

## HUMAN SCIENCES RESEARCH COUNCIL

**BID DESCRIPTION: appointment of a service provider to provide strategic migration from VMWARE TO H3C CAS for a period of three (3) years**

**BID NUMBER: HSRC/04/2026/27**

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### 1. HSRC BACKGROUND INFORMATION

The Human Sciences Research Council (HSRC) is a research organisation that advances social sciences and humanities for public use. The HSRC subscribes to the values of good governance, accountable public administration and sound management of the resources as reflected in the Public Financial Management Act of 1999 (PFMA as amended by Act 29 of 1999) and other laws and regulations applicable to public administration.

Established in 1968 as South Africa's statutory research agency the HSRC has grown to become the largest dedicated research institute in the social sciences and humanities on the African continent, doing cutting-edge public research in areas that are crucial to development.

Our mandate is to inform the effective formulation and monitoring of government policy; to evaluate policy implementation; to stimulate public debate through the effective dissemination of research-based data and fact-based research results; to foster research collaboration; and to help build research capacity and infrastructure for the human sciences.

Please refer to our privacy notice to understand how your personal information is collected, used and disclosed by the HSRC. The privacy notice can be found on the HSRC website. The Council conducts large-scale, policy-relevant, social-scientific research for public sector users, non-governmental organisations and international development agencies. Research activities and structures are closely aligned with South Africa's national development priorities.

**Beware of scammers who call using personal numbers, HSRC personnel uses landline and work email to communicate with the bidders and will never asked for private meeting or meet up.**

## **2. TENDER BACKGROUND**

The HSRC currently manages its Data Centre architecture using a VMware-based virtualization platform. Recent developments in the acquisition of VMware by Broadcom, has necessitated a shift from VMware to an alternative virtualisation platform which can facilitate seamless management of our data centre Infrastructure.

Consequently, the HSRC has identified the H3C Cloud Automation System (CAS) as the strategic alternative. H3C CAS offers telecom-grade virtualization, VMware compatibility, high-availability (HA), Distributed Resource Scheduler (DRS), and unified multi-platform management.

This Terms of Reference (ToR) invites experienced bidders to provide professional services for the end-to-end migration from VMware to H3C CAS, ensuring zero data loss, minimal downtime, and full post-migration operational integrity.

## **3. SCOPE OF WORK AND PROFESSIONAL SERVICES**

The bidder shall be responsible for the following

### ***3.1 Assessment and Planning***

- a) Conduct a discovery audit of the existing VMware environment (vSphere, vCenter, VM configurations, storage, networking).
- b) Map source VMs to target H3C CAS Infrastructure.
- c) Identify dependencies, Compatibility issues, and Migration sequencing.
- d) Develop a rollback plan for each migration wave

### ***3.2 H3C CAS Deployment***

- a) Deploy H3C CAS components:
  - I. Cloud Virtualization Kernel (CVK) on target physical hosts.
  - II. Cloud Virtualization Manager (CVM) for centralized management.
- b) Configure clusters, resource pools, HA, DRS, and DPM as per HSRC requirements.
- c) Set up shared storage (SAN/iSCSI/NFS) integration and security.
- d) Configure distributed virtual switches and vFirewall policies (IPv4/IPv6)

### 3.3 VMware to CAS Migration

- a) Leverage H3C CAS's native VMware compatibility layer.
- b) Perform live/offline migration of VMs (including those running SQL Server, Critical applications)
- c) Migrate VMware templates, snapshots, and metadata where applicable.
- d) Reconfigure Network and Security policies post-migration.

### 3.4 Post-Migration Validation

- a) Functional testing of all operational workloads.
- b) Performance benchmarking (CPU, memory, Disk I/O, Network I/O)
- c) HA Failover Testing.
- d) Backup and Restore validation (including third-party integration).
- e) Log and audit trail verification

### 3.5 Knowledge Transfer and Documentation

- a) Provide detailed as-built documentation.
- b) Conduct admin training (H3C CAS operations, one-click O&M, DRX, Cloud rainbow).
- c) Deliver runbooks for health checks, Storage clean-up, and Resource analysis

### 3.6 Post Implementation – Maintenance and Support

- a) H3C 3Yr Support Service for Cloud Software (Support for Year 1, 2 and 3)

