or used by the insured, including vehicles held in trust or in the custody or under control or care of the insured. Third party insurance for vehicles kept on the road, business use in African continents and outside African continents etc.

2.1.5 **Road Assistance:** All vehicles.

2.1.6 **Panel beating**: All vehicles, In the case of motor vehicle repairs, the insurer must settle repair costs directly with approved panel beaters, including any excess where applicable, to avoid operational delays, where applicable NYDA will refund at a later stage.

2.1.7 **Mechanical Breakdown:** All vehicles.

2.1.8 **Money,** a cover on any negotiable instrument including cash cheques, credit card Vouchers, petty cash, etc.

2.1.9 **Movable Assets including furniture**.

2.2 **Directors and Officers liability Insurance**

A cover to the NYDA arising from numerous threats and its management, including security litigation, employment practices, fiduciary or crime related loss, accidental injury or death and fiduciary liabilities:

2.2.1 **Fidelity Guarantee,** to cover direct financial loss due to acts of fraud, forgery, alteration, robbery and safe burglary, computer fraud or dishonesty by employees resulting in dishonest personal financial gain.

2.2.2 **Directors,** to protect the claims made against the NYDA's directors e.g., if it ceases to operate and there are outstanding obligations from third parties.

2.2.3 **Public Liability,** to protect the NYDA against claims involving illness, injury, death, damages to third party property including but not limited to; defamation, defective workmanship and products.

2.3 **Group Personal Accident Insurance**

Board and committee members as well as officials as per Estimated wage roll present amount. Death/Permanent Disablement, Repatriation, Mobility, Insured Perils and Bodily injury caused accident, violence, external and visible.

2.4 **Corporate Travel Insurance**

A cover for an employee of the NYDA whilst travelling on local and international journeys for business and incurs medical and related expenses as a result of illness or injury, death or any other related liabilities.

2.5 **Events liability Insurance**

A cover that indemnifies the NYDA for damages which the event organizer (NYDA), shall become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person or accidental loss of or physical damage occurring within the territorial limits of the event during the period of Insurance in the course of or in connection with the event.

Help protect the Agency if found responsible for property damage or an injury caused during your event, and many venues require the Agency to have it. If the Performers hired damages the building or hall, stadium, or venue, for example, this coverage help pay for repairs. This policy also covers incidents caused by the Agency's guests. The event liability coverage pay for medical expenses resulting from an injury of NYDA Staff, Guest, and Stakeholders at the NYDA events. Coverage of equipment rent by the Agency for its own event venues.

2.6 **Business Interruption Insurance**

A cover for financial loss suffered following interruptions of the NYDA business. It is linked to the stock or material damage and business property damage insurance and is triggered if the business interruption is as a result of one of the insured perils on property insurance policy for example **fire, flood, explosion, riots, public disorder**.

2.7 **Cyber Liability – Cyber Edge Network security and Privacy Insurance**

A cover for financial loss suffered following cyber-attack / interruptions of the NYDA business. Data recovery. Furthermore, the Cyber extortion occurring when cybercriminals threaten to disable the operations of a target NYDA business or compromise its confidential data unless they receive a payment. The two most common types of cyber extortion are ransomware and DDoS (Distributed Denial of Service) attacks.

Crisis management coverage insurance coverage designed to help NYDA business limit the negative impact of events on the business' reputation. An insurance agreement made

as part of technology Errors and Omissions (E&O) and Internet/online property and liability insurance policies.

2.7.1 The cover shall include:

- Event Management (i.e. First response, legal services, IT services etc.)
- Data protection obligation (i.e. data protection investigation, data protection fines)
- Liability (i.e. personal and corporate information, security failure, failure to notify)
- Digital media (i.e. cyber/privacy extortion, network interruption, network loss etc.)

2.8 **Professional Liability or Professional Indemnity Insurance**

A cover in respect of any allegations made against a NYDA official for professional negligence in carrying out their official duties and responsibilities. This normally arises as the result of any actual or alleged negligent acts, errors, or omissions.

