

PART A INVITATION TO BID

ZERO-TOLERANCE TO FRAUD, THEFT AND CORRUPTION (ANTI-FRAUD, THEFT AND CORRUPTION)

THE WCG IS COMMITTED TO GOVERN ETHICALLY AND TO COMPLY FULLY WITH ANTI-FRAUD, THEFT AND CORRUPTION LAWS AND TO CONTINUOUSLY CONDUCT ITSELF WITH INTEGRITY AND WITH PROPER REGARD FOR ETHICAL PRACTICES.

THE WCG HAS A ZERO TOLERANCE APPROACH TO ACTS OF FRAUD, THEFT AND CORRUPTION BY ITS OFFICIALS AND ANY SERVICE PROVIDER CONDUCTING BUSINESS WITH THE WCG.

THE WCG EXPECTS ALL ITS OFFICIALS AND ANYONE ACTING ON ITS BEHALF TO COMPLY WITH THESE PRINCIPLES TO ACT IN THE BEST INTEREST OF THE WCG AND THE PUBLIC AT ALL TIMES.

THE WCG IS COMMITTED TO PROTECTING PUBLIC REVENUE, EXPENDITURE, ASSETS AND REPUTATION FROM ANY ATTEMPT BY ANY PERSON TO GAIN FINANCIAL OR OTHER BENEFIT IN AN UNLAWFUL, DISHONEST OR UNETHICAL MANNER.

INCIDENTS AND SUSPICIOUS ACTIVITIES WILL BE THOROUGHLY INVESTIGATED AND WHERE CRIMINAL ACTIVITY IS CONFIRMED, RESPONSIBLE PARTIES WILL BE PROSECUTED TO THE FULL EXTENT OF THE LAW.

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF POLICE OVERSIGHT AND COMMUNITY SAFETY					
BID NUMBER:	POCS 02-2025/2026	CLOSING DATE:	10 SEPTEMBER 2025	CLOSING TIME:	11 H00 AM
DESCRIPTION	ADMINISTRATION OF THE EXPANDED PUBLIC WORKS PROGRAMME (EPWP)				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
35 Wale Street					
Cape Town CBD					
8000					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Esethu Makanda		CONTACT PERSON	Theresha Hanekom	
TELEPHONE NUMBER	021 483 6324		TELEPHONE NUMBER	021 483 5717	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	Esethu.Makanda@Westerncape.gov.za		E-MAIL ADDRESS	Theresha.Hanekom@westerncape.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:		AND	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
IF YES, WAS THE CERTIFICATE ISSUED BY A VERIFICATION AGENCY ACCREDITED BY	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No				

THE SOUTH AFRICAN NATIONAL ACCREDITATION SYSTEM (SANAS)			
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs & QSEs) MUST BE SUBMITTED TOGETHER WITH A COMPLETED 6.1 IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]			
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]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS			
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?		<input type="checkbox"/> YES <input type="checkbox"/> 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

1. BID SUBMISSION:
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, 2022, 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 (WCBD7).
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 VIEW THE TAXPAYER'S PROFILE AND TAX STATUS. 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING THROUGH THE WEBSITE WWW.SARS.GOV.ZA. 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE WITH TOGETHER WITH THE BID. 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE AND CSD NUMBER AS MENTIONED IN 2.3 ABOVE. 2.6 WHERE NO TCS PIN 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:

.....



Terms of Reference (TOR)

Administration

of the

Expanded Public Works

Programme (EPWP)

Closing date: 10 September 2025

Time: 11H00 AM

Validity: 90 Days

Bid No: POCS 02-2025/2026

Table of contents

1. Introduction	3
2. Objectives and Scope of the Project	4
2.1 Overall scope of the project	4
3. Project Deliverables (see Annexure 1 for more detailed descriptions)	6
4. Project Methodology	7
5. Documents to be provided by DPOCS	8
6. Project Milestones	9
7. Mandatory Requirements	11
8. Budget and payment schedule	13
9. Structure of the Proposal - must be aligned to appendices and mandatory requirements	14
10. Evaluation Criteria for the Proposals and Allocation of Points	15
11. Contract Management within DPOCS	20
12. Intellectual Property Rights, Conflict of Interest, dispute resolution and Confidentiality	21
12.1 Intellectual property rights	21
12.2 Conflict of interest	21
12.3 Governing law and dispute resolution.	21
12.4 Confidentiality	22
13. Exit Clause	22
14 Enquiries	22
Annexure 1: Detailed description of Project Deliverables	24
Annexure 2: EPWP Pricing Schedule	28

ADMINISTRATION OF THE EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

TERMS OF REFERENCE

1. Introduction

The Department of Police Oversight and Community Safety (DPOCS) hereby requests for proposals for the rendering of a comprehensive Expanded Public Works Programme (EPWP) administration, Implementation and management service for twenty-four (24) months with the option to extend for a period of up to 12 months. All implementation arrangements will be in terms of DPOCS's EPWP policies and Standard Operating Procedure (SOP), as may be amended from time to time. The content of the Terms of Reference (ToR) is intended to form the basis of a contract between the Western Cape Government: Department of Police Oversight and Community Safety (DPOCS) and the successful bidder to administer the Expanded Public Works Programme (EPWP) of about 800 up to 1000 EPWP participants on behalf of the DPOCS.

The successful bidder must have a competent and adequate staff complement proven by an organogram of positions and responsibilities of the workforce together with brief CVs for each workforce member. Each workforce member must be in possession of the required competencies proven by the necessary certificates / related work experience related to it.

The successful bidder must have adequate senior personnel to supervise the workforce, to ensure compliances to all requirements and to liaise with the relevant stakeholders involved in the management of the contract.

The successful bidder must provide an experienced project / contract manager assigned to this contract to attend Quarterly and monthly (as required) Supplier Performance Meetings who should be able to make and execute decisions relevant to the management of this contract.

The successful bidder must provide contact details of at least three (3) contracts / assignments currently engaged in or previously engaged in over the last three (3) years of the company's existence of a similar nature. The bidder must have a fully functional

office within a 50 km radius of the Cape Town Central Business District (CBD).

The EPWP is a national temporary job creation and skills development programme aimed at assisting young people (referred to as EPWP participants) between the ages of 18 and 35 to gain personal development and professional experience by offering the youth temporary skills development opportunities to prepare them for and improve their employability for the formal job market. The Departmental Youth Work Project is implemented in line with the Expanded Public Works Ministerial determination¹, as well as all other legislation governing conditions of employment in the Republic of South Africa.

2. Objectives and Scope of the Project

2.1 Overall scope of the project

The DPOCS participates in the national Expanded Public Works Programme as a means of skills development and providing temporary job opportunities for youth in the Western Cape.

The Directorate: Crime Prevention Centre is responsible for the management and implementation of a Youth Work Programme (YWP) with the emphasis on unemployed youth within the province; as a sustainable violence prevention programme. The purpose of the YWP is to provide unemployed youth with training, skills development opportunities, work experience and a monthly stipend for at least a period of 12 months. The project is implemented through multi-sectoral partnerships and agreements with Placement Institutions (PIs) across the Western Cape. These EPWP

¹ Dept of Labour, Government Gazette no 9745, Notice number: 35310, Ministerial Determination 4, 4 May 2012

participants are placed at Placement Institutions across the Western Cape. These placements are as far as is possible in alignment with their courses completed whilst at the Chrysalis Academy and as close as possible to where they reside.

The scope is as follows: managing the administration and implementation of the EPWP programme that contains on average approximately 800 up to a 1000 EPWP participants across the Western Cape Province at about 300 Placement institution sites.