### 3.7 Technical Requirements

Bidders must demonstrate the following competencies in the tender proposal:

**Table 1: Bidder competencies**

Requirement	Description
<b>VMware expertise</b>	Deep knowledge of vSphere 6.x/7.x, vCenter, VMFS, and VMware networking
<b>H3C CAS Competency</b>	Certified Experience in deploying CVK, CVM, clusters, and Migration Tools
<b>Storage Familiarity</b>	Experience with SAN, iSCSI, NFS, and RDM mappings
<b>Security Compliance</b>	Ability to implement agentless Antivirus, Distributed Firewall, and Audit Logging
<b>Backup Integration</b>	Experience with AsialInfo Security, RunStor, MacroSAN, or equivalent
<b>Cross Data Centre Migration</b>	Familiarity with Cloud Rainbow Technology for migration

### 3.8 Project Timeline and Milestones

The project timeline outlines the total project duration from issuing of purchase order (PO), Service level agreement (SLA) signing, and Go-live. It further includes a mandatory Proof of Concept (POC) phase followed by the production migration, with sufficient buffer for testing, error correction, and final cutover.

**By responding to the bid, the bidder must commit to the following high-level timeline, culminating in a live production cutover to H3C CAS on 05 October 2026:**

- **Phase 0 – Procurement & Kick-off:** Purchase Order Issued, SLA signed, Project team mobilised.
- **Phase 1 – Mandatory Proof of Concept (POC):** The POC must include migration of at least 5 representative VMs, full functional testing, with no downtime to the production environment as well as mitigation of any associated risks, which will be followed by formal HSRC-ICT sign-off before any production migration commences.
- **Phase 2 – Production Migration Planning:** Wave definitions, Rollback plans, and detailed runbooks.
- **Phase 3 – Production Migration Execution:** All VMware workloads migrated to H3C CAS.
- **Phase 4 – Final Testing & Error Resolution:** All Regression, Performance, HA, backup, and security checks.
- **Phase 5 – Cutover & Go-Live:** Go-live on 02-03 October 2026.
- **Phase 6 – Post Go-Live Support:** Minimum 4 weeks warranty period following Go-live.

**Table 2: Product description**

<b>Product Description</b>	<b>Quantity</b>
<b>H3C CAS</b> Cloud Virtualisation Manager – Enterprise Edition License, 1 CPU	<b>24</b>
CAS Integration and Deployment Expand Kit Service ( <b>Service Incl. CAS Deployment, Configuration and Migration</b> )	<b>1</b>
H3C CAS 3Yr Support Service for Cloud Software ( <b>Support for Year 1, 2 and 3</b> )	<b>1</b>

**Any delays in the POC approval will trigger a revised go-live schedule to be mutually agreed between HSRC and the bidder.**

#### 4. SUBMISSION

- a) Bid documents may either be couriered to the HSRC Building, 134 Pretorius Street Pretoria (preferably registered mail) OR placed in the tender box OR couriered to HSRC Building, 134 Pretorius Street Pretoria before the closing date and time.
- b) NB: The HSRC shares the building with the Department of Social Development (DSD). Bidders are requested to ensure that their bid documents are deposited in the correct tender box. Bid documents deposited in the wrong tender box and received from DSD after the closing date will not be considered.
- c) Bid documents will only be considered if received by the HSRC before the closing date and time, regardless of the method used to send or deliver such documents to the HSRC.
- d) This is a two (2) stage bidding process. Bidders are required to submit an original file consisting of a proposal in one (1) envelope as well as a USB containing a duplicate soft copy. Envelope two (2) should contain pricing schedule and 6.1 and supporting documentation for stage 2 (price and preference points) bid evaluation. Each envelope and USB must be marked correctly and sealed separately for ease of reference during the evaluation process. Furthermore, the file and information in the USB must be labelled and submitted in the following format depicted in the table 1 below:

**Table 3: Format of bid submission**

Envelope 1 and USB (Technical file)	Envelope 2 (Price and preference points)
Signed and initialled bid document	Pricing schedule
General Conditions of contract	SBD 6.1
Company profile	Preference points response
SBD 1 and SBD 4	Any supplementary information
Technical response	
Any supplementary information	

- e) Bidders are requested to initial each page of the tender document including supporting document and pricing schedules.