2.9 **Project Specification Insurance**

2.9.1 Grant Program (Commercial Insurance Policy)
2.9.2 Foreign Exchange Students (Inter-global Healthcare Plan)
2.9.3 Technical Training Programmes including Apprenticeship
2.9.4 NYDA Beneficiaries in-transit /travel cover

2.10 **Facilities Maintenance Equipment's and Tools Insurance**

2.10.1 High Pressure washer machine
2.10.2 Drills
2.10.3 Angle Grinder
2.10.4 Vacuum Cleaning machines

2.11 **Structural Building Repairs & Maintenance Insurance**

2.11.1 Plumbing – Unexposed or covered piping (Copper piper, PVC (polyvinyl chloride).
2.11.2 Roofing and Ceiling
2.11.3 Electrical DB (distribution board) and Wiring (Faulty wires, Exposed wires, faulty connections, DB Explosions, Surge and Lightning Protection.
2.11.4 Structural damages – cracks, damaged, blown and stolen HVAC (Heating, Ventilation, and Air Conditioning) System (Condenser and or Compressor).
2.11.5 Fire System – Fire Alarm Panel, Sirens and detectors.
2.11.6 Back-Up Power System – Generators, Solar and Inventors.

3. **General**

The scope covers portfolios identified at this stage but not necessarily limited to these portfolios. It is expected that the bidder will advise the NYDA of any other relevant portfolios and any other important information not covered above.

Bidders are encouraged to suggest additional improvements and value adds related to the rendering of corporate short-term insurance. Details of value adds must be submitted as part of the responses to the bid and indicated as such.

4. **Deliverables**

4.1 Performance specifications

The bidder should be able to provide the following general insurance actions in terms of soliciting insurance covers, placement of insurance, maintenance and administration of the insurance portfolio:

4.1.1 Arrange insurance cover to meet the Agency's specific requirements

4.1.2 Negotiate the most effective insurance cover at the most competitive premiums, terms and conditions, consistent with the Agency's requirements

4.1.3 Issue invoices and premium

4.1.4 Monitor premium payments and refunds in accordance with accounts and statements

4.1.5 Identify strategies to improve insurance programmes

4.1.6 Assist with advice, administration and maintenance of claims

4.1.7 Ad-hoc adjustments and endorsements on sums insured and declarations

4.1.8 A detailed report on the results of negotiations as well as recommendations thereon

4.1.9 Recovery of claims' costs from third (3rd) parties

4.1.10 Post loss surveys

4.1.11 Monthly claims and recoveries report and any other insurance related reports as requested by the Agency

4.1.12 On-going and specific insurance risk advice as to the extent of policy coverage

4.1.13 Day to day correspondence and queries

4.1.14 Risk identification and advice on the type and scope of coverage suitable to protect against risk exposure

4.1.15 Review and advice the Agency's institutional Insurance Policy

4.1.16 Communicate all policy documentation to the Agency

4.1.17 Attend formal and ad-hoc meetings to provide information, discuss new issues and to set renewal and maintenance strategies

4.1.18 Drafting and issuing of minutes following meeting

4.1.19 Keep NYDA up to date with latest amendments to the Legislation on Insurance through workshops.

5 **Proposal Content**

The proposal must provide an indication as to understanding of the performance specifications and the bidder's ability to provide the required services. In addition, the

bidder must demonstrate its experience and knowledge in providing the technical requirements.

5.1 Specifically, the bidder must provide the following information:

5.1.1 Demonstration of the understanding of the requirement and methodology to be followed for the performance specifications

5.1.2 Demonstration of bidder's experience in brokering services in Public and Private Sector as per the performance specifications

5.1.3 The bidder must clearly demonstrate its ability to provide excellent service that will ensure a successful trouble-free insurance broking service

5.1.4 Provide information that will assist the NYDA to assess the bidder's capabilities, capacity, competitive advantages, etc, for instance, in-house skills, previous experience, etc

5.1.5 Provide proof that the bidder has a secure claims handling online system. The online claims handling system should provide the following as a minimum requirement:

- Monthly and quarterly reports
- Secure online solution with explaining functionality and has a reporting function - Interactive secure online system

5.2 Provision of a Company Profile inclusive of the following information:

5.2.1 Detailed bidder's experience and number of years of experience in the insurance industry.

5.2.2 Provide proof that the bidder has experience and the necessary skill to provide the required services, including a detailed reference list including previous projects completed.

5.2.3 A list of current and past clients (in the Public and Private Sector) along with the names and telephone numbers of contact persons, the value of and the number of years that services were provided for.