2.1.1 The Directorate implements three projects under the auspices of EPWP namely:

- Chrysalis Academy – Alpha, Bravo and Charlie intakes (April, August and December) – 3 months residential training and 12 months placements at PIs in temporary work opportunities.
- Safer Festive Season Special Deployments (November/December until February [3 months]) if and when required and subject to funding availability.
- Peace Officers – trained and 12 months placements at Law Enforcement units at municipalities across the Province.

2.2 The objectives of the management, administration and implementation of the EPWP are for the bidder:

2.2.1 *To do contract administration of new and existing EPWP participants and all the related management requirements, such as to manage the matching and placement of approximately 340 graduates every 3 months at Placement Institutions across the Province, UIF, COIDA, Labour Relations, monthly payment of stipends to about 800 - 1000 EPWP participants on the last day of each month, issuing monthly stipend payment slips to EPWP participants, timesheet administration, leave administration, training and skills development facilitation when required, tracking and recording all exits, arrange and conduct induction sessions with EPWP participants, records and information management, recording data and maintaining real time databases, monthly payment reports, and monthly scans of the participant timesheet and all supporting*

documentation. Reports, scans and updated databases must be uploaded on a shared portal at least 5 days after month end to the Department for monitoring and evaluation purposes – at the very least electronically.

- 2.2.2 To report on all EPWP participants on the programme and provide feedback for the duration of the contract to measure impact.*
- 2.2.3 Meet with and report to the Department's Sub Programme's EPWP Programme Manager monthly and quarterly and attend to all queries including those received from all audit bodies immediately when requested and within one working day for other type queries.*

3. Project Deliverables (see Annexure 1 for more detailed descriptions)

The successful bidder will be expected to deliver on the following to the DPOCS as its deliverables including but not limited to:

- 3.1** manage the matching and placement of approximately 340 EPWP participants every 3 months, contract management, timesheet management and processing, transfers and stipend administration.
- 3.2** monitoring the day-to-day activities of participants and supervisors and report to the Department on any developments.
- 3.3** implement induction/orientation sessions and facilitate placement specific orientation/induction on assumption of duty.
- 3.4** recording and reporting on all exits on the programme.
- 3.5** records, information and databases management and electronic scans.
- 3.6** manage Labour Relations matters, injury on duty and UIF applications and report on it.
- 3.7** serve on a Pre-Placement Committee and do presentations at a Placement Panel Committee Meeting.
- 3.8** to source and record the job descriptions at each Placement Institution (PI).
- 3.9** governance: Regular meetings with the Department when required.
- 3.10** compile and submit monthly and quarterly reports.
- 3.11** attending to information and Audit enquiries (immediately) and supplying responses with supporting documents.

- 3.12** distribution of regular circulars to both EPWP participants and Placement Institutions on behalf of the Department.
- 3.13** current service provider will do a timeous proper and thorough handover of all manual and electronic files, folders and databases, contact details of all stakeholders, supervisors and all information gathered and processes followed to ensure the continued success of the programme, to the newly appointed service provider and Department. The newly appointed service provider will undertake to do the same when its contract ends or if they exit the contract.
- 3.14** Service Level Agreement - The service provider must negotiate in good faith and enter into a Service Level Agreement with DPOCS that specifies agreed key performance indicators, along with an indication on how the Service Provider's performance will be monitored, assessed, measured and reported on. The Service Level Agreement may be reviewed every quarter. This will further be augmented by a SOP that both parties will continuously improve when quarterly monitoring meetings are held.
- 3.15** DPOCS will review the Service Provider's performance in line with the contract and the Service Level Agreement entered between the Service Provider and DPOCS.
- 3.16** the Service Provider's service level performance will be monitored and discussed at regular quarterly supplier performance meetings.
- 3.17** the successful Service Provider will need to adapt its service offering to meet DPOCS's changing needs resulting from any changes to DPOCS's EPWP directives and policies.

4. Project Methodology

The EPWP YWP provides opportunities for participants to participate in meaningful, productive service to communities in a structured environment. These opportunities will be availed to eligible youth who would otherwise not be engaged in any realistic prospects of personal and professional development. It will serve as opportunities for participants to gain work experience, while at the same time learning what it is that they are interested in or passionate about, which will guide further development. Those recruited from the Chrysalis Academy are placed in accordance with the skills training

done during their time at the Academy as far as possible.

Experience has shown that in providing youth with a structured, positive environment, along with opportunities to be productive together with personal and professional development, these youths will be provided with the initial tools to avert various forms of violence (gang, domestic, structural) in their communities.

DPOCS may furthermore avail a basket of services for personal and professional development to the participants. In terms of professional development, this will include services such as various psycho-social sessions facilitated by the Chrysalis Academy, which will seek to assist participants in developing personal awareness and capacities to deal with various social challenges.

The bulk of the EPWP participants (610) are graduates from the Chrysalis Academy's three intakes. These students graduate in April, August and November each year. The remaining participants (190) are recruited through other Projects with municipal partners. Peace Officers at Law Enforcement Units of Municipalities are recruited in partnership with local municipalities. DPOCS guides the partners on which communities the EPWP participants must be selected from.

During the festive season period, EPWP workers may be recruited for special deployments for a period of 3 to 4 months at tourist destinations such as frequented beaches, dams, swimming pools, holiday resorts, and other priority areas where traffic is congested, subject to funding availability. Other projects with other partners as the need arises.

During the festive season period and at any given time, the number of active participants in the programme will fluctuate between 800 up to about 1000 participants. (Refer to paragraph 2.12) The overlapping period between the different intakes' participants and the duration of contracts will result in fluctuating figures.

5. Documents to be provided by DPOCS

To facilitate the process, the following documents will be provided to the successful bidder by DPOCS, in either hardcopy and or electronic format:

- a) Databases of current active participants

- b) Leave administration database
- c) Skills development database
- d) Disciplinary database
- e) Monthly Stipend payment database
- f) Sample of a file per participant
- g) Employment contract;
- h) Code of Conduct;
- i) Ministerial Determination on EPWP;
- j) Memorandum of Understanding (MOU) with Placement Institutions;
- k) EPWP project templates including but not limited to: EPWP Application Form, Leave Forms, Induction Presentations, Induction Attendance Registers, Bank BAS Form, transfer request forms, Disciplinary templates, Letter of appointment and Letter of Conclusion, Assumption of duty forms, UIF forms, exit form, timesheet etc.
- l) Quarterly Report – example
- m) Division of Revenue Act Monthly Report example

6. Project Milestones

The milestones and activities are set out for a duration of 12 months. This will be repeated for one cycle, until the entire duration of the 24-month contract is completed.

The project will be rolled out in the following steps represented in Table 1:

Table 1: Project milestones

No.	Milestone	Activity	Timeframe
Year 1			
1	First payment	Within 30 days of contract signing and thereafter upon submission of quarterly reports.	25%

No.	Milestone	Activity	Timeframe
-----	-----------	----------	-----------

2	The Second quarterly progress report from Service Provider	<p>On provision of a quarterly report that includes but are not limited to:</p> <ul style="list-style-type: none"> • information on the number of payments; • a leave summary; • a summary of disciplinary matters; • information on the number of beneficiaries who have exited the programme; and • a summary of training attended. • Exit statistics • With supporting documents/databases as source documents for the report. 	25%
3	The Third quarterly progress report from Service Provider	<p>On provision of a quarterly report that includes but are not limited to:</p> <ul style="list-style-type: none"> • information on the number of payments; • a leave summary • a summary of disciplinary matters • information on the number of beneficiaries who have exited the programme; and • a summary of training attended. • Exit statistics • With supporting documents/databases as source documents for the report. 	25%
4	The Fourth quarterly progress from Service Provider	<p>On provision of a quarterly report that includes:</p> <ul style="list-style-type: none"> • information on the number of payments; • a leave summary • a summary of disciplinary matters • information on the number of beneficiaries who have exited the programme; and • a summary of training attended. • Exit statistics • With supporting documents/databases as source documents for the report. 	25%

No.	Milestone	Activity	Timeframe
5	Monthly progress reporting	Provision of monthly reporting reflecting: <ul style="list-style-type: none"> beneficiary list; amounts paid; and a summary of total amount paid on stipends and other compliances. With supporting documents/databases as source documents for the report. 	