**Table 4: Bid timelines**

<b>Activity</b>	<b>Due Date</b>
Advertisement of bid on Government e-tender portal / HSRC website	29 May 2026
Non-compulsory virtual briefing session (Microsoft Teams) <a href="https://teams.microsoft.com/meet/371584827263709?p=1mJHk5Pzk0D1esOijJ">https://teams.microsoft.com/meet/371584827263709?p=1mJHk5Pzk0D1esOijJ</a> Meeting ID: 371 584 827 263 709 Passcode: UP2LW2P3	08 June 2026 @ 10:00 AM
Closing date for bid-related enquiries	10 June 2026 @ 15:00
Publication of questions and answers on HSRC website	12 June 2026
Bid closing date	19 June 2026 @ 11:00 AM
Notice to bidder(s)	HSRC will endeavour to inform bidders of the progress until conclusion of the tender.
Bid validity	The bid must be valid for a period of 90 days from the closing date

- f) All dates and times in this bid are South African standard time.
- g) Any time or date in this bid is subject to change at the HSRC's discretion.
- h) The establishment of a time or date in this bid does not create an obligation on the part of the HSRC to take any action or create any right in any way for any bidder to demand that any action be taken on the date established. The bidder accepts that, if the HSRC extends the deadline for bid submission (the Closing Date) for any reason, the requirements of this bid otherwise apply equally to the extended deadline.

## **5. SUPPLIER DUE DILIGENCE**

The HSRC reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits and requests for additional information.

## **6. EVALUATION CRITERIA**

The HSRC has set minimum standards (Stages) that a bidder needs to meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

**Table 5: Evaluation stages**

<b>Pre-qualification criteria (Stage 0)</b>	<b>Technical Evaluation Criteria (Stage 1)</b>	<b>Price and Preference Point Systems Evaluation (Stage 2)</b>
Bidders must submit all documents as on pre-qualification criteria. Only bidders that comply with ALL these criteria will proceed to the next stage.	This stage has two phases. Bidder(s) are required to achieve a minimum of 64 points on Phase 1 and 20 points on phase 2 in order to proceed to Stage 2 (Price and Preference Point Systems).	Bidder(s) will be evaluated using the 80/20 preference points system. 80 points will represent price and 20 points will represent preference points

### 6.1 Stage 0- Pre-qualification Criteria

The following pre-qualification criteria will be applied in the initial stage of the evaluation. Bidders who do not meet these requirements will not proceed to the next stage of the evaluation.

Bidders must submit documents required in table 5 in order for BEC to be evaluated and test the bidder's legal suitability to provide services to the HSRC

**Table 6: Documents that must be submitted for Pre-qualification**

<b>Document that must be submitted</b>	<b>Non-submission will result in immediate disqualification?</b>	
<b>Invitation to Bid – SBD 1</b>	<b>Yes</b>	Complete and sign the supplied pro forma document
<b>Declaration of Interest – SBD 4</b>	<b>Yes</b>	Complete and sign the supplied pro forma document
<b>Preference Point Claim Form – SBD 6.1</b>	<b>No</b>	Non-submission will lead to a zero (0) score on specific goals
<b>Registration on Central Supplier Database (CSD)</b>	<b>No</b>	Service provider must be registered with Central Supplier Database (CSD). If you are not registered proceed to complete the registration of your company prior to submitting your proposal. Visit <a href="https://secure.csd.gov.za/">https://secure.csd.gov.za/</a> to obtain your vendor number. Submit proof of registration
<b>General Conditions of Contract</b>	<b>Yes</b>	Initial each page and sign

## 6.2 STAGE 1: FUNCTIONALITY EVALUATION CRITERIA

The functionality criteria aim to assess the bidder’s capability, reliability and ability to execute and maintain a bid and / or contract. Stage 1 will be evaluated in two (2) phases. Phase 1 desktop evaluation and phase 2 live demonstration

### 6.2.1 Phase 1- Desktop Evaluation= 80 points

- The minimum number of points that bidders have to obtain in order to progress to the phase 2 of evaluation is 80% (64 of 80) points.
- Bids that score less than 80 %( 64 of 80) points on phase 1 will be disqualified and will not progress to the next phase of evaluation.