5.2.4 Provide the names and qualifications of the bidder's staff members who would be on this project together with their detailed resumes indicating experience and number of years of experience in the insurance industry.

5.2.5 Provide names and qualifications of any outside specialists and consultants, if applicable, who would assist the bidder on various aspects of the functions to be performed.

5.2.6 The bidder should clearly demonstrate that it has the necessary resources to be able to render the services.

5.2.7 Provision of information on claims handling services indicating the following information as minimum requirement:

-Claims Handling Administrator(s) assigned to render claims handling services

-Claims Handling Administrator (s) assigned to generate and provide quarterly and monthly reports to the NYDA

-Claims Handling Administrator (s) assigned to observe the 30 day turnaround time for assets

-Claims Handling Administrator (s) assigned to arrange and or attend quarterly meetings to resolve queries.

5.3 Operational plan

The operational plan should outline the claim handling process and turnaround time for all NYDA insurance covers listed below:

5.3.1 Assets Insurance
5.3.2 Directors and Officers Liability Insurance
5.3.3 Group Personal Accident Insurance
5.3.4 Corporate Travel Insurance
5.3.5 Events liability Insurance
5.3.6 Business Interruption Insurance
5.3.7 Cyber Liability – Cyber Edge Network security and Privacy Insurance
5.3.8 Professional Liability or Professional Indemnity Insurance
5.3.9 Project Specification Insurance
5.3.10 Facilities Maintenance Equipment's and Tools Insurance
5.3.11 Structural Building Repairs & Maintenance Insurance

5.4 Required Technical information

Proof that contracts/service level agreements exist between the bidder, insurance companies and re- insurers/co-insurers, attorneys for third party recoveries.

5.4.1 Confirmation of Professional Indemnity Cover / Errors and Omissions policy – minimum of R51 million (required after stage 3)

5.4.2 The number of lawsuit claims (Professional Indemnity / Errors and Omissions) that have been lodged by clients

5.4.3 State how the bidder complies with Protection of Personal Information Act, no. 4 of 2013.

6 **Duration of the Service Level Agreement (SLA)**

The NYDA shall enter into an SLA for a period of three (3) years from the time of contracting with the appointed service provider.

7 **Submission Requirements**

7.1 One original hardcopy version must be the original submission, clearly marked "Original" and a softcopy/electronic version in PDF-Format digital copied versions of the original.

7.2 Bidders should take particular care to ensure that there are no discrepancies between all submissions to the NYDA. NYDA reserves the right to reject any tenders if there are discrepancies.

7.3 Each individual envelope must be clearly marked with the following information:

- Description of the Submission: tender Advertisement of the short-term insurance company for NYDA over a period of three (3) years.
- Submission Tender Number: **RFP2026/06/NYDA**

7.4 Submissions that are faxed, sent via telex, and/ or electronic mail delivery will not be accepted.

7.5 All submissions received by NYDA will become the property of the NYDA and will not be returned to the respondent.

7.6 The submissions must be inserted into the TENDER BOX available at the Reception Area of NYDA Head Office, 7 Naivasha Road, Sunninghill Johannesburg Building between 08h00 am and 17h00 pm weekdays.

7.7 Unsuccessful submissions will be informed in writing when the process is concluded.

7.8 A submission will be considered late if received after the specified date and time. Respondents are therefore strongly advised to ensure that submissions are despatched allowing enough time for any unforeseen events that delay the delivery of the submission.

8 Enquiries/Communication

8.1 Contact person for any enquiries with regards to the tender submission should be **addressed to:**

Ms. Siphesihle Zondo - Supply Chain Management Unit

Email: tenders@nyda.gov.za

All clarifications or enquiries must be made in writing and received by the NYDA. Telephonic requests for clarification will not be accepted.

9 **SUBMISSION EVALUATION/ADJUDICATION**

The tender will be evaluated in three (3) phases:

9.1 Compliance/eligibility;

9.2 Technical/Functionality;

9.3 Price and Specific Goals Assessment

10 COMPLIANCE/ELIGIBILITY EVALUATION

Bidders who do not meet the requirements below will be immediately disqualified.