No.	Milestone	Activity	Timeframe
Year 2			
1	First payment	Upon submission of quarterly reports.	25%

Milestones 1-5 are applicable from **year one through to year two**

Project Duration

The project will be implemented for a period of twenty-four months (24) months with the option to extend for a period of up to 12 months.

7. Mandatory Requirements

Failure to submit the mandatory required documents will render your bid non-compliant.

Mandatory requirements	Mandatory Criteria (Appendices)
a) Provide a budget breakdown of the different costing aspects, which will include but not limited to the administration/ management fee, fixed stipend rates, COIDA and UIF costs & other costs. Calculation to be based on a maximum of 1000 participants)	Appendix A <ul style="list-style-type: none"> Detailed budget breakdown for a period of twenty-four (24) months on Annexure 2. This value must please be transferred onto the WCSEB 3.1 attached as a mandatory returnable document.

<p>b) Provide detail of the project team who will be dedicated to the project in terms of appropriate experience and or qualifications related to the project management, administration and HR as it relates to payments, labour matters, leave administration, skills development, UIF, COIDA, database/excel capabilities as per the deliverables listed above.</p>	<p>Appendix B</p> <ul style="list-style-type: none"> • Please provide a summary of relevant work experience and qualifications in tabular format of the project team as it relates to the project. • Please provide a concise CV. • Please provide one reference that is not older than 2 years.
<p>c) A business plan that details how the project will be run, by allocating the current capacity to the project as well as the process to be followed, with the tasks of each role-player narrated.</p>	<p>Appendix C</p> <ul style="list-style-type: none"> • Project Plan including: • Organogram of the team and payment unit • Process flow in graphic and narrated format • Roles of each person and the activities that apply.
<p>d) Have a payment system in place that will be used to pay the participants and it must have a reporting function and ability to produce stipend payment slips.</p>	<p>Appendix D</p> <ul style="list-style-type: none"> • Name of the payment administration system • Example of the payment system that will be used (Print screen or similar) • Example of reports generated by the system. System generated reports to be printed and submitted. • Example of stipend payment sheet
<p>e) Must have a fully functional office in Cape Town within 50 km from the Cape Town CBD.</p>	<p>Appendix E</p> <ul style="list-style-type: none"> • Physical address and functional telephone number in Cape Town.

Mandatory requirements	Mandatory Criteria (Appendices)
<p>f) Must have 2 years' experience in dealing with large administration projects (500 – 1000 participants) of a similar nature, involving payment of stipends with a specific focus on:</p> <ul style="list-style-type: none"> a. Contracting; b. Processing of stipend payments; c. HR related matters. d. Inductions 	<p>Appendix F</p> <ul style="list-style-type: none"> • Example of a quarterly report on similar work which demonstrates a proficiency in English. • example of a contract used • Example of timesheet used • Example of a disciplinary process that will be followed • Example of UIF and COIDA dealt with. • Please ensure that the period during which the work was carried out is recorded with a contactable reference of the sponsor. • One reference not older than 2 years, must have the most recent contact details of the person who compiled and signed the reference.
<p>g) Provide two years' financial statements.</p>	<p>Appendix G</p> <p>Reviewed Financial statements of the company for the prior two years.</p>

8. Budget and payment schedule

The bidder must compile a detailed breakdown of costs (use Annexure 2 and attached it as Appendix A) and submit it together with the proposal. All budgets should include VAT, but listed separately. Competitive pricing and functional competence of the bidder will be major considerations in the evaluation of proposals.

8.1 Payment

Year 1

- 8.1.1 First payment will be made within 30 days after the contract has been signed (25%).
- 8.1.2 Three further payments to be made in the year, which will be paid within 30 days after submission of the quarterly performance report (25% X 3 reports = 75%).

Year 2

- 8.1.3 Four payments to be made for the year, which will be paid within 30 days, after submission of the quarterly performance report (25% X 4 reports = 100%).

9. Structure of the Proposal - must be aligned to appendices and mandatory requirements

A clear and concise bid proposal covering all the aspects listed below is required:

- I. A comprehensive profile of the company (minimum of two (2) years EPWP Management related experience).
- II. A detailed proposal on how the company will implement the work- A business or operational / project implementation plan indicating how the service will be rendered, with due consideration of the deliverables; (company has a clear understanding of the scope of work), setting out the methodology, project milestones, activities, outputs and timeframe.
- III. An all-inclusive budget. The budget should be in Rand value and should include VAT as well as the management fee, disaggregated. Use Annexure 2 as the pricing schedule to be charged for the services and Attach it as Appendix A.
- IV. The Service Provider to indicate the unit cost (per person) for managing the EPWP participants.
- V. The appendices, compliances and technical information listed in section 10 below must be submitted with the proposal.
- VI. The extent to which the company's staff are competent to render a streamlined service
- VII. References related to the services required.
- VIII. All required documentation as mentioned in paragraph 7 above must be submitted as attachments to the BID document.
- IX. The WCBD 3.1 document must be submitted with the BID document.
- X. The proposal will be valid for 90 days from date of closure.
- XI. The Department will only contract with businesses duly registered on the

Central Supplier Database (CSD) and Western Cape Supplier Evidence Bank (WCSEB). Therefore, all prospective bidders who are currently not registered on the CSD and WCSEB, are requested to register as such, as bidders' offers will be regarded as non-compliant if found that they are not registered on the CSD and WCSEB. Information in this regard is included in this bid invitation.

- XII. Prospective bidders are required to attend a compulsory briefing session in person at 35 Waal Street, Cape Town at 10:30 or via an online option (Microsoft Teams) on 27 August 2025 before Bid Closure. Prospective bidders to indicate via email to: Theresha.Hanekom@westerncape.gov.za to confirm attendance and which is preferred option by latest 26 August 2025 at 15:00.

Failure to provide all the above mentioned as well as non-attendance of the briefing session will result in disqualification.

10. Evaluation Criteria for the Proposals and Allocation of Points

10.1 Phase 1: Supply Chain Management Evaluation / Pre-qualification / Verification Phase:

All prospective bidders must deposit their proposals in the bid box, situated on the Ground Floor Entrance of 35 Wale Street, Cape Town on the date and time as stipulated on the tender documents. Only bids meeting the SCM Evaluation Criteria will proceed to the Technical Evaluation Criteria stage.

- *Failure to submit the WCBD documentation (WCBD 1, WCBD 3.1, WCBD 4 and WCBD 6.1) and all appendices will result in disqualification.*
- *Only bids meeting the SCM Evaluation Criteria will proceed to the Technical Evaluation phase.*

10.2 Phase 2: Technical Evaluation Phase (Technical Specification).

All bids received are to be assessed according to the mandatory requirements referred to in Paragraph 7.

In addition, a site visit may be conducted with all compliant service providers to verify the filing, payment systems, staff component, infrastructure and equipment etc. to

assess administrative capacity.

Site Visit Criteria:

1. Is there filing cabinets that can house 1000 EPWP participant files with all supporting documents
2. Physical evidence /demo of the payment system and its functional capabilities
3. Amount of Staff available for the tender administration per category
4. Does the service provider have a functional office,
5. with functional equipment such as car/s, printer/s/scanner/s/computer/s IT equipment/data connection/MSTeams/White screens for presentation purposes/email address, telephones?

Failure to provide/ comply with the abovementioned will result in disqualification.

