

**Request for Proposals for the Appointment of a Service Provider / Partner to Perform Event Management and Resource Mobilization Services in the Implementation of the Annual Local Government Seminar Suite Programmes i.e. Labour Law, Governance & Performance Management Seminar, Talent Management Seminars and on demand event management services on behalf of SALGA**

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**BID NO. SALGA/06/2022**

**Closing date and time: 19 October 2022 at 11:00**

**am Bid Validity Period: 120 Days**

**TENDER BOX ADDRESS:**

**Menlyn Corporate Park  
c/o Garsfontein and Corobay Avenue  
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## 1. INTRODUCTION

The South African Local Government Association (SALGA) is a public entity established by the Organized Local Government Act (Act 52 of 1997) to assist in the comprehensive transformation of local government in South Africa. SALGA is managed within the framework of the Public Finance Management Act (Act 1 of 1999) and is listed as a schedule 3A public entity. Its main objectives are to:

- Represent, promote and protect the interests of local government;
- Transform local government to enable it to fulfil its developmental role;
- Enhance the role and status of its members as provincial representatives and consultative bodies of local government;
- Enhance the role and status of municipalities;
- Be recognized by national and provincial governments to be the representative and consultative body in respect of all matters concerning local government and to make representations to both provincial and national governments in respect of any matter concerning local government;
- Ensure the full participation of women in organized local government;
- Be the National Employers' Association representing all municipal members and, by agreement, associate members.

## 2. SALGA MANDATE

Developmental Local Government is an essential component of the machinery of government. In accordance with its constitutional mandate, SALGA is obliged to transform the local government sector to one that has the required capacity to make a meaningful contribution to poverty alleviation, economic development and all socio-economic opportunities that the state has geared itself to provide for its people. SALGA also serves as the representative voice of all 257 municipalities in the country. For the past 20 years, since its establishment, SALGA has endeavoured to bring focus to its mandate of supporting local government transformation in a complex environment, characterised by a highly diverse and diffuse membership-base of municipalities. In terms of its amended Constitution, SALGA is a unitary body that consists of a national association and nine provincial offices. Its mandate rests on six primary pillars:

- (1) **Representation, Advocacy and Lobbying** refers to representing the interests of members in legislatures and other policy making and oversight structures. It also refers to engaging with various stakeholders, public debates etc. in the interest of Local Government.
- (2) **Employer Body** refers to being an effective employer representative for members. Employer representation is carried out through collective bargaining (in terms of the Labour Relations Act) in various structures including but not limited to those established in the South African Local Government Bargaining Council.

- (3) **Capacity Building** refers to facilitating capacity building initiatives through among others; representing member interests in the Local Government Sector Education Authority (LGSETA). SALGA strives to facilitate a coherent, well-co-ordinated capacity building programme for municipal councillors and officials.
- (4) **Support and Advice** refers to the provision of tools and services that enable municipalities to understand and interpret trends, policies and legislation affecting Local Government and to implement the said policies and plans
- (5) **Strategic Profiling** of Local Government refers to enhancing the profile and image of local government as an important and credible agent for the delivery of services. Profiling focuses within South Africa, the African continent and the rest of the world.
- (6) **Knowledge and Information Sharing** refers to building and sharing a comprehensive hub of Local Government knowledge and intelligence that will enable informed delivery of other SALGA mandates. The knowledge hub is also a useful reference point for all who seek Local Government information.

Diagrammatically the mandate is depicted as follows:



### 3. PURPOSE OF THIS REQUEST

The purpose of this Terms of Reference is to call for proposals from suitable, knowledgeable and competent service providers in the event management and resource mobilization environment to assist the South African Local Government Association (SALGA) to conduct event management and resource mobilization services for The Annual Local Government Seminar Suite Programmes and on demand event management services.

### 4. ABOUT THE SALGA CENTRE FOR LEADERSHIP AND GOVERNANCE (SCLG)

SALGA has an established history and implementation footprint in support of municipal capacity building. It has done this across the various dimensions of individual, institutional, as well as sectoral capacity building. This is a very dynamic and evolving area of SALGA's work which continuously gets reviewed to respond to the fast changing and complex environment of municipal governance and service delivery. This is particularly so given that the current reality of local government is that of a system which is under severe strain and on a downward performance trajectory.

As capacity building is inherently a multi-dimensional series of continuous undertakings involving SALGA working together with a range of stakeholders such as Higher Education Institutions, Research Institutions, Professional Bodies to name but a few, the capacity building programmes delivered under the auspices of the SALGA Centre for Leadership and Governance (SCLG) as a learning and development intervention should be seen against this particular context.

The SCLG builds capacity through core programmes, continuous development programmes and products and services as outlined below:

Core Programmes	Continuous Programmes	Products and Services
<ul style="list-style-type: none"> <li>• Integrated Councillor Induction Programme</li> <li>• Portfolio-Based Induction Programme</li> <li>• Councillor Development Programme (NQF Level 3, NQFL 5 &amp; NQF Level 6)</li> <li>• Leadership in Municipal Governance</li> <li>• Media and Stakeholder Engagement</li> <li>• Women Leadership Development</li> <li>• Leadership Impact and Innovation</li> <li>• Senior Managers Development</li> <li>• Accredited Governance, Ethical Leadership and Effective Oversight and Management Training Programme</li> </ul>	<ul style="list-style-type: none"> <li>• Local Labour Forum Training for Employer Representatives</li> <li>• Performance Management Training</li> <li>• Job Task Evaluation Training</li> <li>• Back to Basics Leadership Development</li> <li>• Local Links (Seminar Styled) Conversations</li> <li>• Facilitator Accreditation</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership Competency Model Online Assessment Tool</li> <li>• Municipal Leadership Competency Assessment Centre</li> <li>• Online Communities of Practice</li> <li>• e-Learning Services – LinkedIn Learning</li> </ul>
<b>CONTINUOUS PROFESSIONAL DEVELOPMENT PROGRAMMES</b>		
<ul style="list-style-type: none"> <li>• Annual Local Government Labour Law Seminar</li> <li>• Annual Local Government Governance &amp; Performance Management Seminar</li> <li>• Annual Local Government Talent Management Seminar</li> </ul>		

**Table 1: SCLG Capacity Building Programmes**

The SCLG programmes focus on enhancing leadership and governance capabilities to drive professionalism and excellence in a dynamic and complex municipal environment.