NO	DESCRIPTION
1	A proof of registration as a vendor on the National Treasury Central Supply Database (CSD), which can be found at https://secure.csd.gov.za/ in compliance with National Treasury compliance paragraph 4.2 with instruction note 4a of 2016/2017
2	A proof that the bidder is in good standing with SARS. Such information will be verified through Central Supply Database (CSD) or using SARS e-filing pin in National Treasury compliance with instruction note 9 of 2017/2018 **prior** to the award of the bid.
3	SBD1 - Invitation to bid
4	SBD 4 - A fully completed and duly signed disclosure form. Should a conflict of interest be declared or identified, the bid would be declared non- responsive. NB Bidder must ensure all pages are complete and all questions answered, and to indicate not applicable (N/A) where appropriate.
5	A completed pricing schedule **using** the template provided.
6	Submission of proof of company registration with the Financial Sector Conduct Authority (FSCA). On the 1 April 2018, **Financial Services Board (FSB)** responsibilities were split into two new agencies the Financial Sector Conduct Authority (FSCA) for conduct regulation and the Prudential Authority (PA) for prudential regulation.
7	Submission of proof of company membership with the Financial Intermediaries Association (FIA) of Southern African. FIA represent licensed financial services advisers throughout South Africa, including multinational, large, medium and small businesses. Its members operate in healthcare, financial planning, non-life insurance, employee benefits and investments.
8	Submission of proof that a company is an underwriter. If this cannot be provided, they must submit a letter/agreement from the underwriter confirming that the agreement is in place.
9	One original hardcopy version must be the original submission, clearly marked "Original" and a softcopy/electronic version in PDF-Format digital copied versions of the original.
10	The bidder attended the compulsory briefing session

TECHNICAL/FUNCTIONALITY EVALUATION

The evaluation of the functionality of the proposals will be evaluated as per the criteria contained in the table below:

Category	Sub criteria	Total score	Score	Form of Evidence
Bidder's experience in the Insurance industry				
This criterion covers positive testimonial letters from current or previous clients.	Four and above positive testimonial letters	30	30	Signed positive testimonial letters of similar service rendered from current or previous clients with contact details
	Three positive testimonial letters		20	
	Two positive testimonial letters		10	
	One or no positive testimonial letter		0	
Bidder's proposed administrator's experience and proof of registration				
This sub-criterion covers the experience of the administrator in the insurance industry. **NB:** No points will be allocated for Administrator who did not provide proof of registration with the Financial Sector Conduct Authority (FSCA)	10 years and above of experience in The insurance industry or as administrator	30	30	Detailed CVs of the Administrator with proof of registration with FSCA
	7-9 years of experience in the insurance industry or as administrator		20	
	5-7 years of experience in the insurance industry or as administrator		10	
	Less than 5 years		0	
Bidder's proposed operational plan				
This sub-criterion must provide a detailed operation plan for the duration of the three (3) years covering the following items: Assets Insurance, Directors and Officers Liability Insurance, Group Personal Accident Insurance, Corporate Travel Insurance, Events liability	The operational plan that covers all insurance cover items listed in the proposal content clause 5.3	20	20	A detailed operation plan outlining all the specified insurance cover required from the insurance company needs to be provided and the claim handling process as per 5.3 of the proposal content
	The operational plan that covers at least six (6) insurance cover items listed in the proposal content clause 5.3		10	

Insurance, Business Interruption Insurance, Cyber Liability - Cyber Protect / Insurance, Professional Liability or Professional Indemnity Insurance, Project Specification Insurance	The operational plan that covers less than six (6) insurance cover items listed in 5.3		0	
Category	**Sub criteria**	**Total score**	**Score**	**Form of Evidence**
The online claims handling system – provide detailed process of the online handling system				
This criterion covers the online claims handling system which includes: • Name of the system • Functions of the system • report sample	Provide a detailed process of the online handling system which outlines the name of the system, the functions, and report samples	20	20	Provide a detailed process of the online handling system which outlines the name of the system, the functions, and report samples
	Incomplete or not provided a detailed process of the online handling system which outlines the name of the system, the functions, and report samples		0	
Total			**100**	

NB: Any proposal not meeting a minimum threshold of 70 points on functionality will not be considered further.