**Table 7: Desktop functionality**

<b>Table 5: Functionality criteria</b>	
<b>Criteria</b>	<b>Points</b>
<p><b>1. EXPERIENCE OF THE BIDDER:</b></p> <p>Proof that the bidder has been in existence and has been performing installations or migrations services of similar nature and further providing post implementation support services in the past 5 years. Evidence should be in the form of a contract schedule showing such services and support.</p> <p>Points allocation:</p> <ul style="list-style-type: none"> <li>• Less than 3 contracts (3 points)</li> <li>• 3 – 5 contracts (5 points)</li> <li>• More than 5 contracts (10 points)</li> </ul>	<b>10</b>
<p><b>2. TRACK RECORD OF THE BIDDER</b></p> <p>Bidder must provide relevant contactable references where the proposed migration of Data centre hypervisor services of similar nature has been successfully implemented in the past five (5) years.</p> <p><b>“Emphasis will be on the bidder’s Implementation &amp; Support capabilities.”</b></p> <p>Reference letters will only be considered valid if they meet the following criteria:</p> <ul style="list-style-type: none"> <li>• if on an official client letterhead.</li> <li>• if it makes reference to the provision of similar services.</li> <li>• if the service provided is not older than 5 years.</li> <li>• if signed and dated by relevant personnel.</li> <li>• If the letter is not older than six months</li> </ul> <p><b>3x letters = 20    2x letters = 10    1x letter = 5</b></p>	<b>20</b>

<p><b>3. METHODOLOGY</b></p> <p>Bidder must provide comprehensive implementation plan on how the solution will be executed. The plan should include</p> <ul style="list-style-type: none"> <li>a) processes to follow, timelines and deliverables.</li> <li>b) Clarity and feasibility of migration methodology aligned to Prince2, PMBOK or similar. Risk mitigation and Rollback Strategy.</li> <li>c) CAS Integration and Deployment Expand Kit Service (Service Incl. CAS Deployment, Configuration and Migration)</li> </ul> <p><b>Points allocation:</b> <b>Methodology= 20 points</b></p> <p>Excellent detailed deployment: <b>20 points</b> Poor deployment: <b>10 points</b> No methodology: <b>0 points</b></p> <p><b>Project plan- 20 points</b> Detailed Project Plan &amp; timelines: <b>5 points</b> No Project Plan or Plan not detailed: <b>0 points</b></p> <p><b>Risk Management= 5 points</b> Detailed Risk management and mitigation: <b>5 points</b> No Risk management and mitigation: <b>0 points</b></p>	<p><b>30</b></p>
<p><b>4. CAPACITY OF SERVICE PROVIDER</b></p> <p><b>Bidder must submit a structure composition of the proposed team in the form of an organogram, clearly outlining,</b></p> <ul style="list-style-type: none"> <li>• Main disciplines/ specialties <b>(5 points)</b></li> <li>- Poor (no structured composition of the proposed team) – <b>0 points</b></li> </ul> <p><b>Resume of personnel’s skills that highlights the following,</b></p> <ul style="list-style-type: none"> <li>• Detailed resume of <b>Project Lead (5 points)</b></li> </ul> <p>That highlight areas of experience/competencies relevant to tasks and objectives of this bid. Virtualization Platform certificates</p> <p><b>Experience of the Project Lead</b></p> <ul style="list-style-type: none"> <li>• Less than 5 years’ experience <b>(3 points)</b></li> <li>• 5- 9 years’ experience <b>(5 points)</b></li> <li>• More than 10 years’ experience <b>(10 points)</b></li> </ul>	<p><b>20</b></p>

**Bids that score less than 80 points on phase 1 will be disqualified and will not progress to the next phase of evaluation.**

**6.2.2 Phase 2- Live demonstration =20 Points**

The maximum points a bidder can score in phase 2 is 20, and therefore bidders will need to score a minimum of 20 points in order to proceed to stage 2: Price and preference points.