#### **4.1 SCLG STRATEGIC BUSINESS OBJECTIVES**

SALGA has clear strategic objectives relative to the SCLG operation. These include:

- a) Framing leadership development as a large-scale local government change and transformation.
- b) Institutionalizing an integrated strategic leadership talent management process.
- c) Formulating a future-fit leadership stance, appropriate to local government needs.
- d) Crafting a context relevant, comprehensive, systemic leadership competency model for local government.
- e) Adopting an action learning and reflection philosophy to enhance learning and development transfer.
- f) Building a high impact, leadership development delivery architecture.
- g) Using a set of blended learning and development interventions.
- h) Constructing an efficient and effective learning and development organizational design delivery.
- i) Conducting an on-going assessment of benefits realization.

#### **4.2 SECTOR CONTEXT REGARDING LOCAL GOVERNMENT PERFORMANCE MANAGEMENT**

Since the advent of the developmental local government system in 2000, various pieces of legislation have been introduced to institutionalize our new system of local government in particular the municipal Systems Act which ushered a system of performance management for municipalities as we now know it.

Judged from its inception, the jury is out as to whether the performance management as regulated has had the desired impact in as far as the realization of transformational improvements in service delivery and good governance. Whilst there have been notable improvements in the institutionalization of performance management in the sector, certain stubborn challenges remain as evidenced by Auditor General outcomes which often point to lapses in performance management rendering some municipalities at best being unable to move to a level of high performing organization or at worst being dysfunctional.

#### **4.3 PERFORMANCE MANAGEMENT ENVIRONMENT**

Performance management falls both within areas of addressing service delivery and planning, and impacts positively on municipal service delivery as it cuts across all municipal operations and it is therefore a critical mechanism to monitor progress at local government.

Performance management is also defined as a management tool through which a municipality can plan, manage, monitor and review the performance of the municipality and its employees to measure the progress made in achieving the objectives set out in the Integrated Development Plans (IDPs) and further measure the efficiency, effectiveness and impact of its service delivery.

Performance management does not exist in a vacuum; the legal and regulatory frameworks governing local government requires municipalities to develop and implement performance management. These include various pieces of legislative, regulatory and policy frameworks which enables and clearly prescribes the obligations and responsibilities to be fulfilled for effective implementation. The following are amongst key prescripts that shapes the requirements of performance management in local government:

- Constitution of the Republic of South Africa Act, 1996; Section 155
- White Paper on Service Delivery, 1998
- Local Government: Municipal Systems (Act No. 32 of 2000)
- Local Government: Municipal Finance Management (Act No. 56 of 2003)
- Local Government: Municipal Planning and Performance Management Regulations (796, Aug 2001)
- Municipal Finance Management Act (56 of 2003)
- Performance Management Regulations for Municipal Managers and Manager Directly Accountable to Municipal Managers, 2006
- Framework for Managing Programme Performance Information (2007)

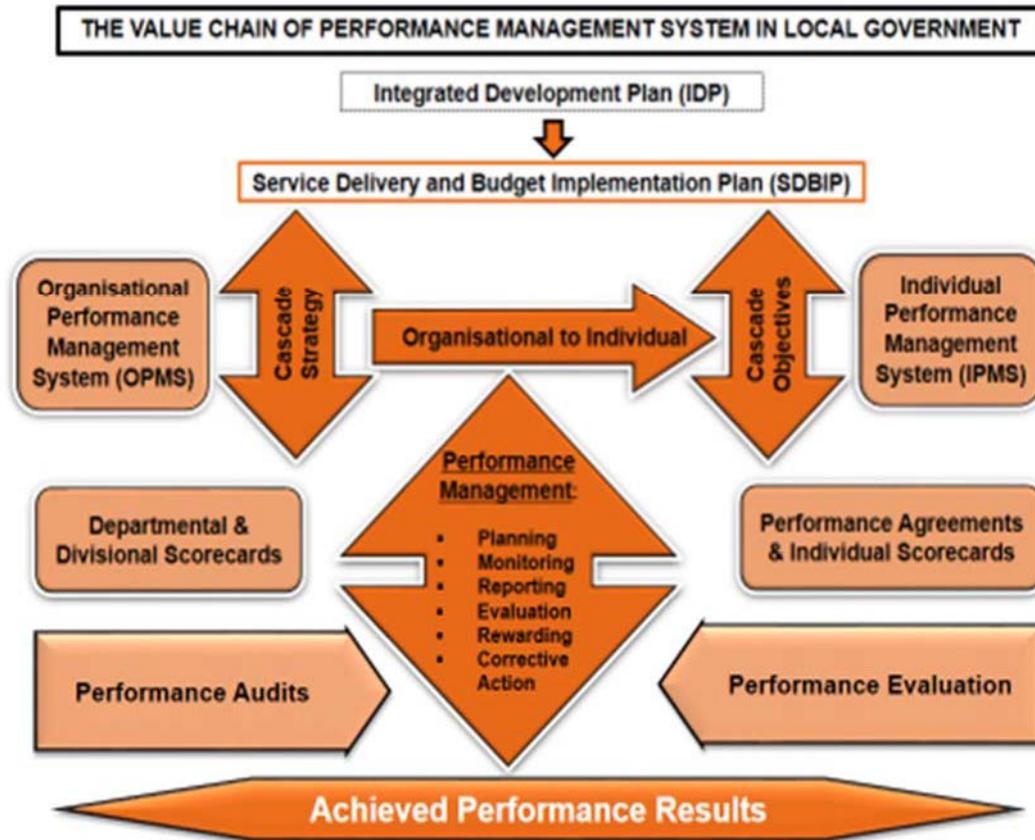
In its 2017-2022 Strategic and Annual Performance Plan, SALGA also presents performance management amongst the priority initiatives of support programmes for municipal capacity building and professionalization of local government. Various assessments, research studies have been undertaken by SALGA and other stakeholders within the local government sector, in particular the municipal audit outcomes by Auditor General, identified performance management as one of the key challenges affecting the efficient and effective functioning of municipalities.

Further, chapter 13 of the National Development Plan (NDP) under “**Building a Capable and Developmental State**” states that the main challenges regarding efficiency and effectiveness in local government has been unevenness in capacity that leads to uneven performance caused by a complex set of factors including performance management.

Despite various initiatives being implemented to capacitate municipalities on performance management and to eliminate much of the frustrations experienced by municipalities regarding this functional area, it remains a key challenge for municipalities.

The SALGA Strategic Plan 2017-2022 aims to strengthen SALGA’s role as the **protector** to enforce rights of local government sector as well as to constructively **disrupt** where the existing overall system (legislative, fiscal, policy, institutional) compromises the ability of local government to deliver on its mandate.