11 PRICE EVALUATION

12.1 PRICE SCHEDULE

Price components	Detailed Description of the Cover	Insured Value Per Portfolio	Monthly Premiums Amount excl. VAT
1. Office Contents	All Office Furniture **Insured perils:** Fire, lightning, thunderbolt, explosion, storms, earthquake, aircraft impact, leakage, theft, flooding, riots, malicious, vandalism and accidental damage	R 22,819,410.55	R
2. Electronic & Equipment (Hardware Software)	**Insured Perils** On all Hardware On all Software On all Laptops Reconstruction of Data **Insured Perils:** Damage to all Hardware Damage to all Software Business Interruption	R 39,598,308.87	R
3. Electronics & Equipment (Laptops Accessories)	**Insured Perils** On all Hardware On all Software On all Laptops Reconstruction of Data **Insured Perils:** Damage to all Hardware Damage to all Software Business Interruption	R 54,445,857.73	R
4. All Business Risk	**Insured Perils** Cellphones, Cameras & Accessories	R 1,635,667.91	R
5. Fire & Allied Perils	**Insured Perils** Assets - Pertions, Cupets, Leasehold Improvements	R 36,828,889.26	R
6. Motor / Fleet	**Insured Perils** Fully comprehensive cover, including Third party insurance on all vehicles owned, leased, borrowed or used by NYDA Officials.	R 9,605,154.42	R

7. Road Assistance	All vehicles **Insured Perils:** • A mechanical and/or electrical breakdown. • A flat tyre or flat battery. • Running out of fuel. • Accidentally locking keys inside the car. • Safe storage of a car if it cannot	R 200 000	R
Price components	**Detailed Description of the Cover**	**Insured Value Per Portfolio**	**Monthly Premiums Amount excl. VAT**
	be towed to the repairer immediately, etc.		
8. Panel beating	All vehicles	R 500 000	R
9. Mechanical Breakdown	All vehicles - electronic parts, component failure, faulty installation, or blowout. **Insured Perils:** Repair parts that break down due to normal use, gearbox, engine,cv joints, etc.	R 150 000	R
10. Facilities Maintenance Equipment's and or Tools	**Insured Perils** • High Pressure washer machine • Drills • Angle Grinder • Vacuum Cleaning machines	R 150 000	R

11. Structural Building Repairs & Maintenance	**Insured Perils** • Plumbing – Unexposed or covered piping (Copper piper, PVC (polyvinyl chloride). • Roofing and Ceiling • Electrical DB (distribution board) and Wiring (Faulty wires, Exposed wires, faulty connections, DB Explosions, Surge and Lightning Protection. • Structural damages – cracks, damaged, blown and stolen HVAC (Heating, Ventilation, and Air Conditioning) System (Condenser and or Compressor). • Fire System – Fire Alarm Panel, Sirens and detectors. • Back-Up Power System – Generators, Solar and Inventors.	R 1 000 000	R
12. Theft	**Insured Perils:** Loss or damage to property in the insured building; Stock, Assets, Stock in transit, and Assets in transit	R 50 000	R
13. Fidelity Guarantee (Commercial Crime)	**Insured Perils:** Loss of money and other property belonging to the insured but stolen by the insured's employee/s	R 5 000 000	R
14. Cyber Crime	**Insured Perils:**	R 5 000 000	R
Price components	**Detailed Description of the Cover**	**Insured Value Per Portfolio**	**Monthly Premiums Amount excl. VAT**
	• Cyber extortion • Crisis management • Data recovery, etc		

15. Business Interruption Insurance	Fire, flood, pipe bust, electronic faults, electronic wire ring, explosion, riots, public disorder	R 5 000 000	R
16. Directors' & Officers Liability	**Insured Perils** D&O protects the personal assets of corporate directors & officers, and their spouses in the event they are personally sued by employees, shareholders, vendors, competitors, investors, customers, or other parties for actual or alleged wrongful acts in managing the entity. (Covers directors and officers against lawsuits alleging a breach of fiduciary duty).	R 50 000 000	R
17. Employers Liability	**Insured Perils** Employers' liability insurance protects a company from legal claims filed by workers who have experienced a job-related injury or illness. It is a type of liability insurance that, in conjunction with workers compensation, covers companies against costs and claims made by injured employees.	R 10 000 000	R
18. Professional Indemnity	**Insured Perils:** Covers legal costs & expenses incurred in insured defence, as well as any damages or costs that may be awarded if the insured is alleged to have provided inadequate advice, service or designs that caused a financial loss to a third party.	R 20 000 000	R
19. Public Liability	**Insured Perils:** Protects the insured against thirdparty claims, e.g., cost of legal action and compensation of claims made against the insured. Claims may be in the form of third-party injuries or third-party property damage.	R 10 000 000	R