Bids that score less than 20 points will be disqualified

Each bidder will be allocated 30 minutes to complete the demonstration in a live or simulated environment walkthrough of their choice which will incorporate a live Q&A from the panel

Criteria	Points												
<b>Live Demonstration (Practical Solution Evaluation)</b>													
<p>Bidders must demonstrate ability to execute a verifiable, fully operational migration from VMware to H3C CAS.</p> <p>Key areas to demonstrate and points allocation are as follows:</p> <ul style="list-style-type: none"> <li>a) Environmental Setup: (4) points</li> <li>b) H3C CAS Deployment: (4) points</li> <li>c) Migration Execution: (4) points</li> <li>d) Post-Migration verification: (4) points</li> <li>e) Feature competence: (4) points</li> </ul> <p>Competence Demonstration – Key Features</p> <table border="1" data-bbox="113 1420 1233 1935"> <thead> <tr> <th data-bbox="113 1420 743 1503">Key Feature</th> <th data-bbox="743 1420 1233 1503">Bidder must demonstrate/ explain</th> </tr> </thead> <tbody> <tr> <td data-bbox="113 1503 743 1592">Dynamic Resource Scheduler (DRS)</td> <td data-bbox="743 1503 1233 1592">How to enable and set automation level</td> </tr> <tr> <td data-bbox="113 1592 743 1682">Dynamic Power Management (DPM)</td> <td data-bbox="743 1592 1233 1682">How to configure power-saving policies</td> </tr> <tr> <td data-bbox="113 1682 743 1771">VM backup and restore</td> <td data-bbox="743 1682 1233 1771">Perform a snapshot-based backup and restore</td> </tr> <tr> <td data-bbox="113 1771 743 1861">One-click health inspection</td> <td data-bbox="743 1771 1233 1861">Run one-click inspection and interpret report</td> </tr> <tr> <td data-bbox="113 1861 743 1935">Cross Data centre migration (cloud rainbow)</td> <td data-bbox="743 1861 1233 1935">Explain steps for migrating VM to another CAS cluster</td> </tr> </tbody> </table>	Key Feature	Bidder must demonstrate/ explain	Dynamic Resource Scheduler (DRS)	How to enable and set automation level	Dynamic Power Management (DPM)	How to configure power-saving policies	VM backup and restore	Perform a snapshot-based backup and restore	One-click health inspection	Run one-click inspection and interpret report	Cross Data centre migration (cloud rainbow)	Explain steps for migrating VM to another CAS cluster	<b>20</b>
Key Feature	Bidder must demonstrate/ explain												
Dynamic Resource Scheduler (DRS)	How to enable and set automation level												
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VM backup and restore	Perform a snapshot-based backup and restore												
One-click health inspection	Run one-click inspection and interpret report												
Cross Data centre migration (cloud rainbow)	Explain steps for migrating VM to another CAS cluster												

Total	<b>20</b>
NB: The Bids that fail to achieve a maximum of 20 points for the live demonstration criteria will be disqualified.	
This means that such bids will not be considered for evaluation at Stage 3: Price and Preference points.	

### 6.3 Stage 2- Price and Specific Goals

Price and specific goals will be evaluated as follows:

In terms of regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated on the 80/20-preference point system in terms of which points are awarded to bidders on the basis of:

#### **Stage 1 – Price Evaluation (80 Points)**

Criteria	Points
Price Evaluation  $P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	80

The following formula will be used to calculate the points for price:

Where

$P_s$  = Points scored for comparative price of bid under consideration

$P_t$  = Comparative price of bid under consideration

$P_{\min}$  = Comparative price of lowest acceptable bid

#### **Stage 2 – Preference points Evaluation (20 Points) – Preference Points allocation**

A maximum of 20 points may be allocated to a bidder for attaining their preference points in accordance with the table below:

Specific Goals [PPPFA par 2(1) (d)]	Number of points (80/20 system)	Required proof/ documents to be submitted for evaluation purposes
SMME (EME & QSE)	4	CSD report showing EME/QSE classification
Owned by black people (50% or more)	4	CSD report/ CSD registration number (MAAA number)

Specific Goals [PPPFA par 2(1) (d)]	Number of points (80/20 system)	Required proof/ documents to be submitted for evaluation purposes
Owned by black people who are youth (30% or more)	4	CSD report/ CSD registration number (MAAA number)
Owned by black people who are women (30% or more)	4	CSD report/ CSD registration number (MAAA number)
Owned by black people with disabilities (30% or more)	4	CSD report/ CSD registration number (MAAA number)  Certified medical certificate from a registered medical practitioner
Total points to be claimed	20	