The following diagram depicts the value chain of performance management systems in the municipal sector:



#### 4.4 SECTOR CONTEXT REGARDING LOCAL GOVERNMENT LABOUR RELATIONS

The LG labour relations environment can be generally categorized as being relatively stable at a central level of collective bargaining. This is evidenced by the conclusion of 2 consecutive multi-year salary and wage agreements spanning a period of 6 financial years from 2012 without any form of strike action. However, the same cannot be said of the labour relations environment at the local level. This is evidenced by sporadic strike action on a range of conditions of service matters, some of which fall within the exclusive jurisdiction of centralized collective bargaining with remuneration and parity matters the most pronounced of these. This picture does not bode well for the sectors' aspirations of good governance, labour peace and stability and service delivery.

Various legislation is to a certain degree applicable to staff at any given point within the employee life cycle during the employment relationship. Below is a list of some of these regulatory frameworks:

- a) Local Government: Municipal Systems Act, 2000
- b) Employment Equity Act, 1998

- c) Local Government: Regulations for the appointment and conditions of employment of senior managers – GG Number 37245 of 17 January 2014
- d) Upper Limits of total remuneration packages payable to senior managers - GN381
- e) Local Government: Municipal Finance Management Act 56 of 2003.
- f) Municipal Regulations on Minimum Competency Levels. GG Notice R493 in Government Gazette 29967 dated 15 June 2007
- g) Promotion of Administrative Justice Act (PAJA), 2000.
- h) Basic Conditions of Employment Act 1997 (Act No 75 of 1997)
- i) Labour Relations Act, (Act 66 of 1995)
- j) Unemployment Insurance Act
- k) Occupational Health & Safety Act
- l) Compensation for Occupational Injuries & Disease Act
- m) Skills Development Act and Levies Act.
- n) Collective Agreements

Each year the South African Employment/labour law environment undergoes shifts informed by changes in labour legislation, judicial precedents/ case law and sector-based labour relations practices such as collective bargaining outcomes, dispute settlements and the significance of a stable or lack thereof of a labour relations environment to the achievement of organizational goals and objectives. This reality is no different to the local government sector.

The idea to introduce an annual local government Employment/labour law seminar to be organized and delivered under the auspices of SALGA should be viewed against this background as well as in concrete steps towards creating an empowered and knowledgeable cadre of political and administrative leadership on the one hand as well as practitioners on the other hand to properly equip them with the tools and competencies to deal with everyday labour relations challenges while fostering an environment of mutual respect and cooperation between the employer and the employees represented by organized labour.

#### **4.5 SECTOR HUMAN CAPITAL MANAGEMENT CONTEXT REGARDING LOCAL GOVERNMENT**

The Sector Skills plan compiled by the Local Government Sector Education and Training Authority (LGSETA), dated 1 August 2017, reported that according to information drawn from the Workplace Skills Plan submitted by the 257 municipalities, the total number of employees in the municipalities is 259 124, and that metropolitan municipalities are major employers. It was further reported that the employment rate increased by 0.1% in 2017.

Human Capital Management in municipalities is enshrined in the supreme legislation – the Constitution of the Republic of South Africa, 1996. Section 195 spells out the basic values and principles that governs public administration. Subsection 1 (h), expressly states that “Good human – resource management and career – development practices, to maximize human potential must be cultivated” and subsection (i) commands that “Public Administration must be broadly representative of the South African people, with employment and personnel management

practices based on ability, objectivity, fairness, and the need to re-dress the imbalances of the past to achieve broad representation”.

Chapter 7 of the Municipal Systems Act provides for the legal framework for Local Public Administration and Human Resources. Beyond and flowing from these prescripts, numerous other legislations exist to regulate employee relations in municipalities as workplaces.

## **5. OBJECTIVES OF THE ANNUAL LOCAL GOVERNMENT SEMINAR PROGRAMME**

The aims and objective of the seminars are:

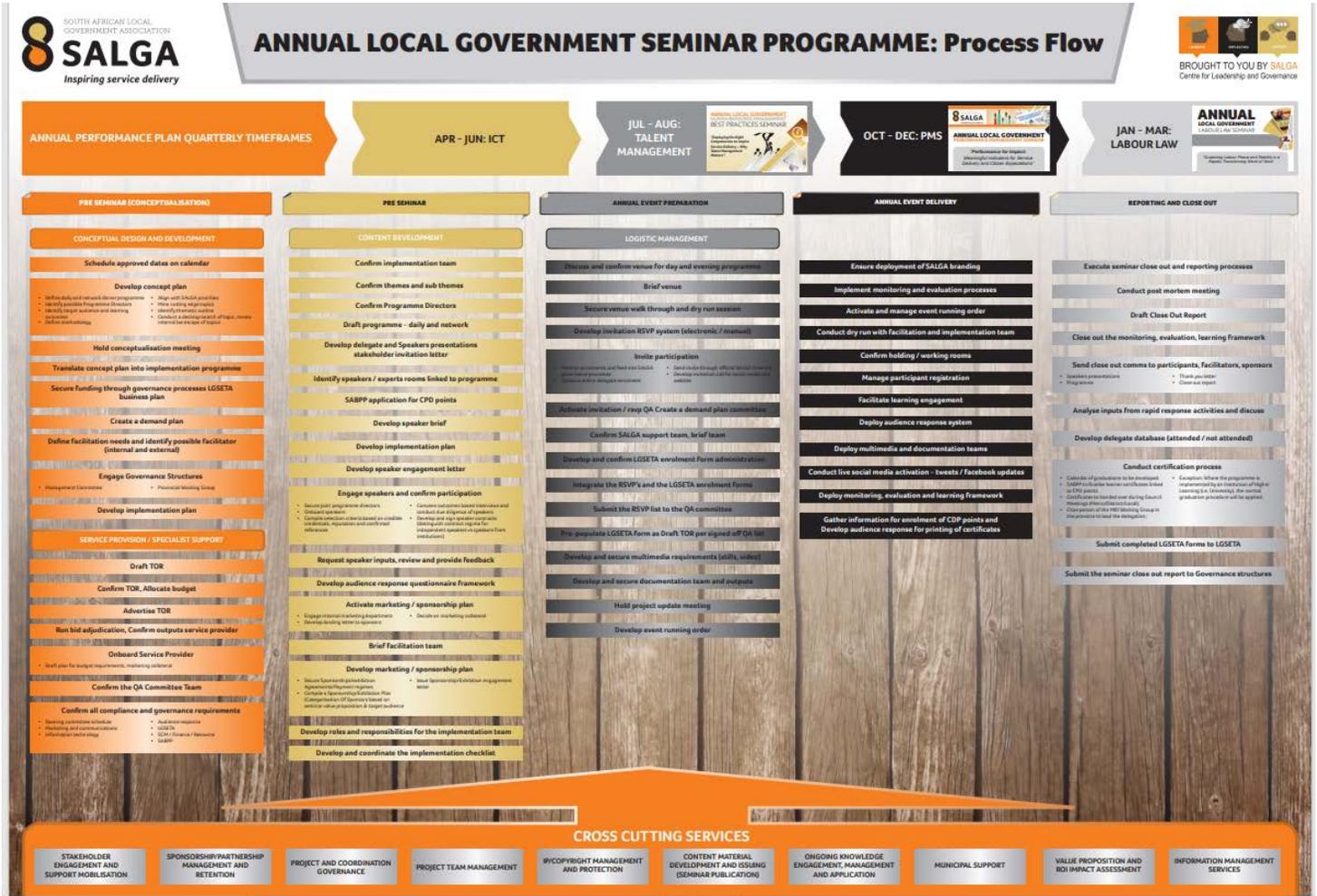
- a) To keep municipal political leadership, senior management and practitioners abreast of important developments in the arena of municipal governance & performance management systems, Labour Law and Talent Management.
- b) To create a platform for municipal political, senior management and practitioners to network and share best practices based on their particular and/or peculiar experiences on the ground.
- c) To create a platform for thought leadership and engagement between industry thought leaders and municipal practitioners.
- d) To create an enabling environment for effective advocacy and constituency immersion on SALGA programmes and interventions in the arena of municipal performance management systems; Labour Law and Talent Management.
- e) To create a user-friendly and open reflective opportunity that enables problems experienced at a local level to be surfaced with a view of generating mutually beneficial solutions that contribute to high performing organizations; and
- f) To assess capacity development needs of the sector in the arena of municipal performance management systems, Labour Law and Talent Management.