10.3 Phase 3: Pre-qualification Phase / Discriminatory (Capability) Phase

A cut-off score of 60 out of 100 points (for functionality) will be used in the process of the evaluation. A bidder should score 60 points and above to proceed to the next round of the bidding process.

In terms of evaluating the proposals from interested parties, the 100 points for functionality will be according to the following focus areas as indicated in Table 2:

Table 2: Criteria to be used during the evaluation process (scoring sheet)

DOMAIN	CRITERIA	CATEGORY	WEIGHT
Experience in conducting previous similar projects	Have less than two years' experience in administering stipend payment projects. Have at least two or more years' experience in administering stipend payment projects. (2=have two or more years' experience in administering stipend payment projects) (1=have less than two years's experience in administering stipend payment projects) (0=does not comply with the	30%	15%

DOMAIN	CRITERIA	CATEGORY	WEIGHT
	requirements)		
	<p>Have experience in running large projects: Less than 500 participants. More than 500 -1000 participants. (2=have experience in running large projects – more than 500-1000 participants) (1=have experience in running large projects – less than 500 participants) (0=does not comply with the requirements)</p>		15%
A business plan that details how the project will be implemented with relevant databases.	<p>Sufficient staff of at least 6 people to implement the project. Sufficient staff (more than 6 people) to implement the project. (2=7 or more dedicated staff to implement the project) (1=6 or less dedicated staff to implement the project) (0=does not comply with the requirements)</p> <p>Collectively, the staff have project management, records and office management, payroll and timesheet payment administration, human resource & Labour relations skills, UIF and ColDA processing skills, report writing, communication and reporting skills, stakeholder management skills to implement the project and can show examples of relevant databases.</p> <p>(2 = if evidence of all the above is submitted)</p> <p>(1 = if evidence of only some of the above listed items are</p>	50%	<p>15%</p> <p>30%</p>

DOMAIN	CRITERIA	CATEGORY	WEIGHT
	submitted) (0=does not comply with the requirements)		
	Detailed process flow indicating the process from inception to completion, as well as relevant monthly processes. (2= if detailed process flow is described) (1= if partially able to describe it) (0=if unable to describe the process)		3%
	Identification of risks with relevant mitigation measures. (2= if able to identify and describe mitigation measures) (1= if partially able to identify risks/mitigation measures) (0=if unable to identify risks/mitigation measures)		2%
A payment system to accurately render the information necessary to manage the payment of stipends for the project.	Payment system name and proof of function/s (2= if payment system is named and proof of functional capability is attached) (1= if payment system is named but no proof attached of functional capability) (0=does not comply with the requirements)	20%	10%

DOMAIN	CRITERIA	CATEGORY	WEIGHT
	Payment System must have an effective reporting function. Must be able to issue stipend payment slips to beneficiaries. Monthly / individual Payment reports must be functional. (2= if proof is attached of reporting function/s, payment slip, monthly and individual payment report examples are attached) (1= if partial proof is attached of reporting function/s, payment slip, monthly and individual payment report examples are attached) (0=does not comply with the requirements)		10%

The following three-point scale will be used to evaluate functionality according to the criterion stipulated in Table 2 above:

Does not comply with requirements	0
Partial compliance with requirements	1
Full compliance with requirements	2

10.4 Phase 4: Evaluation Phase

10.4.1 The 90/10 preference point system will be used as reflected in Table 3 below.

Table 3: The 90/10 preference point system

DOMAIN	CATEGORY
Price	90 points
B-BBEE status	10 points

10.4.2 In terms of Regulation 5(2) and 6(2) of the Preferential Procurement Regulations, preference points will be awarded to a bidder of attaining the B-BBEE status level contribution in accordance with the Table 4 below:

Table 4: B-BBEE status level contribution

B-BBEE STATUS LEVEL CONTRIBUTION	NUMBER OF POINTS (90/10 SYSTEM)
----------------------------------	---------------------------------

1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non-compliant contribution	0

Important to note:

A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE (Points claimed in respect of the above table must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or an Accounting Officer as contemplated in the CCA).

11. Contract Management within DPOCS

The commissioning Directorate is the Directorate: Crime Prevention Centre. The contact person will be Ms Theresha Hanekom, Deputy Director and Provincial EPWP Programme Manager (Theresha.Hanekom@westerncape.gov.za)

Any urgent matters that affect the successful bidder's ability to meet the deliverables/deadlines must be brought to the attention of the Programme Manager immediately.

The following principles should be applied throughout the project:

- Adherence to all relevant legislation;
- Maintain a commitment to confidentiality in relation to personal information

especially the reuse of personal data for projects not included in the Service Level Agreement;

- Provide demonstrable ability on how personal information collected from data subjects will be safeguarded in line with the Protection of Personal Information Act (POPIA);
- Maintain a commitment to deadlines;
- Adherence to contractual relationship and agreement; and
- The successful bidder will be expected to enter into a Service Level Agreement with DPOCS.
- The successful bidder will be expected to implement the Programme in accordance with a Standard Operating Procedure document regulating expectations of how processes are to be implemented.

12. Intellectual Property Rights, Conflict of Interest, dispute resolution and Confidentiality

12.1 Intellectual property rights

All electronic and hard copy information captured/utilised to provide the output of the project including innovations, remains the property of DPOCS. All data collected during the course of the project must be given to DPOCS at the end of the project, and it cannot be used or shared, whether for profit or otherwise with any other party, without the written permission from DPOCS.

12.2 Conflict of interest

The appointed bidder may not act in any way that is inconsistent with his/her duties or expose him/herself to any situation involving the risk of any conflict of interest between the official responsibilities required of the outsourced tender and with that of private interests. No information will be shared with third parties without the permission of the DPOCS Project Manager.

12.3 Governing law and dispute resolution.

This Agreement shall be governed by and construed in accordance with the laws of the Republic of South Africa.

In the event of any dispute arising from this Agreement, the Parties shall make every

effort to settle such dispute amicably.

If the dispute is not capable of being settled amicably between the Parties, such dispute shall be elevated to the Senior Management/Executive or their duly designated representatives for mediation purposes, within 7 (seven) Business Days of the dispute has arisen.

Should the dispute, despite such referral to the Senior Management or Executive as contemplated in clause 7.3 remain unresolved for a period of 30 (thirty) Calendar Days after being so referred, either Party may declare such dispute a formal intergovernmental dispute by notifying the other Party of such declaration in writing, in which event the Parties will follow the procedure as outlined in the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005). Should the dispute still remain unresolved the dispute will be adjudicated by a competent court of law with jurisdiction to hear the matter.

12.4 Confidentiality

The successful bidder will regard all information and personal information of participants as confidential and may not use or share any information beyond the scope of the project without explicit permission of the Project Manager.

13. Exit Clause

DPOCS reserves the right not to appoint if suitable bidders are not found, at the complete discretion of DPOCS.

DPOCS reserves the right to terminate the contract if there is clear evidence of non-performance, or gross internal control issues found, mismanagement of funds or non-compliance to requests issued, when material findings are made by the AG, when instructions are not implemented promptly, when reasonable deadlines are not adhered to, when maladministration or mismanagement of funds are detected, when records electronic and manual are not updated, when information requests/instructions are not attended to within specified deadlines, if the company goes insolvent, if there is a breach of confidentiality, or financial incapability to pay the EPWP participants.