- a) Failure to submit a fully completed SBD 6.1 will lead to no award of points for preference.
- b) The points scored by a bidder in respect of points indicated above will be added to the points scored for price.
- c) Bidders are requested to complete the various preference claim forms in order to claim preference points.
- d) Only a bidder who completed and signed the declaration part of the preference claim form will be considered for preference points.
- e) Points scored will be rounded off to the nearest 2 decimals.
- f) In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for preference points. Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.
- g) A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points.
- h) Joint ventures, consortiums and trusts:
  - i) A trust, consortium or joint venture, will qualify for points for their preference points as a legal entity, provided that the entity submits their preference points claims.
  - ii) A trust, consortium or joint venture will qualify for points for their preference points as an unincorporated entity, provided that the entity submits their consolidated preference points scorecard as if they were group structure and that

such a consolidated preference points scorecard is prepared for every separate bid.

- iii Bidders must submit concrete proof of the existence of joint venture and/ or consortium arrangements. HSRC will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.
- i) The joint venture and/ or consortium arrangements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, with the power of attorney to bind the other party/ parties in respect of matters pertaining to the joint venture and/ or consortium arrangement.
- j) Subcontracting after award of tender
  - i A person awarded a contract may only enter into a subcontracting arrangement with the approval of HSRC
  - ii A person awarded a contract in relation to a designated sector, may not subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below stipulated minimum threshold.

## **7. PRICING SCHEDULE**

7.1 The pricing schedule (see Annexure A) provided in this bid forms an integral part of the bid document and bidders must ensure that it is completed in full without changing the structure thereof.

7.2 Bidders are required to complete a mandatory Pricing Schedule, herewith attached as Annexure A as a response to how much the items offered will be charged. Failure to submit the Annexure A Pricing Schedule will invalidate the bid response.

7.3 Bidders must quote in ZAR and include all applicable taxes

7.4 The HSRC reserves the right to negotiate rates submitted by bidders

## **8. CONTRACT PRICE ADJUSTMENT**

Contract price adjustments will be done annually on the anniversary of the contract start date

## **9. GENERAL CONDITION OF CONTRACT**

Any award made to a bidder(s) under this bid is conditional, amongst others, upon –

- a) The bidder(s) accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which the HSRC is prepared to enter into a contract with the successful Bidder(s).
- b) The bidder submitting the General Conditions of Contract to the HSRC together with its bid, duly signed by an authorised representative of the bidder.
- c) The bidder should provide two different quotations per citation database.
- d) HSRC reserves the right to appoint one or two service providers for this service.

## **10. SERVICE LEVEL AGREEMENT**

- a) Upon award the HSRC and the successful bidder/s will conclude a Service Level Agreement regulating the specific terms and conditions applicable to the services being procured by the HSRC more or less in the format of the draft Service Level Indicators included in this tender pack.
- b) The HSRC reserves the right to vary the proposed draft Service Level Indicators during the course of negotiations with a bidder/s by amending or adding thereto.
- c) Bidder(s) are requested to:
  - i. Comment on draft Service Level Indicators and where necessary, make proposals to the indicators;
  - ii. Explain each comment and/or amendment; and
  - iii. Use an easily identifiable colour font or “track changes” for all changes and/or amendments to the Service Level Indicators for ease of reference.
  - iv. The HSRC reserves the right to accept or reject any or all amendments or additions proposed by a bidder if such amendments or additions are unacceptable to the HSRC or pose a risk to the organisation.
- d) The Service Level Agreement will be for thirty-six (36) months and no automatic renewal will be allowed.

## **11. SPECIAL CONDITIONS OF THIS BID**

The HSRC reserves the right:

- a) To award this tender to a bidder that did not score the highest total number of points, only in accordance with section 2(1)(f) of the PPPFA (Act 5 of 2000)

- b) To negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).
- c) To accept part of a tender rather than the whole tender
- d) To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid.
- e) To request for additional information not asked for in the standard bidding documents
- f) To correct any mistakes at any stage of the tender that may have been in the Bid documents or occurred at any stage of the tender process.
- g) To cancel and/or terminate the tender process at any stage, including after the Closing Date and/or after presentations have been made, and/or after tenders have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.
- h) Award to multiple bidders based either on size or geographic considerations.