## **6. SCOPE OF WORK**

The successful Service Provider is expected to perform the functions as **listed in Section 7: SEMINAR PROGRAMME DELIVERABLES**. The list provides non-exhaustive requirements as a framework to deliver on the SALGA Annual Local Government Suite of Seminar Programmes namely the:

- a) Annual Local Government Talent Management Seminar
- b) Annual Local Government Governance & Performance Management Seminar
- c) Annual Local Government Labour Law Seminar and
- d) On demand events management services to be performed by the appointed Bidder

The following non- exhaustive list of the major identified services (read together with the seminar programme process flow depicted below) provides the framework for the meaningfully achieving the objective of a sustainable, self-funding and capacity building impactful seminar programme series:



SALGA wishes to appoint for a period of five (5) years a suitably qualified and competent service provider/partner/practitioner to assist with the following services:

**6.1 Design and Develop Seminar Implementation Programme**

- Develop and support the implementation of a comprehensive (all three) business delivery framework/model cognizant of annual iterations of each brand independent seminar.
- Develop a seminar programme funding model or plan with aspirations for medium term funding mobilization within a standing implementation practice of annual iterations of each brand independent seminar.
- Source funding for the seminar from sponsors secured from your networks.
- Advice on cutting edge topics to deliver at annual seminars

- Identify and secure speakers' participation, (including the programme director & session facilitators) who are thought leaders in the subject matter for the seminar, according to the SALGA standard operating procedure.
- Review and research on best practices, trends and challenges that will inform cutting edge topics delivery and content for each seminar.
- Provide on demand events management services as will be required

## **6.2 Marketing and Communication**

- Develop and execute a comprehensive marketing, communication and sponsorship mobilization plan (communication, media and publicity plan)
- Develop and implement a detailed events management plan for each annual iteration of the three (3) seminars including creating a common electronic mobile communication platform capable of pre, during and post event real time functionality in order (a) mobilize and entrench online communities of practice and (b) deliver cross-cutting services envisaged in seminar process workflow.
- Manage digital and written documentation for every annual iteration on a pre, during and post seminar basis.
- Develop and deliver including in digital format seminar promotional marketing, marketing assets, reports and publications for every annual iteration as envisaged in the seminar process flow.

## **6.3 Exhibition Coordination and Management**

- Selling of Exhibition Space to potential partners,
- Processing of exhibitors' bookings, allocations of space and response to queries,
- Manage the registration/booking process and requirements of all exhibitors.
- Manage Exhibition design, layout in line with identified venue.
- Design and production of an exhibition layout and prospectus

## **6.4 Project Management**

- Produce a detailed project management plan.
- Provide on demand events management services as will be required
- Drive the monitoring and implementation of the plan leading up to project closure.

# **7. SEMINAR PROGRAMME DELIVERABLES**

## **7.1 Project Plan and Execution Framework**

- The successful Service Provider is expected to submit a Project Charter and a detailed Project Plan (a full project plan write-up) highlighting, amongst other scope, quality criteria, typical constraints, risks and contingencies, dependencies, clear timelines, payment schedule and milestone deliverables.
- Performance of the Service Provider will be assessed on the execution against this project plan.

- The service provider/practitioner must develop specific topical areas based on the objectives of the seminar and what has been identified as key topical issues of the time. Materials development must account for all areas of learning related to the seminar in local government.

The delivery model of the seminar must incorporate:

- Moderated/facilitated panel discussion.
- Themed based thought leadership input.
- Delivery of researched papers.
- Presentations or simulations of municipal leading practices.
- Exhibitions.

## **7.2 Sponsorship and Resource Mobilization**

- Manage all aspects of generating funds including the signing of expression of interest by sponsors to meet the budget of organizing the Seminars and exhibition through selling space for exhibition and etc.
- Identification and designing sponsorship opportunities as well as approaching potential sponsors by way of direct mail, personal contact and telephone follow up;
- Mobilize funding through sponsors/partners in both public and private sector: All funds and sponsorships raised must be declared, once secured to SALGA in the form of an official letter from each donor/sponsor (i.e. Expression of interest to sponsor).
- Non- financial sponsorships (in kind contribution): All sponsorships must be declared in writing in the form of an official letter signed by the sponsor, alongside a report indicating the use of the sponsorship.

## **7.3 Event Mobile Communication Platform- App**

Build a scalable Mobile communications platform that extends to iOS, Web and Android Devices. This app must be web based, scaled and packaged to be launched onto user's mobile devices, the platform will comprise the following:

- Branded scalable Mobile communications platform that extends to iOS, Web and Android Devices and downloadable from the Apple & Google stores respectively.
- Provide SALGA with Mobile Event Apps that provide delegates attending their seminars the full suite of Event app features. These apps to be contained within the Mobile communications platform mentioned above.
- Provide SALGA with always on App dedicated to selected and authorized subject matters with a view of introducing/retaining/supporting ongoing and interactive online conversations between SALGA authorized officials, municipal delegates and subject matter experts or researchers.
- Provide on-going technical and related support to the online portal and enhance the online communities of practice engagement experience for the duration of the contract.