20. Events Liability	70 events per year **Insured Perils:** - NYDA Staff, General Public attending NYDA event - Accidental death of or bodily injury to or illness of any person or accidental loss of or physical damage occurring within the territorial limits of the event during the period of Insurance in the course of or in connection with the event. • Property damage or an injury caused during your event venue. Performers hired damages the building or hall, stadium, or venue, for example, this coverage help pay for repairs. • Incidents caused by the Agency's guests. The event liability coverage pays for medical expenses resulting from an injury of NYDA Staff, Guest, and Stakeholders at the NYDA events. • Coverage of equipment rent by the Agency for its own event venues.	R 5 000 000	R
Price components	**Detailed Description of the Cover**	**Insured Value Per Portfolio**	**Monthly Premiums Amount excl. VAT**

21. Travel Insurance	365 Days per year **Insured Perils:** All people traveling on NYDA work including officials, partners, beneficiaries, young people, any other stakeholders not mentioned Covers medical emergencies, trip cancellations, trip interruptions, delays, medical evacuations and loss/damage or stolen luggage, personal security, political or natural disaster evacuation – alternative accommodation, Personal liability – bodily injury / personal injury, material damage, etc. Disaster in a foreign country, earthquake, political instability, kidnapped, detention, etc.	R 50 000 000	R
Price components	**Detailed Description of the Cover**	**Insured Value Per Portfolio**	**Monthly Premiums Amount excl. VAT**
22. Group Personal Accident	Board and committee members as well as officials. **Insured Perils:** Bodily injury caused by accident, violence, external and visible	Death/Permanent Disablement R1,000,000.00, Repatriation R10,000.00, Mobility R10,000.00	R
23. Money	**Insured Perils:** • Loss of cash occurring RSA, Lesotho, Namibia, Botswana, Swaziland, Malawi and Zimbabwe • Loss arising from shortage due to error or omission • Loss arising from use of keys to any strong or safe rooms • Loss arising from unlocked safe • Loss arising from unlocked petty safe	R 20 000	R
24. South African Special Risks Insurance Association (SASRIA)	**Insured Perils:** Cover against civil commotion, public disorder, strikes, riots and terrorism	R 10 000 000	R

25. Project Specification Insurance	• Foreign Exchange Students (Interglobal Healthcare Plan). • Technical Training Programmes including Apprenticeship. • NYDA Beneficiaries in-transit /travel cover.	R 10 000 000	R
Any other applicable cost		R	R
Total Monthly Costs Excluding VAT			R

Final Summary

Period	**Price per month**	**Price per annum**	**Escalation**	**Total Cost**
Year 1	R	R	0%	R
Year 2	R	R		R
Year 3	R	R		R
Provision for new assets to be procured in the near future, etc.				R 2 500 000.00
BID PRICE EXCLUDING VAT				R
VAT				R
TOTAL BID PRICE INCLUDING VAT				R

12 PRICE INSTRUCTION

- Bidder must price according to the price schedule provided;
- Break-down on costs should be provided, where necessary;
- The rental price quoted by the bidder shall remain fixed for the first twelve (12) months of the lease.
- For the period thereafter, bidders shall propose a variable annual escalation rate in line with CPI as per National Treasury Regulations. The proposed escalation percentage shall form part of the bidder's financial offer and will be considered during the evaluation of price. Bidders are therefore encouraged to submit competitive escalation rates within the prescribed range.
- The annual escalation rate proposed by the successful bidder shall remain fixed for the duration of the contract, unless otherwise agreed in writing by the parties in accordance with the terms of the contract agreement.
- Bidders are to bring the total amount from the pricing schedules above to the final summary

 Pricing should include VAT and must be in South African Rand.

13 SPECIAL CONDITION

13.1 **NYDA** reserves the right to withdraw or amend terms of reference/specifications by notice in writing by advertising in the media in which the tender was originally advertised prior to the closing date.

13.2 NYDA reserves the right not to award any of the tenders submitted.

13.3 The cost of preparing the tenders will not be reimbursed.

13.4 Shortlisted bidders may be invited for presentations.

13.5 Successful bidder will be required to sign a confidentiality/non-disclosure agreement.

13.6 NYDA reserves the right NOT to appoint any Service Provider or to withdraw this request for bids.

13.7 NYDA reserves the right to withdraw the awarding of the bid if the organisation and the successful bidder are unable to agree on the terms and conditions of a lease agreement within 60 calendar days of the awarding of this bid.

13.8 All contracts entered into by the organisation are subject to the attached general conditions of contract.

13.9 Any plans to prepare the premises to be fully legally compliant must be submitted as part of the required returnable documentation.

13.10The successful bidder/ landlord must be prepared to execute the fit-out of the premises as a turnkey solution as per designs and specifications prepared by its Professional team as instructed by NYDA.

14 REASONS FOR REJECTION

14.1 NYDA reserves the right to contact references during the evaluation and adjudication process. Any effort by a bidder to influence the evaluation, comparison, or award decisions in any manner, may result in rejection of the quote/proposal concerned.

14.2 Bidders shall not contact NYDA on any matter pertaining to the tender from the time the tender is closed to the time the tender has been adjudicated. The results of all tenders will be published by the NYDA in the municipality website. Any effort by a tenderer to influence the tender evaluation, tender comparisons, or tender award decisions in any matter, may result in rejection of the bidder concerned.

14.3 Bidders shall not contact NYDA on any matter pertaining to the tender from the time the tender is closed to the time the tender has been adjudicated. The results of all tenders will be published by the NYDA in the municipality website. Any effort by a tenderer to influence the tender evaluation, tender comparisons, or tender award decisions in any matter, may result in rejection of the bidder concerned.

14.4 The NYDA shall reject a submission if the bidder has committed a proven fraud and/or corrupt act in competing for a particular contract.

14.5 NYDA may disregard the bid of any Tenderer if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.

15 REVIEW PEOCESS

15.1 In order to evaluate and adjudicate bids effectively, it is imperative that bidders submit responsive bids. To ensure a bid will be regarded as responsive it is imperative to comply with all conditions pertaining to the bid and to complete all the mandatory fields and questionnaires.

15.2 Documents submitted on time by bidders shall not be returned and shall remain the property of the NYDA.

15.3 All bids duly lodged will be evaluated in accordance with the evaluation criteria.

15.4 NYDA may require presentations from short-listed bidders as part of the bid process.

15.5 All tenders duly lodged as per the submission requirements will be evaluated in accordance with the stipulated evaluation criteria.

BIDDER'S DISCLOSURE **SBD4**

1. PURPOSE OF THE FORM

1.1 Any person (natural or juristic) may make an offer or offers in terms of this invitation to bid. In line with the principles of transparency, accountability, impartiality, and ethics as enshrined in the Constitution of the Republic of South Africa, 1996 (Constitution), and further expressed in the various applicable legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

1.2 If a person is listed in the Register for Tender Defaulters and/or the List of Restricted Suppliers, that person will automatically be disqualified from the bid process.

2. DECLARATION ON EMPLOYMENT BY ORGAN OF STATE

2.1 Is the bidder, or any of the directors / trustees / shareholders / members / partners of the bidder employed by an organ of state, as defined in section 239 of the Constitution? **YES/NO**

2.2 If YES, furnish particulars of the names, individual identity numbers, in the table below:

Full Name	**Identity Number**	**Name of organ of state**

2.3 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.3.1 If so, furnish particulars:

……
……
……

2.4 Does the bidder or any of its directors/trustees/shareholders members/partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise, whether or not they are bidding for this contract? **YES/NO**

2.4.1 If so, indicate all companies registered in the CSD in the table below:

Supplier registration number (MAAA)	**Status (active/inactive/deleted)**

Failure to disclose all CSD-registered active companies linked to all Directors will lead to disqualification**.**

3 GENERAL DECLARATION

I, ……....., the undersigned, in submitting the accompanying bid, do hereby make the following statements that I certify to be true and complete in every respect:

3.1 I have read and I understand the contents of this disclosure.

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found to be false.

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.

3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.5 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

3.7 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act, 1998 (Act No. 89 of 1998) and or may be referred to law enforcement agencies for criminal investigation and or may be restricted from conducting business with the state for a period not exceeding 10 years in terms of the Prevention and Combating of Corrupt Activities Act, 2004 (Act No. 12 of 2004) or any other applicable legislation.

I CERTIFY THAT THE ABOVE IS CORRECT.

I ACCEPT THAT THE PROCURING INSTITUTION MAY REJECT THE BID OR TAKE APPROPRIATE ACTION AGAINST ME IF THIS DECLARATION IS FALSE.

…… ……
Signature Date

…… ……...
Designation Name of bidder

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

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1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 **To be completed by the organ of state**

(*delete whichever is not applicable for this tender*).

a) The applicable preference point system for this tender is the 80/20 preference point system.

1.3 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

(a) Price; and

(b) Specific Goals.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	**100**

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

(a) **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

(b) **"price"** means an amount of money tendered for goods or services, and includes

all applicable taxes less all unconditional discounts;

(c) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

(d) **"tender for income-generating contracts"** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

(e) **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

A maximum of 80 points is allocated for price on the following basis:

80/20

$$Ps = 80\left(1 - \frac{Pt - P\,min}{P\,min}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

A maximum of 80 points is allocated for price on the following basis:

80/20

$$Ps = 80\left(1 + \frac{Pt - P\,max}{P\,max}\right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes

of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
At least 51% owned by people that are women	05	
At least 50% owned by disabled people	05	
At least 51% owned by black people that are youth	10	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm……

4.4. Company registration number: ……...

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution, if deemed necessary.

.....

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME: .....

DATE: .....

ADDRESS: .....

.....

.....

.....

ANNEXURE A

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

(i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid if (applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

1. **Definitions**
2. **Application**
3. **General**
4. **Standards**
5. **Use of contract documents and information; inspection**
6. **Patent rights**
7. **Performance security**
8. **Inspections, tests and analysis**
9. **Packing**
10. **Delivery and documents**
11. **Insurance**
12. **Transportation**
13. **Incidental services**
14. **Spare parts**
15. **Warranty**
16. **Payment**
17. **Prices**
18. **Contract amendments**
19. **Assignment**
20. **Subcontracts**
21. **Delays in the supplier's performance**
22. **Penalties**
23. **Termination for default**
24. **Dumping and countervailing duties**
25. **Force Majeure**
26. **Termination for insolvency**
27. **Settlement of disputes**
28. **Limitation of liability**
29. **Governing language**
30. **Applicable law**
31. **Notices**
32. **Taxes and duties**
33. **National Industrial Participation Programme (NIPP) General Conditions of Contract**

1. Definitions - 1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder,

and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" meansthe organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other

such obligations of the supplier covered under the contract.

1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application -

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General –

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronicallyfrom www.treasury.gov.za

4. Standards -

4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5.Use of - contract documents and information; inspection. The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan,drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any

person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on

completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

5. Patent - rights 6.1 The supplier shall indemnify the purchaser against all thirdparty claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

6. Performance - security **7.1** Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
(b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

7. Inspections, tests – analyses

8.1 All pre-bidding testing will be for the account of the bidder. **and**

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing - 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and accordance **documents**

10.1 Delivery of the goods shall be made by the supplier in with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance -

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation -

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services - 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

16.1.1 performance or supervision of on-site assembly and/or commissioning of the supplied goods;

16.1.2 furnishing of tools required for assembly and/or maintenance of the supplied goods;

16.1.3 furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

16.1.4 performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

16.1.5 training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts - 14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:

(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty -

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment -

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices -

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

24. Contract – Amendments

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment -

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts -

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the – supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties -

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

(a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;

(b) if the Supplier fails to perform any other obligation(s) under the contract; or

(c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information: (i) the name and address of the supplier and / or person restricted by the purchaser; (ii) the date of commencement of the restriction (iii) the period of restriction; and (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping –

24.1 When, after the date of bid, provisional payments are required, or **and countervailing** antidumping or countervailing duties are imposed, or the amount of a

duties and rights provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25. Force Majeure - 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination – 26.1 The purchaser may at any time terminate the contract by giving

for insolvency

written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of – Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability – **28.1** Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language – **29.1** The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law - **30.1** The contract shall be interpreted in accordance with South African

laws, unless otherwise specified in SCC.

31. Notices - 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties - 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National and **Industrial Participation (NIP) Programme**

33.1 The NIP Programme administered by the Department of Trade Industry shall be applicable to all contracts that are subject to the NIP obligation.

General Conditions of Contract (revised February 2008)