## **12. HSRC REQUIRES BIDDER(S) TO DECLARE**

In the Bidder's Technical response, bidder(s) are required to declare the following:

Confirm that the bidder(s) is to: –

- a) Act honestly, fairly, and with due skill, care and diligence, in the interests of the HSRC
- b) Have and employ effectively the resources, procedures and appropriate technological systems for the proper performance of the services;
- c) Act with circumspection and treat the HSRC fairly in a situation of conflicting interests;
- d) Comply with all applicable statutory or common law requirements applicable to the conduct of business;
- e) Make adequate disclosures of relevant material information including disclosures of actual or potential own interests, in relation to dealings with the HSRC
- f) Avoidance of fraudulent and misleading advertising, canvassing and marketing;
- g) To conduct their business activities with transparency and consistently uphold the interests and needs of the HSRC as a client before any other consideration; and
- h) To ensure that any information acquired by the bidder(s) from the HSRC will not be used or disclosed unless the written consent of the client has been obtained to do so.

### **13. CONFLICT OF INTEREST, CORRUPTION AND FRAUD**

The HSRC reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of HSRC or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity")

- a) Engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- b) Seeks any assistance, other than assistance officially provided by a government entity, from any employee, advisor or other representative of a government entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a government entity;
- c) Makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of the HSRC's officers, directors, employees, advisors or other representatives;
- d) Makes or offers any gift, gratuity, anything of any value or other inducement, to any government entity's officers, directors, employees, advisors or other representatives in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a government entity;
- e) accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- f) pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- g) has in the past engaged in any matter referred to above; or
- h) has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's

name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

#### **14. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT**

The bidder should note that the terms of its Tender will be incorporated in the proposed contract by reference and that the HSRC relies upon the bidder's Tender as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder.

- a) It follows therefore that misrepresentations in a Tender may give rise to service termination and a claim by the HSRC against the bidder notwithstanding the conclusion of the Service Level Agreement between the HSRC and the bidder for the provision of the Service in question. In the event of a conflict between the bidder's proposal and the Service Level Agreement concluded between the parties, the Service Level Agreement will prevail.

#### **15. PREPARATION COSTS**

- a) The Bidder will bear all its costs in preparing, submitting and presenting any response or Tender to this bid and all other costs incurred by it throughout the bid process.
- b) Furthermore, no statement in this bid will be construed as placing the HSRC, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of their response to this bid.

#### **16. INDEMNITY**

If a bidder breaches the conditions of this bid and, as a result of that breach, the HSRC incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds the HSRC harmless from any and all such costs which the HSRC may incur and for any damages or losses the HSRC may suffer.

#### **17. PRECEDENCE**

This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this document by reference.

## **18. LIMITATION OF LIABILITY**

A bidder participates in this bid process entirely at its own risk and cost. The HSRC shall not be liable to compensate a bidder on any grounds whatsoever for any costs incurred or any damages suffered as a result of the Bidder's participation in this Bid process.

## **19. TAX COMPLIANCE**

No tender shall be awarded to a bidder who is not tax compliant. The HSRC reserves the right to withdraw an award made, or cancel a contract concluded with a successful bidder in the event that it is established that such bidder was in fact not tax compliant at the time of the award, or has submitted a fraudulent Tax Clearance

- a) Certificate to the HSRC, or whose verification against the Central Supplier Database (CSD) proves non-compliant. The HSRC further reserves the right to cancel a contract with a successful bidder in the event that such bidder does not remain tax compliant for the full term of the contract.

## **20. TENDER DEFAULTERS AND RESTRICTED SUPPLIERS**

No tender shall be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appear on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. The HSRC reserves the right to withdraw an award, or cancel a contract concluded with a Bidder should it be established, at any time, that a bidder has been blacklisted with National Treasury by another government institution.

## **21. AVAILABILITY OF FUNDS**

Should funds no longer be available to pay for the execution of the responsibilities of this bid, the HSRC may terminate the Agreement at its own discretion or temporarily suspend all or part of the services by notice to the successful bidder who shall immediately make arrangements to stop the performance of the services and minimize further expenditure: Provided that the successful bidder shall thereupon be entitled to payment in full for the services delivered, up to the date of cancellation or suspension.