14 Enquiries

For further information and enquiries, contact:

Ms Theresha Hanekom

Deputy Director: EPWP Project Office

Western Cape Department of Police Oversight and Community Safety (DPOCS)

Private Bag X9043, Cape Town, 8000

Tel: (021) 483 5717

E-Mail: Theresha.Hanekom@westerncape.gov.za

Annexure 1: Detailed description of Project Deliverables

The successful bidder will be expected to deliver on the following to the DPOCS as its deliverables including but not limited to:

1. **Manage and to do contract administration** and all the related management requirements, such as to manage the matching and placement of approximately 340 graduates every 3 months at Placement Institutions across the Province.
2. **Source and ensure the completion of all supporting documents** as required for compliances such as EPWP application forms, certified IDs, Bank forms, contracts, code of conduct and scanning and filing thereof electronically and physically. All related documents pertaining to a participant must be kept on file.
3. **Enter into a contract** with each EPWP participant in line with relevant legislation (Basic Conditions of Employment Act & EPWP Ministerial Determination).
4. Issue **Assumption of duty forms** to be completed to confirm start date at PI
5. Issue **Letter of Appointment** to all EPWP participants one week prior to placement
6. Issue **Letters of Conclusion** one month prior to contract end dates
7. **Monitor the day-to-day activities** of participants and supervisors and report to the Department on any developments.
8. Arrange and conduct **induction/orientation sessions** with EPWP participants prior to placements.
9. **Timesheet Administration: Prepare and distribute monthly timesheets** to Placement Institutions and ensure all EPWP participants receive monthly stipend payment sheets to complete at or before the start of the payment cycle.
 - 9.1.1 **Receive timesheets and leave forms and supporting documents** sent to a central email address/portal and allocate to staff for processing, follow up with EPWP participants and or their direct supervisors if not submitted timeously.
 - 9.1.2 **Calculate stipend amounts** according to prescripts based on completed timesheets received.
 - 9.1.3 **Monthly payment of stipends** to about 800 and up to 1000 EPWP participants on the last day of each month into their bank accounts, (this amount may vary

from month to month)

- 9.1.4 *Issuing monthly stipend payment slips to EPWP participants when required.*
- 9.2 **Leave administration** -*Capture all types of leave administration and prepare monthly and quarterly report with source documents and or databases.*
- 9.3 **Training & skills development administration** – *capture all types of training attended and prepare monthly and quarterly report with source documents and or databases.*
- 9.4 *To manage and facilitate monthly **transfer requests** between placement institutions, record and report on it monthly and quarterly with source documents and or databases.*
- 9.5 *Record and report on all **exits** on the programme monthly and quarterly with source documents and or databases.*
- 10. **records and information management** *of all programme related documentation (file per participant) for Departmental Programme Manager, Internal Audit and AG inspections, filing of all related documentation according to guidelines of the Department. Keep on file and handle all the personal documentation in a manner compliant with the Protection of Personal Information Act (POPI).*
- 10.1 *Keep track of all the elements as well as all exists and record and report on such monthly and quarterly by strict due dates according to the Departmental reporting cycles to Treasury and National Treasury.*
- 10.2 **Monthly electronic scans** *of the participant timesheet and all supporting documentation and submission to the Department by the 5th of each month.*
- 10.3 *To **manage several databases** (Capturing, recording data, update and **maintain real time databases daily** and provide to the Dept direct access to such records - for example, EPWP participant placement database, leave database, disciplinary database, payment database, exit database, transfers, training, employment opportunities created, monthly payment reports, Unemployment Insurance Fund (UIFs) requests received and completed, IODs received and dealt with and monthly and quarterly reporting on it, Keep up-to-date database(s) reflecting the personal details, placement details, monthly stipend payments processed, leave, disciplinaries, Unemployment Insurance Fund (UIF) and Compensation for Injuries on duty and Diseases Act (COIDA) payments*

- 10.3.1 **Manage injury on duty and report monthly and quarterly on it** (COIDA).
- 10.3.2 **Manage UIF applications** and queries and report monthly and quarterly on it
- 10.3.3 **Manage Labour Relations /dealing with disciplinary matters** as reported by supervisors and EPWP participants by for example receiving complaints, investigating it, issuing notices, set up meetings, conduct disciplinaries at the PI, mentor the EPWP participant and PI supervisor, write up the outcome and sanction and issue sanctions and report thereon monthly and quarterly, and keeping accurate statistics for reporting purposes, including travelling and accommodation to attend to disciplinaries in distant sites.
- 10.4 **Daily liaison** with the Department, PI supervisors and EPWP participants and keep the Department informed at all times of developments.
- 10.5 **Manage the matching and placement of approximately 340 graduates** every 3 months with Placement Institutions across the Province. Liaise with Placement institutions and nominated supervisors to ensure placements that matches EPWP training undergone.
 - 10.5.1 Manage and record all **requests received** from PIs for placements.
 - 10.5.2 Serve on and actively participate in a **Pre-Placement Committee** (approximately three meetings prior to each cohort that needs to be placed)
 - 10.5.3 To serve on and present **at a Placement Panel Committee Meeting** (approximately three times a year) wrt successful placements.
 - 10.5.4 Keep **record of final placements** on a database, updating the master EPWP database of EPWP participants.
 - 10.5.5 Source and record **the job descriptions** at each Placement Institution (PI).
 - 10.5.6 **Facilitate the orientation/induction of the EPWP participant** on the day they report for duty at the PI,
 - 10.5.7 Make provision for communicating with EPWP participants via social media (such as WhatsApp)
- 11. **Governance: Regular meetings** with the Department when required (impromptu, monthly and quarterly meetings) to engage and report and provide information.
 - 11.1.1 Compile and submit **monthly and quarterly reports** by the deadline dates provided.
 - 11.1.2 Attend to **information and Audit enquiries** and supplying responses with

supporting documents as requested by the AG within a tight deadline specification.

- 11.2 **Distribute regular circulars** to both EPWP participants and Placement Institutions on behalf of the Department.
- 11.3 Current service provider will do a timeous proper and thorough handover of all manual and electronic files and folders and databases, contact details of all stakeholders and all information gathered and processes followed to ensure the continued success of the programme, to the newly appointed service provider. The newly service provider will undertake to do the same when its contract ends or if they exit the contract.
- 11.4 Service Level Agreement - The service provider must negotiate in good faith and enter into a Service Level Agreement with DPOCS that specifies agreed key performance indicators, along with an indication on how the Service Provider's performance will be monitored, assessed, measured and reported on. The Service Level Agreement may be reviewed every quarter. This will further be augmented by a SOP that both parties will continuously improve when quarterly monitoring meetings are held.
- 11.5 DPOCS will review the Service Provider's performance in line with the contract and the Service Level Agreement entered between the Service Provider and DPOCS.
- 11.6 The Service Provider's service level performance will be monitored and discussed at regular quarterly supplier performance meetings.
- 11.7 The successful Service Provider will need to adapt its service offering to meet DPOCS's changing needs resulting from any changes to DPOCS's EPWP directives and policies.

Annexure 2: EPWP Pricing Schedule

Proposed Budget for EPWP (SA) - Department of Police Oversight and Community Safety		
Funding Allocation		
Category Funding	Amount	Breakdown of Allocation
Unit Cost <ul style="list-style-type: none"> * Stipend rate of R165.00 per day (200 students) * Maximum 23 days per month * Amount calculated for 24 months. 	R 18,216,000.00	$R165 \times 23 = R 3,795$ $R3795 \times 200 = R 759,000$ $R713000 \times 24 = \mathbf{R 18,216,000}$
<ul style="list-style-type: none"> * Stipend rate of R125.00 per day (800 students) * Maximum 23 days per month * Amount calculated for 24 months. (Maximum of 1000 participants)	R 59,616,000.00	$R135 \times 23 = R 3,105$ $R 3,105 \times 800 = R 2,484,000$ $R 2,484,000.00 \times 24 = \mathbf{R 59,616,000}$
UIF (Calculated at 2% of stipend payment of 1000 students/ stipend payments)	R 1,556,640.00	$R 18,216,000 + R 59,616,000 = R 77,832,000$ $R77,832,000 \times 0.02 = \mathbf{R 1,556,640}$
COIDA Registration (Calculated at 1% of stipend payment of 1000 students/ stipend payments)	R 778,320.00	$R 18,216,000 + R 59,616,000 = R 77,832,000$ $R 77,832,000 \times 0.01 = \mathbf{R 778,320.00}$
Other Expenses (Travel, accommodation, banking costs, etc where applicable)		
Total Management Fee		
Total Cost Allocation		

END

PRICING SCHEDULE
(Goods and Services)

NAME OF BIDDER: BID NO.: POCS 02-2025/2026

CLOSING TIME: 11H00 AM

CLOSING DATE: 10 SEPTEMBER 2025

OFFER TO BE VALID FOR **90** DAYS FROM THE CLOSING DATE OF BID.

Lot	DESCRIPTION	BID PRICE IN RSA CURRENCY
1	SERVICE	**(ALL APPLICABLE TAXES INCLUDED)

PROJECT NAME:

**ADMINISTRATION OF THE EXPANDED PUBLIC WORKS PROGRAMME (EPWP) FOR A PERIOD OF
24 MONTHS FOR THE DEPARTMENT OF POLICE OVERSIGHT AND COMMUNITY SAFETY**

1. The total bid price including of VAT R.....
NB: "All applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance contributions and skills development levies, etc.
2. Are the prices quoted firm for the full period of contract ? YES / NO (CIRCLE CORRECT ANSWER)
3. If not firm for the full period, provide reasons.....
4. Do you comply to the Specification? YES / NO (CIRCLE CORRECT ANSWER)
5. If not, provide deviations.....
6. Do you comply to the General Conditions of Contract? YES / NO (CIRCLE CORRECT ANSWER)

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED IN WRITING TO:

Department:	Police Oversight and Community Safety	
Contact Person:	Mr Esethu Makanda	Mr Anele Mengezeleli
Tel:	021 483 6324	021 483 5712
E-mail address:	Esethu.Makanda@westerncape.gov.za	Anele.Mengezeleli@westerncape.gov.za

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED IN WRITING TO:

Department:	Police Oversight and Community Safety
Contact Person:	Ms Theresha Hanekom
Tel:	021 483 5717
E-Mail:	Theresha.Hanekom@westerncape.gov.za



PROVINCIAL GOVERNMENT WESTERN CAPE

DECLARATION OF INTERESTS, BIDDERS PAST SCM PRACTICES AND INDEPENDENT BID DETERMINATION

1. To give effect to the requirements of the Western Cape Provincial Treasury Instructions, 2019: Supply Chain Management (Goods and Services), Public Finance Management Act (PFMA) Supply Chain Management (SCM) Instruction No. 3 of 2021/2022 - SBD 4 Declaration of Interest, Section 4 (1)(b)(iii) of the Competition Act No. 89 of 1998 as amended together with its associated regulations, the Prevention and Combating of Corrupt Activities Act No 12 of 2004 and regulations pertaining to the tender defaulters register, Paragraph 16A9 of the National Treasury Regulations and/or any other applicable legislation.
2. 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.
3. All prospective bidders intending to do business with the Institution must be registered on the Central Supplier Database (CSD) and the Western Cape Supplier Evidence Bank (WCSEB) if they wish to do business with the Western Cape Government (WCG) via the electronic Procurement Solution (ePS).
4. The status of enterprises and persons listed on the National Treasury's Register for Tender Defaulters will be housed on the ePS. Institutions may not under any circumstances procure from enterprises and persons listed on the Database of Tender Defaulters.
5. The status of suppliers listed on the National Treasury's Database of Restricted Suppliers will be housed on the ePS; however, it remains incumbent on institutions to check the National Treasury Database of Restricted Suppliers before the conclusion of any procurement process. For suppliers listed as restricted, institutions must apply due diligence and risk assessment before deciding to proceed with procurement from any such supplier.

6. Definitions

"bid" means a bidder's response to an institution's invitation to participate in a procurement process which may include a bid, price quotation or proposal;

"Bid rigging (or collusive bidding)" occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and/or services through a bidding process. Bid rigging is, therefore, an agreement between competitors;

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

“business interest” means -

- (a) a right or entitlement to share in profits, revenue or assets of an entity;
- (b) a real or personal right in property;
- (c) a right to remuneration or any other private gain or benefit, or
- (d) includes any interest contemplated in paragraphs (a), (b) or (c) acquired through an intermediary and any potential interest in terms of any of those paragraphs;

“Consortium or Joint Venture” 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;

“Controlling interest” means, 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;

“Corruption”- General offences of corruption are defined in the Combating of Corrupt Activities Act, 2004 (Act No 12 of 2004) as:

Any person who directly or indirectly -

- (a) accepts or agrees or offers to accept an! gratification from any other person, whether for the benefit of himself or herself or for the benefit of another person; or
- (b) gives or agrees or offers to give to any other person any gratification, whether for the benefit of that other person or for the benefit of another person., in order to act personally or by influencing another person so to act, in a manner—
 - (i) that amounts to the-
 - (aa) illegal. dishonest. unauthorised. incomplete. or biased: or
 - (bb) misuse or selling of information or material acquired in the course of the exercise, carrying out or performance of any powers, duties or functions arising out of a constitutional, statutory, contractual or any other legal obligation:
 - (ii) that amounts to-
 - (aa) the abuse of a position of authority;
 - (bb) a breach of trust; or
 - (cc) the violation of a legal duty or a set of rules;
 - (iii) designed to achieve an unjustified result; or
 - (iv) that amounts to any other unauthorised or improper inducement to do or 45 not to do anything. of the, is guilty of the offence of corruption.

“CSD” means the Central Supplier Database maintained by National Treasury;

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

“employee”, in relation to –

- (a) a department, means a person contemplated in section 8 of the Public Service Act, 1994 but excludes a person appointed in terms of section 12A of that Act; and
- (b) a public entity, means a person employed by the public entity;

“entity” means any -

- (a) association of persons, whether or not incorporated or registered in terms of any law, including a company, corporation, trust, partnership, close corporation, joint venture or consortium; or
- (b) sole proprietorship;

“entity conducting business with the Institution” means an entity that contracts or applies or tenders for the sale, lease or supply of goods or services to the Province;

“Family member” means a person's -

- (a) spouse; or
- (b) child, parent, brother, sister, whether such a relationship results from birth, marriage or adoption or some other legal arrangement (as the case may be);

“intermediary” means a person through whom an interest is acquired, and includes a representative or agent or any other person who has been granted authority to act on behalf of another person;

“Institution” means –

a provincial department or provincial public entity listed in Schedule 3C of the Act;

“Provincial Government Western Cape (PGWC)” means

- (a) the Institution of the Western Cape, and
- (b) a provincial public entity;

“RWOEE” means -

Remunerative Work Outside of the Employee's Employment

“spouse” means a person's -

- (a) partner in marriage or civil union according to legislation;
- (b) partner in a customary union according to indigenous law; or
- (c) partner with whom he or she cohabits and who is publicly acknowledged by the person as his or her life partner or permanent companion.

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

7. Regulation 13(c) of the Public Service Regulations (PSR) 2016, effective 1 February 2017, prohibits any employee from conducting business with an organ of state, or holding a directorship in a public or private company doing business with an organ of state unless the employee is a director (in an official capacity) of a company listed in schedules 2 and 3 of the Public Finance Management Act.
 - a) Therefore, by 31 January 2017 all employees who are conducting business with an organ of state should either have:
 - (i) resigned as an employee of the government institution or;
 - (ii) cease conducting business with an organ of state or;
 - (iii) resign as a director/shareholder/owner/member of an entity that conducts business with an organ of state.
8. Any legal person, or their family members, may make an offer or offers in terms of this invitation to bid. In view of potential conflict of interest, in the event that the resulting bid, or part thereof, be awarded to family members of persons employed by an organ of state, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where the bidder is employed by the Institution.
9. The bid of any bidder may be disregarded if that bidder or any of its directors abused the institution's supply chain management system; committed fraud or any other improper conduct in relation to such system; disclosure is found not to be true and complete; or failed to perform on any previous contract.
10. Section 4(1)(b)(iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging). Collusive bidding is a per se prohibition meaning that it cannot be justified under any grounds.
11. Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorises accounting officers and accounting authorities to:
 - a) disregard the bid of any bidder 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.
 - b) cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
12. Communication between partners in a joint venture or consortium will not be construed as collusive bidding.

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

13. 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.

SECTION A DETAILS OF THE ENTITY		
	CSD Registration Number	MAAA
	Name of the Entity	
	Entity registration Number (where applicable)	
	Entity Type	
	Tax Reference Number	

Full details of directors, shareholder, member, partner, trustee, sole proprietor or any persons having a controlling interest with a right or entitlement to share in profits, revenue or assets of the entity should be disclosed in the Table A below.

TABLE A

FULL NAME	DESIGNATION (Where a director is a shareholder, both should be confirmed)	IDENTITY NUMBER	PERSONAL TAX REFERENCE NO.	PERCENTAGE INTEREST IN THE ENTITY

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

SECTION B: DECLARATION OF THE BIDDER'S INTEREST

The supply chain management system of an institution must, irrespective of the procurement process followed, prohibit any award to an employee of the state, who either individually or as a director of a public or private company or a member of a close corporation, seek to conduct business with the WCG, unless such employee is in an official capacity a director of a company listed in Schedule 2 or 3 of the PFMA as prescribed by the Public Service Regulation 13(c).

Furthermore, an employee employed by an organ of state conducting remunerative work outside of the employee's employment should first obtain the necessary approval by the delegated authority (RWOEE), failure to submit proof of such authority, where applicable, may result in disciplinary action.

B1.	Are any persons listed in Table A identified on the CSD as employees of an organ of state? (If yes, refer to Public Service Circular EIM 1/2016 to exercise the listed actions)	NO	YES
B2.	Are any employees of the entity also employees of an organ of state? (If yes complete Table B and attach their approved "RWOEE")	NO	YES
B3.	Are any family members of the persons listed in Table A employees of an organ of state? (If yes complete Table B)	NO	YES

TABLE B

Details of persons (family members) connected to or employees of an organ of state should be disclosed in Table B below.

FULL NAME OF EMPLOYEE	IDENTITY NUMBER	DEPARTMENT/ ENTITY OF EMPLOYMENT	DESIGNATION/ RELATIONSHIP TO BIDDER**	INSTITUTION EMPLOYEE NO./ PERSAL NO. (Indicate if not known)

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

SECTION C: PERFORMANCE MANAGEMENT AND BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

To enable the prospective bidder to provide evidence of past and current performance.

C1.	Did the entity conduct business with an organ of state in the last twelve months? (If yes complete Table C)	NO	YES
------------	--	----	-----

C2. TABLE C

Complete the below table to the maximum of the last 5 contracts.

NAME OF CONTRACTOR	PROVINCIAL DEPARTMENT OR PROVINCIAL ENTITY	TYPE OF SERVICES OR COMMODITY	CONTRACT/ ORDER NUMBER	PERIOD OF CONTRACT	VALUE OF CONTRACT	
C3. Is the entity or its principals listed on the National Database as companies or persons prohibited from doing business with the public sector?					NO	YES
C4. Is the entity or its principals listed on the National Treasury Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No. 12 of 2004)?					NO	YES
<i>(To access this Register enter the National Treasury's website, www.treasury.gov.za, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 326 5445.)</i>						
C5. If yes to C3 or C4, were you informed in writing about the listing on the database of restricted suppliers or Register for Tender Defaulters by National Treasury?				NO	YES	N/A
C6. Was the entity or persons listed in Table A convicted for fraud or corruption during the past five years in a court of law (including a court outside the Republic of South Africa)?					NO	YES
C7. Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?					NO	YES

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

SECTION D: DULY AUTHORISED REPRESENTATIVE TO DEPOSE TO AFFIDAVIT

This form must be signed by a duly authorised representative of the entity in the presence of a commissioner of oaths.

- I, hereby swear/affirm;
- i. that the information disclosed above is true and accurate;
 - ii. that I have read understand the content of the document;
 - iii. that I have arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.
 - iv. that the entity undertakes to independently arrive at any offer at any time to the Institution without any consultation, communication, agreement or arrangement with any competitor. In addition, that there will be no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specification, 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;
 - v. that the entity or its representative are aware of and undertakes not to disclose the terms of any bid, formal or informal, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract; and
 - vi. that there have been no consultations, communications, agreements or arrangements made 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 that my entity was not involved in the drafting of the specifications or terms of reference for this bid.

.....
DULY AUTHORISED REPRESENTATIVE'S SIGNATURE

I certify that before administering the oath/affirmation I asked the deponent the following questions and wrote down his/her answers in his/her presence:

- 1.1 Do you know and understand the contents of the declaration? ANSWER:
- 1.2 Do you have any objection to taking the prescribed oath? ANSWER:
- 1.3 Do you consider the prescribed oath to be binding on your conscience? ANSWER:.....
- 1.4 Do you want to make an affirmation? ANSWER:
2. I certify that the deponent has acknowledged that he/she knows and understands the contents of this declaration, which was sworn to/affirmed and the deponent's signature/thumbprint/mark was place thereon in my presence.

.....
 SIGNATURE FULL NAMES Commissioner of Oaths

Designation (rank) ex officio: Republic of South Africa

Date:..... Place

Business Address:

If you know of any corrupt, fraudulent or collusive actions in the Institution, please report it by calling the National Hotline 0800 701 701

This form must be completed annually. Should the information herein declared change in the course of the year or before the next renewal or in relation to any bid, quotation or contract, it is the entity's responsibility to advise the Institution in writing of the change in such details.

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 AND IN TERMS OF THE WESTERN CAPE GOVERNMENTS INTERIM STRATEGY AS IT RELATES TO PREFERENCE POINTS

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS (TENDERERS) MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER, PREFERENTIAL PROCUREMENT REGULATIONS, 2022 AND THE BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT AND THE CODES OF GOOD PRACTICE

1. DEFINITIONS

- 1.1 **“acceptable tender”** means any tender which, in all respects, complies with the specifications and conditions of tender as set out in the tender document.
- 1.2 **“affidavit”** is a type of verified statement or showing, or in other words, it contains a verification, meaning it is under oath or penalty of perjury, and this serves as evidence to its veracity and is required for court proceedings.
- 1.3 **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- 1.4 **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- 1.5 **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- 1.6 **“bid”** means a written offer on the official bid documents or invitation of price quotations and **“tender”** is the act of bidding /tendering;
- 1.7 **“Code of Good Practice”** means the generic codes or the sector codes as the case may be;
- 1.8 **“consortium or joint venture”** 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;
- 1.9 **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;

- 1.10 **"EME"** is an Exempted Micro Enterprise with an annual total revenue of R10 million or less.
- 1.11 **"Firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 1.12 **"Large Enterprise"** is any enterprise with an annual total revenue above R50 million;
- 1.13 **"non-firm prices"** means all prices other than "firm" prices;
- 1.14 **"person"** includes a juristic person;
- 1.15 **"price" means an amount of money tendered for goods or services, and** includes all applicable taxes less all unconditional discounts;
- 1.16 **"proof of B-BBEE status level contributor"** means-
- (a) The B-BBEE status level certificate issued by an authorized body or person;
 - (b) A sworn affidavit as prescribed in terms of the B-BBEE Codes of Good Practice; or
 - (c) Any other requirement prescribed in terms of the Broad- Based Black Economic Empowerment Act.
- 1.17 **QSE** is a Qualifying Small Enterprise with an annual total revenue between R10 million and R50 million;
- 1.18 **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- 1.19 **"sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract.
- 1.20 **"tender"** means a written offer in the form determined by an organ of state in response to an invitation to provide or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- 1.21 **"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;
- 1.22 **"the Act"** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- 1.23 **"the Regulations"** means the Preferential Procurement Regulations, 2022;

- 1.24 **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 11 October 2013;
- 1.25 **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- 1.26 **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

2. GENERAL CONDITIONS

- 2.1 The following preference point systems are applicable to all bids:
- 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).
- 2.2 Preference point system for this bid:
- (a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the preference point system shall be applicable; or
- (b) Either the 80/20 or 90/10 preference point system will be applicable to this tender
(delete whichever is not applicable for this tender).
- 2.3 Preference points for this bid (even in the case of a tender for income-generating contracts) shall be awarded for:
- (a) Price; and
- (b) B-BBEE Status Level of Contribution.
- 2.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	
B-BBEE STATUS LEVEL OF CONTRIBUTOR	
Total points for Price and B-BBEE must not exceed	100

- 2.5 Failure on the part of a bidder to fill in, sign this form and submit in the circumstances prescribed in the Codes of Good Practice either a B-BBEE Verification Certificate issued by a Verification Agency accredited by the South African Accreditation System (SANAS) or an affidavit confirming annual total revenue and level of black ownership together with the bid or an affidavit issued by Companies Intellectual Property Commission, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 Subject to Section 2 (1) (f) of the Preferential Procurement Policy Framework Act, 2000, the **bidder obtaining the highest number of total points** will be awarded the contract.
- 3.2 A tenderer must submit proof of its B-BBEE status level of contributor in order to claim points for B-BBEE.
- 3.3 A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE will not be disqualified but will only score:
- (a) points out of 80 for price; and
 - (b) 0 points out of 20 for B-BBEE
- 3.4 Points scored must be rounded off to the nearest 2 decimal places.
- 3.5 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.6 As per section 2 (1) (f) of the Preferential Procurement Policy Framework Act, 2000, the contract may be awarded to a bidder other than the one scoring the highest number of total points based on objective criteria in addition to those contemplated in paragraph (d) and (e) of the Act that justifies the award to another tenderer provided that it has been stipulated upfront in the tendering conditions.
- 3.7 Should two or more bids be equal in all respects; the award shall be decided by the drawing of lots.

4. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

4.1 POINTS AWARDED FOR PRICE

4.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEM

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

80/20	or	90/10
$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$	or	$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$

Where

P_s = Points scored for price of bid under consideration

P_t = Price of tender under consideration

P_{\min} = Price of lowest acceptable tender

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

5.1 POINTS AWARDED FOR PRICE

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

80/20

or

90/10

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

$$Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

or

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

6. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

- 6.1 In terms of WCG interim strategy, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 6.2 An **EME** must submit a valid, originally certified affidavit confirming annual turnover and level of black ownership or an affidavit issued by Companies Intellectual Property Commission
- 6.3 A **QSE that is less than 51 per cent (50% or less) black owned** must be verified in terms of the QSE scorecard issued via Government Gazette and submit a valid, original or a legible certified copy of a B-BBEE Verification Certificate issued by SANAS.
- 6.4 A **QSE that is at least 51 per cent black owned (51% or higher)** must submit a valid, originally certified affidavit confirming turnover and level of black ownership as well as declare its empowering status or an affidavit issued by Companies Intellectual Property Commission.

- 6.5 A **large enterprise** must submit a valid, original or originally certified copy of a B-BBEE Verification Certificate issued by a verification agency accredited by SANAS.
- 6.6 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 6.7 A trust, consortium or joint venture (including unincorporated consortia and joint ventures) must submit a consolidated B-BBEE status level verification certificate for every separate tender.
- 6.8 Tertiary institutions and public entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.

7. BID DECLARATION

- 7.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

8. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPH 6

- 8.1 B-BBEE Status Level of Contribution..... = **(maximum of 20 points)**

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 6.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or an affidavit confirming annual total revenue and level of black ownership in terms of the relevant sector code applicable to the tender.

9. SUB-CONTRACTING

- 9.1 Will any portion of the contract be sub-contracted? **YES/NO** (delete which is not applicable)

- 9.1.1 If yes, indicate:

(i) what percentage of the contract will be subcontracted?%

(ii) the name of the sub-contractor?

(iii) the B-BBEE status level of the sub-contractor?

(iv) whether the sub-contractor is an EME or QSE? **YES/NO** (delete which is not applicable)

- 9.1.2 Sub-contracting relates to a **particular** contract and if sub-contracting is applicable, the bidder to state in their response to a particular RFQ that a portion of that contract will be sub-contracted.

10. DECLARATION WITH REGARD TO COMPANY/FIRM

10.1 Name of company/ entity:

10.2 VAT registration number:

10.3 Company Registration number:

10.4 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

[SELECT APPLICABLE ONE]

10.5 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBEE status level of contribution indicated in paragraph 7 above, qualifies the company/ firm for the preference(s) shown and I/we acknowledge that:

- (a) The Western Cape Government reserves the right to audit the B-BBEE status claim submitted by the bidder.
- (b) As set out in Section 13O of the B-BBEE Act as amended, any misrepresentation constitutes a criminal offence. A person commits an offence if that person knowingly:
 - (i) misrepresents or attempts to misrepresent the B-BBEE status of an enterprise;
 - (ii) provides false information or misrepresents information to a B-BBEE Verification Professional in order to secure a particular B-BBEE status or any benefit associated with compliance to the B-BBEE Act;
 - (iii) provides false information or misrepresents information relevant to assessing the B-BBEE status of an enterprise to any organ of state or public entity; or
 - (iv) engages in a fronting practice.
- (c) If a B-BBEE verification professional or any procurement officer or other official of an organ of state or public entity becomes aware of the commission of, or any attempt to commit any offence referred to in paragraph 10.5 (a) above will be reported to an appropriate law enforcement agency for investigation.

- (d) Any person convicted of an offence by a court is liable in the case of contravention of 10.5 (b) to a fine or to imprisonment for a period not exceeding 10 years or to both a fine and such imprisonment or, if the convicted person is not a natural person to a fine not exceeding 10 per cent of its annual turnover.
- (e) The purchaser may, if it becomes aware that a bidder may have obtained its B-BBEE status level of contribution on a fraudulent basis, investigate the matter. Should the investigation warrant a restriction be imposed, this will be referred to the National Treasury for investigation, processing and imposing the restriction on the National Treasury's List of Restricted Suppliers. The bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, may 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.
- (f) The purchaser may, in addition to any other remedy it may have –
 - (i) disqualify the person from the bidding process;
 - (ii) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (iii) 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; and
 - (iv) forward the matter for criminal prosecution.
- (g) The information furnished is true and correct.
- (h) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 2 of this form.

SIGNATURE(S) OF THE BIDDER(S):

DATE:

ADDRESS:

.....

WITNESSES:

1.

2.

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

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)
34. Prohibition of restrictive practices

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 any thing 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 Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from 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

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 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.

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 fulfillment 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 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 canceling 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 and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a 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 for insolvency

- 26.1 The purchaser may at any time terminate the contract by giving 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 willful 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	<p>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</p> <p>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.</p>
32. Taxes and duties	<p>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.</p> <p>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.</p> <p>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.</p>
33. National Industrial Participation Programme (NIP)	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	<p>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).</p> <p>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.</p>

- 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.