## **7.4 Communication, Media and Publicity Plan**

- Coordinate and Manage Publicity in consultation and approval by SALGA on all announcements, press conferences and briefings during seminars, media, advertising and media monitoring leading up to the seminar.
- Produce/print and oversee press releases in consultation with SALGA.
- Public Relations and media management, including liaison with media houses.

## **7.5 Live Streaming of the Annual Local Government Seminars**

Given the easing of the National State of Disaster and its applicable Covid – 19 restrictions, and in adherence to the National Health Act provisions relating to public gatherings upper limits, this Annual Local Government Seminars will consider a blended delivery approach and is going to be implemented as a hybrid seminar incorporating virtual and in venue gathering delegate attendance.

The following live streaming services will be required:

- “In-Studio” – AV crew to film and stream across Zoom as well as the SALGA YouTube platform & App.
- To provide full online streaming services over a period of two days + a technical dry run which will take place a day before each seminar commencement.
- To provide SALGA with a laptop – for streaming the Zoom platform.
- To fully manage and control back-end processes and feed the livestream to where SALGA wants the virtual seminar to land (YouTube, SALGA mobile app and SALGA Facebook page).
- To upload all artwork and multimedia as provided by SALGA such as the lower- thirds, promotional video content from sponsors, artwork for the landing page, inclusive of background music to play in the “waiting room” 15-30 minutes before the seminar begins, while delegates wait.
- To provide dual-screen support for presenters to be able to view their presentation (only in the event where a presenter will be presenting from the comfort of their home).
- A dedicated 100mbp internet line.
- Cater for between 350 – 500 registered delegates on the Zoom Webinar Platform.
- Service provider should please include an itemized list of the equipment they will be using.
- The seminar must be streamed on the SALGA mobile app; this will require the streaming service provider (venue AV team) to share with the app management team a streaming key.

## **F. MANAGE DIGITAL AND WRITTEN DOCUMENTATION OF SEMINARS**

- Uploading of the summary proceedings of all sessions, all power points presentations and related material or knowledge resources in every annual seminar iteration.
- Ensure the provision of rapporteur services for each seminar/session to summarize key messages and notes in a format that can be used to develop a final report for the seminar.
- Produce a high-level seminar outcomes report.
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## **7.6 Create Sideline Value-Add Services**

Conceptualize side events and services in every annual seminar iteration in order to:

- Enhance brand equity of the seminar product.
- Enhance the value proposition of the seminar as a multi-pronged experience.
- Assist partners (sponsors and exhibitors in the main) to have on going engagements with seminar delegates such as product demonstrations.
- Facilitate provision of pop-up services/facilities whilst also tapping into additional revenue opportunities.

All the side events and services must be provided and set up in such a way as not to defocus the attention of the municipal delegates to the core business of the seminar programme. This can be achieved by, among others, providing such services during breaks, after hours and/or at times as determined by SALGA. Side events and services also include those that enhance the social and networking environment, including afterhours entertainment subject to its funding by a 3<sup>rd</sup> party partner (sponsor and/or exhibitor, venue operator in kind contribution) and not by SALGA.

## **7.7 Seminar Reporting and Close Out Report**

At the seminar itself, the successful bidder will manage the facilitated discussions as well as provide a substantive support to SALGA as needed. The successful bidder will also compile a list of recommended actions discussed at the seminar as part of the close out report.

## **8. BIDDER REQUIREMENTS**

The appointed bidder/practitioner will be expected to demonstrate technical ability and capacity to undertake an assignment of this complexity.

The bidder/practitioner must fulfil the following requirements:

- a) A proven written track record for managing projects of a comparative size and nature accompanied by 3 contactable references.
- b) A proven written track record in developing and implementing seminars.
- c) Provide on demand events management services as will be required.
- d) A detailed project management plan that outlines the details of all the elements of the seminar development to close out.
- e) As part of the proposal the service provider/practitioner must demonstrate the understanding of the implementation of the annual seminar and this magnitude by outlining the following details amongst others.
- f) A project plan reflecting the scheduling, organization and resource mobilization that will match the nature of the project.
- g) The bidder must demonstrate the capacity to produce online seminar products and audio-visual recordings.

- h) The bidder/practitioner must have an administrative capacity, including office space, equipment and personnel that is commensurate with delivery of a large project. To this end SALGA will reserve the right to conduct a site inspection of the premises of the Bidder.
- i) The service bidder/practitioner must provide a detailed project budget breakdown.
- j) Submission of a final project close out report.

## 9. CONTENT OF PROPOSAL

The proposal should include (*information to be submitted by the bidders*):

- a) All relevant perceived strengths and weaknesses of the firm bidding for the service, e.g. similar previous experience, in-house skills, etc. ; providing information which will assist SALGA to assess its capabilities, competitive advantages, etc.
- b) the summary of the bidder's mission statement, the vision statement, values and long-term strategies and objectives as comprehensively as possible.
- c) a list of references of previous and current appointments relevant to the required services; examples of such services capabilities and experience and more specifically the number and size of organizations where service rendered in specific sectors in government and areas of expertise.
- d) an organogram or list of partners, managers, specialists, together with the *curriculum vitae* of the staff who will be available for the duration of the work; any staff changes regarding staff allocated to SALGA must be done in consultation with the Project Manager representing the organization. The successful bidder should provide experienced specialists relevant to the required services.
- e) A breakdown of the project costs VAT inclusive, per category as required for services rendered. Expenditure incurred without the prior approval of SALGA will not be reimbursed. An analysis of costs must be given to cover the full amount, and where possible, costs should be linked with specific tasks to be undertaken. All other incidental costs should be included in the budget breakdown.
- f) In so far as is possible, a comprehensive budget, showing the service of activities proposed, with charge-out rates and budgeted hours per activity, detailing all assumptions made in arriving at a proposed budget, including all cost factors such a traveling.
- g) How the bidder proposes to provide governance assistance to SALGA; and
- h) In so far as is possible, provide an overview of the methodology to be applied.
- i) How the bidder will ensure that there is transfer of skills to the SALGA team.

## 9. APPOINTMENT, COMMENCEMENT AND DURATION

The appointed bidder / practitioner is anticipated to commence the work upon appointment for a duration of **60 months** and end on the completion of the project.

## 10. DESCRIPTION AND EXTENT OF WORK (PROJECT MANAGEMENT)

### 10.1. Performing of assignments

Assignments are to be performed in accordance with the industry/profession standards as well as the terms of reference.

All reports will be reviewed by the relevant Project Manager representing the organization.

All working papers, reports and documents will become the property of SALGA.

The successful bidder shall work with the Cluster of SALGA on the planning of various phases of the service activities and must be prepared to regularly report the progress to the relevant Project Manager.

### 10.2. Timing of assignments

The performance of this assignment shall be in accordance with the approved plan by the Project Committee. The final responsibility of approving the scope and extent of the work resides with the relevant Project Manager.

### 10.3. Quality assurance reviews of the work

The bidder/practitioner shall ensure that all work conforms to the required SETA quality assurance standards.

### 10.4. Monitoring progress of assignments

On a mutually agreed basis, the bidder/practitioner shall meet with the Project Manager to report progress of the work, and at the Project Committee meetings.

### 10.5. Payments

SALGA undertakes to pay out within a reasonable time period all valid claims for work done to its satisfaction upon presentation of a substantiated claim. No payment will be made on outstanding information not submitted by the bidder/practitioner/practitioner.

The parties shall, upon appointment of the bidder/practitioner/practitioner, sign a service level agreement to govern their business relationship.

Acceptance of any bid does not mean that work on an uninterrupted basis is guaranteed for the duration of the contract.

## **10.6. Expenditure incurred by the bidder**

The SALGA will not be held responsible for any costs incurred by the bidder in the preparation and submission of the bid.

## **11. INSTRUCTION TO BIDDERS**

### **11.1 General Instructions**

This document constitutes a Request for Proposal (RFP), which specifies SALGA's requirements for service providers in the event management and resource mobilization environment to assist the South African Local Government Association (SALGA) to conduct event management and resource mobilization services for The Annual Local Government Seminar Suite Programmes on Behalf of SALGA. The information contained herein provides a format to facilitate bidder's responses to this RFP. It is important that the format be followed closely to help maintain the decision-making timetable.

Responses must be presented in the same order as the requirements appear, section by section, and numbered accordingly, with acknowledgement of all clauses. All pricing information should be fully disclosed with all charges clearly defined, i.e. a per unit fee based on activity. Please feel free to address any other potential services not specifically mentioned in this RFP that may be of benefit to the National Executive Committee (NEC) of SALGA which is the organization's accounting authority.

### **11.2 Objectives**

SALGA's objective in the call for proposals is service providers in the event management and resource mobilization environment to assist the South African Local Government Association (SALGA) to conduct event management and resource mobilization services for The Annual Local Government Seminar Suite Programmes on behalf of SALGA.

### **11.3 Terms of Contract**

The term of the contract shall be regulated by the Service Level Agreement (SLA) to be concluded with the winning bidder. It is anticipated that the term of the contract shall be for the duration of the assignment and shall expire upon fulfilment of the scope of work. The contract may be extended by mutual agreement. Thirty (30) days written notice must be given if either party wishes to terminate the agreement prior to the contract's expiry date.

### **11.4 Questions during Proposal Process**

Any enquiries regarding this RFP should be directed to **Nokwanda Msomi**, Senior Buyer: SCM at [scm@salga.org.za](mailto:scm@salga.org.za), located at the SALGA National Office – 012 369 8000. Questions will only be taken up to four days prior the closing date.

Bidders finding apparent discrepancies or omissions in the RFP should inform SALGA through the designated email address [scm@salga.org.za](mailto:scm@salga.org.za) before the closing date. Bidders may during the bidding period, be advised by Addenda, of any additions, clarifications, deletions or alterations to these specifications. All such changes should be covered by the bidder's proposal. Information used in the preparation of a proposal from other than this RFP and any written addenda (considered as the proposal documents) will not be considered as valid or official.

No further addenda will be issued by SALGA after 12:00 noon, four business days prior to RFP closing without providing an extension of time.

### **11.5 Submission of Proposal**

Submit three(3) copies of the proposal (1 X Original of the bid/tender document), and 1 X Original of the budget cost breakdown, in sealed opaque envelopes as well an electronic version in a USB flash drive or memory stick clearly marked RFP Response – Bid SALGA/06/2022 Request for Proposals for the Appointment of a Service Provider/Partner to Perform Event Management and Resource Mobilization Services in the Implementation of The Annual Local Government Seminar Suite Programmes mainly: Labour Law, Performance & Governance and Talent Management Seminars on behalf of SALGA addressed to:

Attention: Ms. Nokwanda Msomi Senior Buyer: SCM

**Physical address:**

South African Local Government Association (SALGA)  
Menlyn Corporate Park  
Block B; 175 Corobay Avenue  
corner Garsfontein & Corobay Avenue  
Waterkloof Glen ext. 11  
PRETORIA  
0181

Proposals will be received at the reception desk on the first floor, during regular business hours only- 08:00 am – 16:30 pm, up to 19 October 2022 at 11:00 am. Late submissions will not be accepted.

Bidders remain solely responsible for the method of conveyance of their proposal to the receiving point. Fax transmissions or any other electronic communications are not acceptable.

SALGA will not be responsible for any costs incurred by the bidders associated with the preparation of responses to the RFP.

Proposals received past the time stated above will not be considered and will be returned to the bidder unopened.

Proposals will not be opened in public.

All proposals will remain in force and will be irrevocable for **hundred and twenty days** after the proposal closing.

Proposals shall be stipulated sums without escalator clauses or other qualifications.

## **11.6 Contract Award**

SALGA reserves the right to accept any proposal submitted or reject all proposals.

Any proposal submitted, that is not in complete compliance with the requirements of the proposal documents may be accepted or disqualified, at the option of SALGA.

Please outline in your proposal the assistance your institution is prepared to provide in order to meet the estimated contract duration period for the full implementation of the scope of work.

## **11.7 Termination of Contract**

SALGA reserves the right to terminate the agreement with 30 days written notice to the winning bidder subject to the following:

- the winning bidder fails to perform in accordance with the specified service requirements as set out in the RFP.
- the winning bidder fails to provide project deliverables as defined under Section 7 without written explanation.
- the winning bidder otherwise violates the provisions of the RFP to a substantial degree.

## **11.8 Liability**

SALGA will not be held liable for any actions of the winning bidder and/or its employees.

## **11.9 Important Dates**

Please note that some of the dates are based on estimated project timeframes.

## **12. CONDITIONS OF BID (FAILURE TO MEET ANY OF THE REQUIREMENTS BELOW MAY RENDER YOUR BID PROPOSAL NON-RESPONSIVE)**

- 12.1 The requirement for content of the project proposal section below outlines the information that must be included in bid offers. **Failure to provide all or part of the information may result in your bid being excluded from the evaluation process.**
- 12.2 A contract will be signed with the appointed Bidder/practitioner/.  
The bidder/practitioner will be required to sign confidentiality and indemnity agreements with SALGA.
- 12.3 SALGA may at its own discretion vary an instruction to include more work.
- 12.4 Failure to comply with any condition of this request for a proposal will invalidate respective tender proposal.

- 12.5 In the event that any conflict of interest is discovered during the assignment, SALGA reserves the right to summarily cancel the agreement and demand that all the information, documents and property of SALGA be returned forthwith.
- 12.6 SALGA reserves the right to request new or additional information regarding each bidder and any individual or other persons associated with its project proposal.
- 12.7 Bidders shall not make available or disclose details pertaining to their project proposal with anyone not specifically involved, unless authorized to do so by SALGA.
- 12.8 Bidders shall not issue any press release, social media or other public announcement pertaining to the details of their project without the prior written approval of SALGA.
- 12.9 Bidders are required to declare any conflict of interest they may have in the transaction for which the bid is submitted or any potential conflict of interest. SALGA reserves the right not to consider further any bid where such a conflict of interest exists or where such potential conflict of interest may arise.
- 12.10 The bid offers and proposals should be valid and open for acceptance by SALGA for a period of 120 days from the date of submission.
- 12.11 Bidders are advised that submission of a project proposal gives rise to no contractual obligations on the part of SALGA.
- 12.12 Disputes that may arise between SALGA and a bidder must be settled by means of mutual consultation, mediation (with or without legal representation) or, when unsuccessful, in a South African court of law.
- 12.13 In addition to adherence to the specific terms and conditions of proposals, provided in this document, the bidder shall be bound by the provisions of the General Conditions of Contract attached hereto, an originally signed copy of which must be submitted together with all other bid documentation.
- 12.14 All returnable bid documents must be completed in full and submitted together with the bidder's proposal.
- 12.15 SALGA will not be liable for costs incurred during the site visits or any other cost related to the submission of the bid.
- 12.16 Completion of the Standard Bidding Documents stated herein below is **mandatory**, failure to do so **may** render your bid offer invalid.

## **13. STANDARD BIDDING FORMS**

### **13.1 Preference Points Claim form**

Form SBD 6.1 - Bidders must complete this document in full, special attention must be given to section 8 and 9. They must be completed on the original and signed, all in black ink.

### **13.2 Bidder Disclosure**

Form SBD 4 - Bidders must complete this document in full. They must be completed on the original and signed, all in black ink.

### **13.3 Invitation to Bid**

Form SBD 1 - Bidders must complete this document in full. They must be completed on the original and signed, all in black ink.

### **13.4 Pricing Schedule**

Form SBD 3.3 - Bidders must complete this document in full. They must be completed on the original and signed, all in black ink.

## **14. EVALUATION**

The following evaluation method will be used:

After the closing date of the bid invitation, an appointed evaluation committee of SALGA officials and possibly other external parties will evaluate the proposals of the bidders.

The committee will individually evaluate each of the bid proposals received against the appointed criteria as provided for in Preferential Procurement Regulations, 2017.

All proposals submitted will be evaluated on three categories:

- a) Functionality (technical content)
- b) Price
- c) B-BBEE status level of contribution

Bids will be evaluated in accordance with the Preferential Procurement Regulations, 2017, using the 80/20 split. The 80/20 preference points system applies for acquisition of goods or services for Rand value equal or above R30 000 and up to R50 million.

Firstly, the assessment of functionality will be done in terms of the evaluation criteria and the minimum threshold value of 70 points. A bid will be disqualified if it fails to meet the minimum threshold value for functionality as per the bid invitation.

A Bid Evaluation Committee will review and evaluate the proposals. A maximum of four (4) bidders may be invited to present their proposal for the purpose of providing clarification and answers to questions by the committee. If presentations are necessary they will be made on the date, time and location to be confirmed.

Thereafter, only the qualifying bids after the presentation will be evaluated in terms of the 80/20 preference points systems, 80 points will be used for price only and the 20 points will be used for B-BBEE Status Level of Contribution. The price points will be calculated in accordance with the formula prescribed in Regulation 6. (1) of the Preferential Procurement Regulations, 2017.

A recommendation for the awarding of the contract will be made at the meeting of the Bid Adjudication Committee to be confirmed, where applicable.

For functionality, the following criteria will be applicable and the maximum value of points breakdown for each criterion using the table below:

SCALE LEVEL DESCRIPTIONS	RATING
No relevant response or information given to enable evaluation	0
<b>Very poor</b> response based on expected standard	1
<b>Poor</b> response based on expected standard	2
<b>Average</b> response based on expected standard	3
<b>Good</b> response based on expected standard	4
<b>Excellent</b> response based on expected standard	5

**Points Breakdown:**

CRITERIA FOR FUNCTIONALITY	BREAKDOWN OF POINTS	WEIGHTS
Understanding of the brief as well as submission of supporting documentation (Written track record in developing and implementing and branding seminars, packaging and delivery of branded seminars, conferences, events, design of marketing collateral & communication tools).	0 = Lack of understanding of key deliverables and non - submission of documentation. 3 = Understanding of key deliverables and submission of documentation. 5 = Understanding of key deliverables and submission of all documentation as per terms of reference.	20
Approach and methodology (to include project plan to cover scope of work).	0 = No submission of project plan and approach. 3 = Submission of project plan, management plan and methodology approach in line with scope of work. 5 = Submission of project plan & management plan (that outlines the details of all the elements of seminar development to close out) in line with scope of work.	35
A proven written track record in developing and implementing seminars, conferences and event management with a minimum 5 to 10 years of experience.	0 = none 1 = one letter 2 = two letters 3 = three letters 4 = four letters 5 = five letters	25

Administrative capacity (including office space, technical expertise and equipment and qualified personnel)	0 = none, 3 = Capacity (office space, equipment and personnel) 5 = Office space (lease agreement), equipment and personnel (CVs and proof of qualifications)	20
Total for functionality		100
Threshold		70

Bidders who score 70 (average) points and above will be considered in phase 2 of the evaluation.

The 80/20 points system will be used when evaluating this Request for Proposal.

The remaining 20 points will be allocated in terms of Regulation 6(2) and 6(3) of the Preferential Procurement Regulations, 2017, 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 (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non - compliant contributor	0

Phase 2 of evaluation will include the sum of the two criteria below:

CRITERIA	WEIGHT
Price	80
B-BBEE status level of contribution	20
<b>TOTAL</b>	<b>100</b>

Bidders must submit proof of their B-BBEE status level of contributor.

A bidder failing to submit proof of B-BBEE status level of contribution or is a non-compliant contributor to B-BBEE may not be disqualified but may only score points out of 80 for price, and score 0 points out of 20 for B-BBEE.

## 15. GENERAL CONDITIONS

The following should be noted by interested parties:

- Intellectual property and ownership of all materials and products developed in the execution of the contract will be vested in SALGA.

- Materials and products may not be made available to any unauthorized person or institution or sold for profit without prior written consent from SALGA.
- On completion or termination of the agreement, all materials and products must be handed over to SALGA.
- No information concerning the tender or award of the tender may be made available by the bidder to other parties without prior consultation and written approval from SALGA.
- SALGA may at its own discretion vary this instruction to include more scope / work or to exclude work/service areas. In the case of the latter, the bidder shall not be entitled to claim for any work not required and may engage SALGA on the pricing of the additional work/ service proposed.
- All copyright and intellectual property rights that may result as a consequence of the work to be performed shall reside with SALGA and the bidder/practitioner shall be required to sign an agreement of confidentiality.
- SALGA may dictate the framework in which documents (policies, plans, report etc.) shall be submitted; however the bidder/practitioner should be able to submit a proposal on the lay-out of his/her choice for consideration by SALGA.
- SALGAs (general conditions of bid, contract and order) shall be applicable to this bid.
- The bidder/practitioner shall be required to conclude and sign a Service Level Agreement (SLA) after the appointment.
- SALGA reserves the right not to award the bid to any bidder at its own discretion.



**PART A  
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION (SALGA)					
BID NUMBER:	SALGA/06/2022	CLOSING DATE:	19 OCTOBER 2022	CLOSING TIME:	11:00
DESCRIPTION	Request for Proposals for the Appointment of a Service Provider / Partner to Perform Event Management and Resource Mobilization Services in the Implementation of the Annual Local Government Seminar Suite Programmes i.e. Labour Law, Governance & Performance Management Seminar, Talent Management Seminars and on demand event management services on behalf of SALGA				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
SALGA NATIONAL OFFICE, FIRST FLOOR, BLOCK B, MENLYN CORPORATE PARK, C/O GARSFONTEIN AND COROBAY AVENUE, WATERKLOOF GLEN					
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					
		TCS PIN:		OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]		<input type="checkbox"/> Yes		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?		<input type="checkbox"/> No			<input type="checkbox"/> No
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX		<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)		
		<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)		
		<input type="checkbox"/>	A REGISTERED AUDITOR		
		NAME:			
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT(FOR EMEs& QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	[IF YES ENCLOSE PROOF]			[IF YES ANSWER PART B:3 BELOW]	
SIGNATURE OF BIDDER	.....		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)					
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE (ALL INCLUSIVE)		
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT/ PUBLIC ENTITY			CONTACT PERSON		
CONTACT PERSON			TELEPHONE NUMBER		

TELEPHONE NUMBER		FACSIMILE NUMBER	
FACSIMILE NUMBER		E-MAIL ADDRESS	
E-MAIL ADDRESS			

## PART B TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b>
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR ONLINE</p> <p>1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: ( BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.</p> <p>1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.</p> <p>1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.</p>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>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.</p> <p>2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.</p> <p>2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.</p> <p>2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>
<b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>
<p>3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</p>

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

**PRICING SCHEDULE**  
(Professional Services)

NAME OF BIDDER: ..... QUOTATION NO.: SALGA/06/2022

CLOSING TIME 11:00 ON 19 OCTOBER 2022

OFFER TO BE VALID FOR ...120...DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY INCLUSIVE OF <u>VALUE ADDED TAX</u>
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1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of VAT for the project. R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
.....	R.....	.....

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

.....	R.....	..... days

5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
TOTAL: R.....			

Name of Bidder: .....

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
.....	.....	.....	R.....
TOTAL: R.....			

- 6. Period required for commencement with project after acceptance of bid .....
- 7. Estimated man-days for completion of project .....
- 8. Are the rates quoted firm for the full period of contract? .....
- 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index. ....  
.....  
.....  
.....

Any enquiries regarding bidding procedures may be directed to the –

(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Nokwanda Msomi

Tel: (012) 369-8000  
scm@salga.org.za

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

Tel: (012) 369-8000  
Ms. Thobile Mhlongo  
scm@salga.org.za

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

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

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

### 2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship

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<sup>1</sup> 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.

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....  
.....

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

2.3.1 If so, furnish particulars:

.....  
.....

**3 DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

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

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

.....	.....
Signature	Date
.....	.....
Position	Name of bidder

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 2017**

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 MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

1.1 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).

1.2

a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	80
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	20
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser 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 purchaser.

**2. DEFINITIONS**

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“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;

- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise 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;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
- 1) B-BBEE Status level certificate issued by an authorized body or person;
  - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise 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;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

### 3. POINTS AWARDED FOR PRICE

#### 3.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

#### 80/20

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

Where

- Ps = Points scored for price of bid under consideration  
 Pt = Price of bid under consideration  
 Pmin = Price of lowest acceptable bid

### 4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, 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

**5. BID DECLARATION**

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

**6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

6.1 B-BBEE Status Level of Contributor: . = .....(maximum of 10 or 20 points)  
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**7. SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted?

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

7.1.1 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

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
<b>OR</b>		
Any EME		
Any QSE		

8. **DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name \_\_\_\_\_ of  
company/firm:.....

8.2 VAT \_\_\_\_\_ registration  
number:.....

8.3 Company \_\_\_\_\_ registration  
number:.....

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 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-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a

- result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

<p>WITNESSES</p> <p>1. ....</p> <p>2. ....</p>
--

<p>..... SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE: .....</p> <p>ADDRESS .....</p> <p>.....</p> <p>.....</p>
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**THE NATIONAL TREASURY**

**Republic of South Africa**



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**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](http://www.treasury.gov.za)

## **4. Standards**

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

## **5. Use of contract documents and information; inspection.**

5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

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

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.

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

## **6. Patent rights**

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights

arising from use of the goods or any part thereof by the purchaser.

**7. Performance security**

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
  - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
  - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

**8. Inspections, tests and analyses**

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

- 8.7 Any contract supplies may on or after delivery be inspected, tested or 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

- (d) for each appropriate unit of the supplied goods; 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** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation 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** In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.