## **22. CONFIDENTIALITY CLAUSE**

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's tender(s)

will be disclosed by any bidder or other person not officially involved with HSRC's examination and evaluation of a tender. The process being fully compliant with the HSRC's Protection of Personal Information Policy of 2023.

No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a tender. This bid and any other documents supplied by HSRC remain proprietary to HSRC and must be promptly returned to HSRC upon request together with all copies, electronic versions, excerpts, or summaries thereof or work derived there from.

Throughout this bid process and thereafter, bidder(s) must secure HSRC's written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

No confidential information relating to the process of evaluating or adjudicating tenders or appointing a bidder will be disclosed to a bidder or any other person not officially involved with such process

**PART A  
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	<b>HSRC/04/2026/27</b>	CLOSING DATE:	<b>19 June 2026</b>	CLOSING TIME:	11:00 AM
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE STRATEGIC MIGRATION FROM VMWARE TO H3C CAS FOR A PERIOD OF THREE (3) YEARS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
HSRC Building					
134 Pretorius Street					
Pretoria					
0002					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Bid Section		CONTACT PERSON		
TELEPHONE NUMBER	012 302 2180		TELEPHONE NUMBER		
FACSIMILE NUMBER	n/a		FACSIMILE NUMBER	n/a	
E-MAIL ADDRESS	Tenders@hsrc.ac.za		E-MAIL ADDRESS		
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]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX]

			<input type="checkbox"/> Yes <input type="checkbox"/> 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]**

1 ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	2 ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]
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**QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS**

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  
 YES  NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA?  
 YES  NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?  
 YES  NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  
 YES  NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?  
 YES  NO

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**

<b>1. BID SUBMISSION:</b>
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED--(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. 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.

1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).

**2. TAX COMPLIANCE REQUIREMENTS**

2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.

2.2 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.

2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.

2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.

2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.

2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

2.7 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:.....

**BIDDER'S DISCLOSURE**

**1. PURPOSE OF THE FORM**

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 and further expressed in various pieces of legislation, it is required for the bidder to make this declaration in respect of the details required hereunder.

Where a person/s are 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. Bidder's declaration**

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? YES/NO

1.1.1 If so, furnish particulars of the names, individual identity numbers, and, if applicable, state employee numbers of sole proprietor/ directors / trustees / shareholders / members/ partners or any person having a controlling interest in the enterprise, in table below.

Full Name	Identity Number	Name of State institution

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

2.2.1 If so, furnish particulars:

.....  
 .....

---

1 the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.3 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

2.3.1 If so, furnish particulars:

.....  
.....

### 3 DECLARATION

I, the undersigned, (name)..... 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 not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 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.
- 3.4 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.
- 3.5 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.

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<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

3.6 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 No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature Date

.....  
Position 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

**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).

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 90/10 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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



A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ \\ P_s = 8 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right) & \text{or} & P_s = 90 \left( 1 + \frac{P_t - P_{max}}{P_{max}} \right) \end{array}$$

Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration       $P_{max}$  =

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 (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
SMME (EME &QSE)		4		
Owned by black people (50% or more)		4		
Owned by black people who are youth (30% or more)		4		
Owned by black people who are women (30% or more)		4		
Owned by black people with disabilities (30% or more)		4		
Total Points		20		

**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: .....

.....

.....

.....

.....

## General Conditions of Contract

THE GENERAL CONDITIONS OF THE CONTRACT WILL FORM PART OF ALL BID DOCUMENTS AND MAY NOT BE AMENDED

THE NATIONAL TREASURY  
Republic of South Africa



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" means the 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 Bid Bulletin. The Government Bid Bulletin may be obtained directly from the Government Printer, Private Bag X70, Pretoria 0001, or accessed electronically from [www.treasury.gov.za](http://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
- 5.1 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.
6. Patent rights 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
7. 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) 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.
8. Inspections, tests and analyses 8.1 All pre-bidding testing will be for the account of the bidder.
- 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 analysed 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 documents
- 10.1 Delivery of the goods shall be made by the supplier in accordance 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:
- (a) Performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - (d) 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
  - (e) 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.
  - (iii)

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.
18. 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 contract 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



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.
  - (c)
- 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 Industrial Participation (NIP) Programme**
- 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34. Prohibition of Restrictive practices**
- 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in

addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder