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**DEPARTMENT OF WATER AND SANITATION
REPUBLIC OF SOUTH AFRICA**

DUE AT 11:00 AM ON

17 NOVEMBER 2023

WTE-0029ES

SECURITY FENCING AT HLUHLUWE DAM

SUBMIT TENDER DOCUMENT

TO

POSTAL ADDRESS:
SUPPLY CHAIN MANAGEMENT
OFFICE:
WATER AND SANITATION
PRIVATE BAG X 24
HOWICK, 3290
NB: PLEASE QUOTE TENDER
NUMBER

OR **TO BE DEPOSITED IN:**
THE TENDER BOX AT THE
ENTRANCE
OF MIDMAR DAM GUARDHUT
MIDMAR DAM
NB: PLEASE COMPLETE REGISTER

TENDERER: (Company address and stamp)

COMPILED BY: DEPARTMENT OF WATER AND SANITATION:

DEPARTMENT OF WATER AFFAIRS
INSTRUCTIONS TO BIDDERS: PURCHASES

1. The standard bidding forms should not be retyped or redrafted but photocopies may be prepared and used. Additional offers may be made of any item but only on a photocopy of the page in question or on other forms obtainable from the Head of Procurement: Department of Water Affairs, Private Bag X313, Pretoria, 0001, Attention: Supply Chain Management Office. Additional offers made in any other manner may be disregarded.
2. Should standard bid forms not be filled in by means of mechanical devices, for example typewriters, ink, preferably black, must be used to fill in bids.
3. Bidders shall check the numbers of the pages and satisfy themselves that none are missing or duplicated. No liability shall be accepted in regard to claims arising from the fact that pages are missing or duplicated.
4. Where items are specified in detail, the specifications form an integral part of the bid document and bidders shall indicate in the space provided whether the items offered are to specification or not.
5. In respect of the paragraphs where the items offered are strictly to specification, bidders shall insert the words "as specified".
6. In cases where the items are not to specification, the deviations from the specifications shall be indicated.
7. The bid prices shall be given in the units shown.
8. With the exception of basic prices, where required, all prices shall be quoted in South African currency.
9. Delivery basis:
 - (a) Supplies which are held in stock or are in transit or on order from South African manufacturers at the date of bid, shall be offered on a basis of delivery into consignee's store or on his site within the free delivery area of the bidder's centre, or carriage paid consignee's station if the goods are required elsewhere.
 - (b) Notwithstanding the provisions of paragraph 9(a), bid prices for supplies in respect of which installation/erection/assembly is a requirement, shall include ALL costs on a basis of delivered on site as specified.
10. Unless specifically provided for in the bid document, no bids transmitted by telegram, telex, facsimile, e-mail or similar apparatus shall be considered.

ANNEXURE 7

11. Bids received after the closing date and time are late and will as a rule not be accepted for consideration.
12. Bids will be opened in public, that is, bidders or their representatives may be present. If requested by any bidder, the names of bidders and if practical the total amount of each bid and of any alternative bids, will be read aloud.
13. The period for which offers are to remain valid and binding is indicated in the bid documents and is calculated from the closing date on the understanding that offers are to remain in force and binding until the close of business on the last day of the period calculated and if this day falls on a Saturday, Sunday or public holiday, the bid is to remain valid and binding until the close of business on the following working day.
14. These conditions (Annexure 7) form part of the bid and failure to comply therewith may invalidate a bid.
15. Bidders are requested to promote local content optimally. Bidders who use locally manufactured components, products, equipment and systems, may claim preferences as set out in the Preference Points Claim Form, if attached.
16. After public opening of bids, information relating to the examination, clarification and evaluation of bids and recommendations concerning awards will not be disclosed to bidders or other persons not officially concerned with the process, until the successful bidder is notified of the award. The bid documentation of bidders is considered to be confidential and will under no circumstances be made available to other bidders or other persons.
17. If you are a supplier but not the actual manufacturer and will be sourcing the product(s) from another company, a letter from that company(ies)/supplier(s) confirming firm supply arrangement(s) in this regard, has to accompany your bid and failure to submit the document may invalidate your bid.
- 17.1 The said company/supplier must confirm that it has familiarised itself with the item description, specifications and bid conditions and if the bid consist of more than one item it should be clearly indicated in respect of which item(s) the supportive letter has been issued.
18. The financial standing of bidders and their ability to manufacture or to supply goods or to render a service may be examined before their bids are considered for acceptance.
19. The Department may, where a bid relates to more than one item, accept such bid in respect of any specific item or items and also accept part of the specified quantity of any specific item or items.
20. The Department is not obliged to accept any bid. The evaluation of a bid will be done in accordance with the Preferential Procurement Policy Framework Act, 2000 (Act no. 5 of 2000) and its regulations.

ANNEXURE 7

21. After approval of the bid, both parties must sign a written contract. The Contract Form must be filled in duplicate by both the successful bidder and the purchaser. Both Contract Forms must be signed in the original so that the successful bidder and the purchaser would be in possession of originally signed contracts for their respective records.

21.1 Failure of the successful bidder to sign the Contract Form in ink may result in the invalidation of their bid.

Special Conditions of Bid: Purchases

July 2004



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

BRANCH: INFRASTRUCTURE MANAGEMENT

CD: WATER RESOURCES INFRASTRUCTURE OPERATIONS AND MANAGEMENT

D: OPERATIONS EASTERN

SUB-DIRECTORATE: TECHNICAL SUPPORT SERVICES (TSS)

TECHNICAL SPECIFICATION

**HLUHLUWE RIVER GWS: HLUHLUWE DAM: SUPPLY, DELIVERY, AND INSTALLATION OF SECURITY FENCING
AT HLUHLUWE DAM**

MAY 2023

REF NO: EO-MMD-C-06 2023/24

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SUPPLY, DELIVERY, AND INSTALLATION OF SECURITY FENCING AT HLHHLWE DAM

1 INTRODUCTION

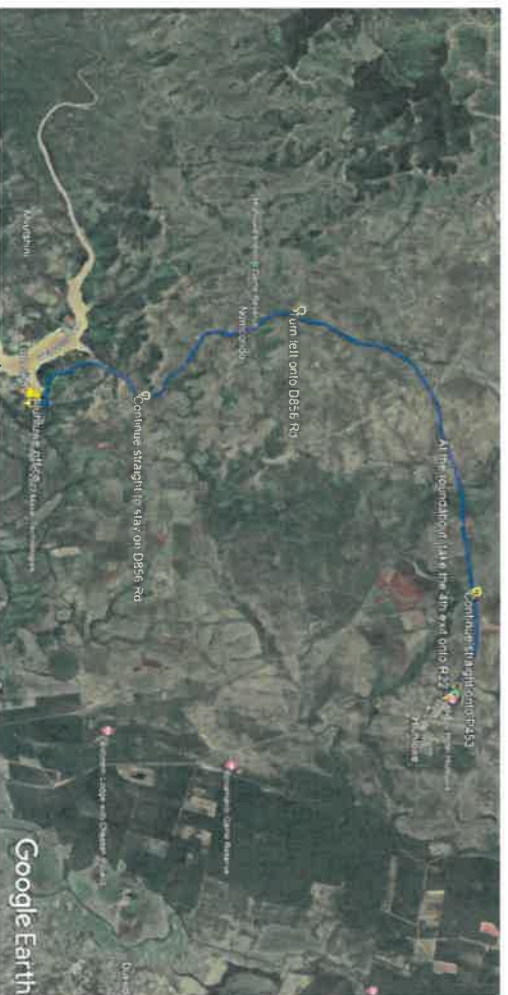
1.1 General background information

Hluhluwe Dam is located on the Hluhluwe river approximately 15km south-west of the town of Hluhluwe in KwaZulu-Natal province. The catchment is medium sized (723km²), and the primary purpose of the dam is to provide storage for irrigation, industrial and domestic use. The dam wall is 37m high and is classified as large. The dam was designed and constructed by DWAF and completed in 1965. The dam is owned by the Department of water and sanitation.

Coordinates of the dam - Latitude:28°07'18.21"S Longitude:32°10'46.15"E

1.2 Directions to the dam

Directions to the dam wall: On the N2 approaching North or South, off-ramp onto road D123 and head west until it transitions to D856, travel for approximately 15.5 km and arrive at the Hluhluwe dam wall.



1.3 Fencing requirements at the Dam

1.3.1 Fencing from Quarry to Boundary Fence outside Water Control Office



A total length of 345m needs to be fenced from the quarry to the 2,4m security fence outside the WCO / Office area. Pictures of the start of fencing, installation of gate, corner post and end of fence follows:

Hluhluwe dam: *The Supply, Delivery, and Installation of Security fencing*

REF NO: EO-MMD-C-06-2023/24



Start of Fencing – concrete corner post around the quarry



Droppers from old fence



Path of fence



Iron peg for corner post



Point where new fence to join existing fence

1.3.2 Extending fencing on the Upstream Left Bank



Dam wall left bank easily accessible by livestock and community



Figure above: yellow line depicts length of fence to be extended by 40m

2. SCOPE OF WORK

Supply, deliver and install fencing according to drawings and specifications.

APPLICATION OF CLAUSES

2.01 PRECEDENCE OF THESE CLAUSES

The clauses contained in this section are intended to amplify the rest of the conditions contained in this tender document, and in certain instances to modify the contents. Should any discrepancy appear between these clauses and the rest of the conditions these clauses should take precedence?

2.02 EXTENT OF THE CONTRACT

This contract comprises the supply of all material and labour for the erection and completion of Fencing around Hluhluwe Dam, Kwa Zulu Natal Province.

Hluhluwe dam: The Supply, Delivery, and Installation of Security fencing

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2.03 RESPONSIBILITIES

The extent of the contract as given above is intended to indicate the **general extent of the works** involved. It is not exhaustive in so far as any detailed item or associated work is concerned and shall in **no way relieve** the contractor of his responsibilities to comply with the specific requirements.

2.04 SEQUENCE OF WORK

The successful contractor shall be expected to complete the contract within the time stipulated by him in the appendix to the Bid Form keeping in mind the Employer's target for completion when calculating his own proposed Contract Period. The sequence of work shall be determined by the Contractor and compiled in a works programme.

2.05 CONSTRUCTION SITE

The construction sites are located near the Water and Sanitation offices at Hluhluwe Dam and includes left bank fencing extension.

2.06 NATURE OF GROUND AND SUBSOIL CONDITIONS

Not applicable

2.07 TEMPORARY BUILDINGS AND SERVICES

The contractor must make his **own arrangements** in connection with the following, the costs for which must be included in the "Preliminary and General" section, maintain it in a tidy and proper manner and adopt such precautions to prevent any pollution whatsoever.

- (a) Temporary accommodation and toilet facilities for all workers.
- (b) Temporary site offices and/or workshops.

The Department will supply a connection point within reasonable distance from the construction site for the following services:

- (a) **Drinking and construction water**

The contract includes work at site where water is available of which the contractor may use, for construction purposes, free of charge. The Department reserves the right to limit the consumption before any connection or extension of the supply is made, which must be carried out at the contractor's expense and must be made good on completion of the contract. Under no circumstances may water be obtained from fire hydrants or fire hoses.

2.08 CO-OPERATION BETWEEN CONTRACTORS/SUBCONTRACTORS

It is essential that contractors/subcontractors work in **co-operation** with each other. Differences arising should be settled by the contractors themselves and the employer will not be liable for any damage or loss arising from such differences.

2.09 PROCEDURE OF WORK

The Department's personnel, during this contract are situated on site in existing offices. The works on this contract shall be carried out according to program in such a manner as to cause **the least inconvenience** to Departmental personnel. The contractor shall co-ordinate with the employer's local representative on which part of the work to be expedited requires priority.

2.10 SITE CLEARING AND LEVELLING

Clearing and levelling of the site after completion will be under strict supervision of the employer in terms of preserving the existing ecology. The site shall be levelled with the ground sloping away from the fencing. **No trees, shrubs or plants shall be removed without the written permission of the Engineer.**

2.11 ADMISSION TO SITE

Permission for admission to and establishment on site:
Before the successful bidder (contractor) establishes himself on the site, the **local appointed Resident Engineer's** (1.19.1) prior approval must be obtained.

2.12 INSURANCE

The contractor shall enter a policy of insurance to **cover his liability** under the laws in force relating to the workman's compensation and liability to the public and shall produce proof of such insurance having been affected by him.

The contractor shall indemnify the Department of Water and Sanitation from all claims due to accidents to workmen and the public during the execution of this contract.

2.13 CHECKING OF BID DOCUMENTS

On receipt of the bid documents, the tenderer must, prior to submitting his tender, **check all the bid documents** and should **any difference or discrepancy** between or in the drawings and specifications be detected by the bidder, he shall seek in writing a decision, from the Director/Acting Director: Civil Engineering, Department of Water and Sanitation, Private Bag X313, Pretoria, 0001, on the true intent and meaning of the bid documents as the Department of Water and Sanitation **cannot be held liable** for the additional cost of extra work that may be caused as a result thereof.

2.14 SCOPE OF BID PRICE

The bid price and all prices and/or prices which are inserted into the price schedules in the specification and transferred to the tender form, must be for the execution and completion of the works as well as for the provision of all labour, materials, workmanship, machinery, plant, and everything that is or may become necessary.

2.15 VALUE ADDED TAX

The tender price shall **include value added tax** payable in terms of the Sales Tax Act No. 103 of 1978, as amended.

2.16 PURCHASING OF MATERIALS

- ♦ The contractor is required to purchase the materials necessary for the contract soon thus limiting the effect of inflation and to prevent delays.
- ♦ Payment for materials will only be affected if the contractor **can prove ownership** of the items and if the material **has been delivered to site.**
- ♦ The contractor will be **responsible for the security** and maintenance of all materials in storage on site or at any other place of the contractor's choice.
- ♦ The contractor will be required at his own expense to **make all arrangements for off-loading** and carefully stacking all materials delivered under this contract at the site of the works. The off-loading and stacking shall be carried out strictly in accordance with the requirements of the engineer so as to permit a thorough and careful examination and testing of all items for breakages, failures, etc. and any routine maintenance during storage.
- ♦ The contractor shall be fully responsible for the protection of all materials delivered by him to site but still in storage, against damage by water, weather, fire, and any other interference until such time as it is erected and installed, put into satisfactory operation, and accepted by the employer as complete.

2.17 PAYMENTS

2.17.1 Progress payment

- (a) **This is a bulk pricing bid.** The price for the buildings, items B1 and B2 in the schedule of quantities include all work according to the drawings and specifications to erect the fencing complete but excludes work specified under Section C and D of the schedule of quantities and which should be priced separately. Most of the items under Section C and D are measurable after construction or provisional items.
- (b) **Monthly part payments** will be made in accordance with the percentage tabulated below as a guide for the work completed on the building. The Engineer will decide in collaboration with the Contractor on the final allowable percentage to be paid for each interim payment.
- (c) The supervising Engineer (Civil Design) in collaboration with the Contractor will do the payment certificate. Payment will be made by the administration and financial section of Midmar Dam Departmental personnel.

- (d) Each interim payment certificate shall be subjected to retention by the Employer of 10% of the total work done to date. The retention will be reduced to 5% at the completion of the works (completion certificate), which will then be paid at the issuing of the Final Certificate at the end of the maintenance period. No limit will be applicable on the amount of the retention money.

Subsection of contract	Percentage of total cost
Site clearing and establishment	5.0
Marking / pegging out	5.0
Excavation of foundation for all fencing Posts	5.0
Delivering and storage of material on site	45
Installation of Fencing posts	5
Installation of Corner posts	5
Installation of Gate posts	5
Installation of Fence	5
Installation of Gates	5
Installation of Barbed razor wire	5
Tidy Site	10
Total	100

- 2.17.2 Payment of provisional items will be made as separate items in the schedule of quantities with reference to procedure and method as stated here under:

Method of payment shall be done according to clause 11 as stipulated in the "Special Conditions of Contract".

- 2.17.3 **Payment of preliminary and general items** will be made in accordance with clauses 8.2.1 and 8.2.2 of SANS specification 1200A.

- 2.17.4 The contractor shall provide all **reasonable assistance** in the preparation of cash flow statements for certificate payments required by the employer.

Such statements shall be based on the programme for the execution of the works and shall be updated at such intervals, as the programme of work progress is required to be updated. The co-operation of the contractor under these items shall in no way prejudice his right to receive payment in terms of the contract.

- 1.17.5 The Contractor can claim payment of 80% of the value of material for the contract, purchased by him and delivered to site, but not yet built in on his interim payment certificate. The Contractor must provide the Engineer with documentation proving his ownership of such material.

- 1.17.6 The Bidder shall complete the Daywork Schedule on which basis he will be paid for the execution of extra work as described in the preamble of the schedule. If an item was not included in this schedule, the contractor will be paid for that item according to **clause 40** in the "General Conditions of Contract for Works of Civil Engineering Construction", sixth edition (1990), with specific reference to **sub-clause (4) (a)**.

1.18 GENERAL

- 1.18.1 Throughout this document the following shall apply:

- (a) **Employer** shall mean the Minister of Water and Sanitation, acting on behalf of the Government of the Republic of South Africa or his duly authorized representative.
- (b) **Engineer** shall mean the Director-General of the Department of Water and Sanitation or his duly authorized representative. Refer to "Instructions to Tenderers" Clause 2.
- (c) Address of **Employer** at Head Office:

Hluhluwe dam: The Supply, Delivery, and Installation of Security fencing

REF NO: EO-MMD-C-06-2023/24

Director General
Department of Water and Sanitation
Private Bag X313
PRETORIA
0001
Tel.: (012) 336-8680

- (c) Address of local resident engineer on site: (Mr. N. Punchum)
Resident Engineer
Department of Water and Sanitation
Private Bag X24
HOWICK
3290
Tel.: (033) 239-1266

The Contractor will be an active participant in the **preservation of the environment** and will be required to maintain and contribute towards the safekeeping of the environment. The contract shall regularly or at the Engineer's instructions, **clean and clear away** all rubbish and excess materials as the works proceed.

- 1.18.1 The Contractor shall be responsible **for the protection** and safety of the premises **against fire** and shall take such precautions as may be directed by the representative of the Department.
- 1.18.2 **No wood or plant life** will be harvested from the building site or surrounding area.
- 1.18.3 The contractor shall **not extend** his operations **beyond the defined area** of the works.
- 1.18.4 The area used by the Contractor will be made good to the engineer's satisfaction, at completion of the works.
- 1.18.5 Any **relics, treasure** or other articles of value **found** on the site shall remain the property of the employer and shall be handed to the Engineer who shall be the sole arbiter of what constitutes an article of value.
- 1.18.6 **Meetings** related to the progress and other detail of the contract of the works will be held at regular intervals and at such other times as may be necessary, attended by the following:

- (a) The Engineer
 - (b) The Contractor's representative/s
 - (c) The employer's local representative
- Subcontractors shall not be present at progress meetings unless specifically requested by the contractor or Engineer.
- The Engineer shall record the minutes of the meeting and distribute them to all affected parties.

- 1.18.7 The Contractor shall **acquaint himself** during the pre-tender site meeting with the conditions under which the works are to be done and personally examine the means of access to works, the condition of the roads and generally of all matters which may influence the execution of this contract.

- 1.18.8 **Health and Safety**
All activities on the construction site, work related or otherwise, regarding this Contract _____-WTE and/or where the successful Contractor's involvement is applicable during the execution of this contract for the full period of the works, shall comply fully to the Occupational Health and Safety Act (Act No. 85 of 1993) and all its regulations with regards to the safety and wellbeing of applicable individuals and the prevention of damage to the environment. The Contractor shall provide first aid facilities complying with the requirements of the Occupational Health and Safety Act (Act No. 85 of 1993) and shall adhere to all rules and regulations of the mentioned act. Any death or injury that may occur directly or indirectly due to the actions of this contract shall be solely the responsibility of the contractor and the Department of Water and Sanitation will not be liable for the consequences.

1.19 COMMENCEMENT AND WORKS PROGRAMME

Commencement date of the works and hence the contract period shall be taken as the date of official site handover to the Contractor. The Contractor can commence work directly after receiving his letter of acceptance but at his own risk and only on approval of the Engineer.
Within 14 days of award of contract, the contractor **shall submit** a detailed comprehensive and realistic **works programme** reflecting all activities required up to final completion.
The format of the programme shall be to the engineer's approval. The programme so submitted and approved shall be held to the binding throughout the contract period.
The tender price shall be computed on the assumption that **all the material necessary** for the execution of this contract will **be readily available** when required in accordance with the programme for the works. The contractor

shall use every reasonable endeavor to obtain supplies of all materials timeously.

1.20 LEAVE PERFECT

On the **completion** of the works the contractor shall **clear away and remove** from the site all construction plant, surplus materials, rubbish, and temporary works of any kind and leave the whole of the site and the works clean and in an efficient condition to the satisfaction of the engineer. The contractor shall also satisfy the engineer that he has complied with the conditions of any wayleaves, which the contractor has negotiated.

1.21 CONTRACT PRICE - ADJUSTMENT PROVISIONS

The general rule stipulates that:

- (a) If the contract term (the period or term of completion) is 6 months or shorter, the contract price irrespective of the amount involved shall be fixed and NO price adjustments shall be considered.
- (b) In respect of all contracts amounting to R500 000, 00 and less for buildings or building related contracts, the contract price shall be fixed irrespective of the contract term.
- (c) The stipulations concerning contract price adjustments shall be applicable only to building contracts to the value of more than R500 000, 00 and of which the contract terms are longer than 6 months.

Notwithstanding Clause 1.21 (a), (b) and (c) above:

No price adjustments shall be applicable on this contract and all bid rates or tariffs will be firm for the duration of the contract. The contractor shall compensate for any fluctuation of material or labour in his bid price.

INSPECTIONS DURING THE CONSTRUCTION PERIOD

Apart from normal site inspections and site meetings, the Contractor shall request the Engineer at the following stages of the contract to inspect and approve specific sections of the work:

- a) Site clearing and establishment
- b) Marking / pegging out
- c) Excavation of foundation for all fencing Posts
- d) Delivering and storage of material on site
- e) Installation of Fencing posts
- f) Installation of weld mesh
- g) Installation of Gates
- h) Installation of razor wire flat wrap
- i) Tidy Site

MATERIALS AND METHODS

1. PRELIMINARY AND GENERAL CLAUSES

- 1.1 Director-General - The term "Director-General", where used in this Specification, shall mean the Director-General for the Department of Water and Sanitation or his duly appointed representative.

- 1.2 Conditions of contract - The "Articles of Agreement", to be entered into and the "Conditions of Contract" are contained in the "Lumpsum Contract Agreement" of the Department of Water and Sanitation, which document may be perused at Head Office or at the offices of the various Regional Representatives. Tenderers are referred thereto for the full intent and meaning of all clauses, as no claim for extras resulting from the contractor's ignorance of such clauses shall be entertained.

- 1.3 Tender to be on official form - Tenderers must submit their tenders on the official FORM OF TENDER supplied for that purpose, which must be completed in all particulars. If the form of tender is amended in any way, such tender might be regarded as qualified and in validated accordingly.

- 1.4 Interpretation of tender documents - The tenderer must check the documents issued to him and, if any part or parts thereof are found to be missing, duplicated, illegible or insufficiently described, or if the documents contain obvious errors or discrepancies, he should apply immediately to the Director-General for clarification, failing which the Contractor shall be liable to make, at his own expense, any alterations or substitutions to the works rendered necessary through incorrect interpretation of such documents. In the event of discrepancies between the drawings and specifications, the latter shall apply.

It is to be clearly understood that this is a Lumpsum Contract, which makes provision only for the re-measurement of certain items as specified in the "Schedule of Quantities."

The specification and drawings describe, as far as it is possible, the work to be done and materials to be used, but everything incidental to the works or not described but clearly implied, shall be performed by the Contractor.

- 1.5 View site - Tenderers are advised to visit the site on which the buildings are to be erected and to make themselves thoroughly acquainted with the nature of the site and soil conditions, facilities for access, the conditions under which the work is to be executed, all other matters which may influence the works and any restrictions or conditions which may be imposed by Municipal or other Authorities, as no claim will be entertained on the grounds of ignorance of such conditions.
- 1.6 Site pegs - The Survey Pegs of the site will be pointed out to the Contractor, who must deposit with the Director-General a written receipt in respect thereof and take full responsibility thereafter for the work being set out correctly in accordance therewith and for any peg displacements or cost of resurveying.
- 1.7 Dimensions, etc. - All weights and measures shall be taken to be to the metric system, in accordance with the Systeme International d'Unités (SI). Figured dimensions are to be followed in preference to scaled measurements.
As the sizes of some materials and articles are subject to changes due to metrication, the approval of the Director-General to use sizes other than those specified shall not be unreasonably withheld.
- 1.8 Materials and workmanship - The work shall be executed with materials of the best quality and in the most substantial manner and to the entire satisfaction of the Director-General.
- 1.9 Samples - The Contractor shall furnish such samples as may be called for by the Director-General, who may reject all subsequent materials not corresponding with the approved samples.
- 1.10 Protection from storms, etc. - The Contractor shall protect the works from all storms, surface, and underground water and from inclement weather to the satisfaction of the Director-General.
- 1.11 Plant, water, electricity, etc. - The Contractor shall provide all plant, tools, labour, materials, cartage, scaffolding, temporary shuttering, water, electricity, etc., necessary for the due and proper completion of the work. Only clean, fresh water, free from vegetable or organic matter, earth, clay, acid, or alkaline substances, either in suspension or solution, shall be used, and the Contractor shall make his own arrangements with the local authority or Government Departments as required for the supply of water for building purposes.
- 1.12 Sheds and latrines - The Contractor shall erect, maintain, and remove at the completion of the work, ample temporary sheds for the proper storage of perishable materials and latrines for the use of the workmen.
- 1.13 Lighting, watching and guard railing - The Contractor shall provide all necessary lighting, watching and guard railing to the satisfaction of the Director-General and Local Authority.
- 1.14 Notice board - The Contractor shall erect and maintain and remove at the completion of the work, a notice board, size 1 200 x 1 000 mm, with lettering brilliantly executed thereon as shown on the drawings.
- 1.15 Articles of value - Any articles of value found on the site shall be handed to the Director-General, who shall be the sole judge as to what constitutes articles of value.
- 1.16 Rubbish - All superfluous material, earth and rubbish that may accumulate during the progress of the works shall be carted away.
- 1.17 Workmen's insurance - The Contractor shall insure his workmen in terms of any Workmen's Compensation Act in Force and shall indemnify the Director-General from any claims thereunder.
- 1.18 Anti-malaria precautions - The Contractor's attention is drawn to the need for compliance with the Regulations promulgated under the Public Health Act, No. 36 of 1919, in certain areas.
- 1.19 SABS specifications - All references to South African Bureau of Standards specifications and codes of practice shall be deemed to be references to the latest issues, of such specifications and codes, as may be amended from time to time. When called for by the Director-General, proof shall be furnished by the Contractor of compliance of a product with the relevant SABS Specification.
- 1.20 Materials to be of South African manufacture - Materials manufactured or produced in the Republic of South Africa shall be used, wherever possible, in carrying out the work to which this specification refers.

4. CONDITIONS OF CONTRACT

The conditions governing this Tender are as set out in the General Conditions of Contract for Construction Works, Third Edition (2015).

Contracts will only be awarded to Tenderers who, in the Engineer's opinion, are capable of manufacturing and supplying to the required standard. Workmanship shall conform to accepted industrial standards. The size of tools and equipment used shall be proportional to the task being conducted.

Tenders shall only be awarded on a fixed price basis and no escalation shall be considered.

The Contractor shall make no changes or modifications to any part of the design, or the equipment offered under this Contract without the written approval of the Engineer. The Department shall not accept any additional costs for any part of this Contract should any procedures contained therein are not complied with.

The Contractor shall be responsible to issue all his Sub-contractors with the relevant sections of this tender document, any additional cost resulting from Sub-contractors not being fully informed, shall be for the contractors' account.

Guarantee

The defects liability period as stipulated in the General Conditions of Contract for Construction Works, Third Edition (2015), shall read 12 (twelve) months from the date of issue of the Commissioning Certificate by the Engineer to the Contractor and shall terminate with the issue of the Final Certificate by the Engineer. The Contractor's Guarantee shall include all aspects of the manufacturing process, including work done by any Sub-contractors.

5. OCCUPATIONAL HEALTH AND SAFETY

The Occupational Health and Safety Act (Act number 85 of 1993) and related Regulations is applicable. Construction Regulations, Diving Regulations and Confined Areas Regulations have reference. The contractor shall notify the Department of Labour, prior to commencing with the project. The DWS shall ensure that the provisions of the OHS are complied with for the duration of the project. The contractor prior to commencing on with the project shall submit:

- A comprehensive OHS file in accordance with the OHS Act.
- A detailed site-specific risk assessment for review and acceptance.
- A detailed method statement for approval by the Project Manager.
- A detailed plan in terms of providing ventilation into the tunnel, gallery, and pipeline.

All work shall be done in accordance with relevant legislation(s) and regulation(s). The DWS reserves the right to stop the contractor from executing work, which is not in accordance with the contractor's OHS plan for the site or which poses a threat to the health and safety of persons. The contractor may not appoint a subcontractor unless the contractor is reasonable satisfied that the subcontractor has necessary competencies and resources to perform work safely. Any subcontractor appointment shall be approved by the Project Engineer. Where a contractor appoints a subcontractor, all OHS Act requirements shall be applicable to the subcontractor. The contractor shall appoint a full-time competent employee in writing as the project supervisor, with the duty of supervising the project.

When the contractor and employees is found contravening OHS Act, the DWS shall stop the work until such time that the contractor implemented corrective measures to the satisfaction of the DWS.

Section 37.2 Appointment

In accordance with the provisions of Section 37(2) of the Occupational Health and Safety Act 85 of 1993 wherein the Department of Water and Sanitation as Employer has entered into a contract with the Contractor, in terms of which the Contractor is to perform certain work and services for and on behalf of the Employer, subject to the terms and conditions as contained in such contract.

Then parties have agreed that in respect of performance of the work the Contractor shall be responsible for compliance with the Occupational Health & Safety Act and its Regulations. The Employer and Mandatory accordingly enter in this agreement in terms of Section 37(2) of the OHS Act, the terms, and conditions of which are set out in The Occupational Health and Safety Specification.

Risks Identified by the DWS

The following are the risks associated with this project as identified by the DWS:

- Service gate or isolating equipment failure
- Flooding
- Drowning
- Working at height
- Overhead Crane failure
- Injury due to falling material
- Failure of rigging equipment
- Falling due to slippery surfaces
- Scaffold and climbing equipment collapse
- Noise due to grinding, blast cleaning, etc
- Paint or chemical inhalation
- Injury due to hand tools
- Snake bite
- Hand arm vibration syndrome due to prolonged use of vibratory equipment
- Airborne Fibres and Materials
- Electrocution
- Moving Machinery
- Back injuries from carrying heavy loads
- Dehydration
- Injury of blasting equipment is serious
- Attack and theft (secluded site)

Notwithstanding the abovementioned risks the contractor shall formulate a risk management plan which will include additional risks identified by the contractor.

Costs of OHS

The cost for OHS shall be included in the Tendered rates.

6. MODIFICATIONS

Any modifications or deviations from the specification shall be indicated on the form "Proposed Alterations to Specification." The Contractor shall make no changes or modifications to any part of the design, or the plan offered under this Contract without the written approval of the Project Engineer. The DWS shall not accept any additional cost for any part of this Contract if this procedure has not been followed.

7. MEASUREMENT AND PAYMENT

Basic Principles

Notwithstanding the breakdown as indicated in the Tender Pricing Schedule, all the work and requirements of any nature as specified in this Technical Specification shall be covered by the Contractor in the pricing as reflected in the Tender Pricing Schedule. No additional cost for any work or requirement in this Technical Specification shall be allowed. All items covered by this Technical Specification shall be measured as final units meeting the functional requirements of the relevant specifications.

ALL PRICES IN THE TENDER PRICING SCHEDULE SHALL INCLUDE VALUE ADDED TAX.

8. BILL OF QUANTITIES

Bill of quantities shall be submitted with bid documents. Please read instructions before completing or filling the table.

9. DRAWINGS

Drawing provided for standard razor fencing



ITEM NO	PAY REF	DESCRIPTION	UNIT	QTY	RATE	AMOUNT
A		SECTION 1 - PRELIMINARY AND GENERAL (GENERAL SMALL WORKS) SANS 1200 AA				
1	8.3	SCHEDULE FIXED CHARGE AND VALUE RELATED ITEMS				
	8.3.1	Contractual Requirements	Sum	1		
	8.3.2	Provision of Facilities on site				
		b) Facilities required by contractor	Sum	1		
		(i).....				
		(ii).....				
		(iii).....				
		(iv).....				
	8.3.3	General responsibilities and other Fixed-charge obligations	Sum	1		
		(i).....				
		(ii).....				
		(iii).....				
		(iv).....				
	8.3.4	Removal of Site Establishment	Sum	1		
		SECTION OHSA 193 SAFETY SPECIFICATION				
		Provide a Health and Safety Plan	Sum	1		
		Conduct a Risk assessment by Contractor in terms of construction regulation 2003	Sum	1		
		Personal Protective Equipment and Clothing	Sum	1		
		Appointments Health and Safety Representative for the duration of the project	Sum	1		
		Keep all records and registers for the duration of the project	Sum	1		
		Maintain Health and Safety File for the duration of the project	Sum	1		
AMOUNT CARRIED FORWARD						



ITEM NO	PAY REF	DESCRIPTION	UNIT	QTY	RATE	AMOUNT
F		Galv Round Fence Stay 50mm x3.0m	m	112		
		3.0m long Steel Y Standard every 3 m	m	83		
		Flatwrap Razor Wire 500mm x 15m	m	25		
		Galv Wire 50kg 3.15mm [810m]	kg	3		
		Galv Wire 50kg 1.65mm [3175m]	kg	2		
		Galv Gates 1.8m to take Razor Cut on top	m	3		
		Galv 125mm Bolts & Nuts	unit	112		
		Donald Tensioner HDG	unit	128		
		<u>GATES:</u>				
		Double Leaf Gate 2000mm x 2.000m with covered Razor Mesh 50mm top of gate to be covered with flat wrap	Quantity	1		
		Single leaf Gate 1000mm x 2.000m	Quantity	1		
		<u>Straining /Corner/Gate Posts</u>				
		<u>NOTES:</u>				
		Main Posts 27m c/c Galv Round Fence Post 100mm Intermediate Posts 9m c/c - in Ground [mm] 370 Y Standards @ 3m c/c- Weld Mesh [mm] 370 Strands of Wire = 6 Razor Wire 500mm 370				
<u>Calculations:</u>						
		Corner Posts	m	1		
		Gates Posts	m	4		



SUMMARY OF BILL OF QUANTITIES

SECTION	DESCRIPTION	AMOUNT
A	PRELIMINARY AND GENERAL	R
B	EXCAVATION AND EARTHWORKS	R
C	CONCRETE WORK	R
D	FENCING	R
E	GATES	R
F	STRANING /CORNER/GATE POSTS	R
TOTAL CARRIED TO FORM OFFER		R

DATE

SIGNATURE OF TENDERER



EVALUATION CRITERIA

The **80/20** preference points system as prescribed in the **Preferential Procurement Regulations 2022**, will be applied to evaluate this proposal. Quotations received will be evaluated in three (3) stages namely, Administrative and mandatory Compliance, Technical Compliance and Price and preference.

The evaluation process includes the following phases:

- Phase 1: Administrative and Mandatory compliance
- Phase 2: Technical Compliance
- Phase 3: Price and preference

Phase 1:

Administrative Compliance:

- Tax compliance with SARS (To be verified on CSD-Central Supplier Database and SARS)
- Completion, signing and submission of SBD forms with the bid documents (SBD 1, SBD 3.1, SBD 4, SBD 6.1 AND Annexure C)
- Active registration with Company Intellectual Property Commission (to be verified through CSD and CIPC)

Mandatory Compliance:

Bidders are required to comply with the following listed below:

Failure to submit any of the compliance documents shall render your bid non-responsive and will be disqualified from further evaluation.

- Certificate of good standing in accordance with COIDA
- Attach valid CIDB certificate minimum Grading **2SQ/2GB: NO PE STATUS**
- Completed bill of quantities
- Signed Briefing Certificate. Bidder's name must appear on the attendance register

Phase 2:

Technical Compliance:

Criteria	Sub-Criteria	Comply Yes/No
Team capability	<p>Team capability- Demonstrated skills and experience of key personnel for this project, limited to the Project Manager or Site agent.</p> <ul style="list-style-type: none"> An Organogram with personnel relevant to the project (ie artisan/Plumber with trade test) Attach 1 page resume of Project Manager or Site Agent indicating, amongst others, relevant qualifications, experience, accreditation/affiliation (where relevant), etc. Artisan/Site Agent with 2 or more years fencing experience. 	
Proposed construction programme	<p>Proposed construction programme- Provides a detailed list of tasks necessary to complete the works, tasks a specific to the project and encompass construction milestones</p> <p>Appropriate timeline and time estimates</p>	
Past relevant work experience	<p>Past relevant work Experience - One (1) award letters, completion certificates and verifiable completion certificates of which the scope of work is relevant to the project scope as prescribed in the project specification.</p>	
Methodology	<p>Methodology- Items (a-g) must be clearly outlined in the detailed method statement.</p> <ol style="list-style-type: none"> Work Sequence Time Resources Associated Health, Safety and Environmental Assessments Control Measures Welfare Facilities <p>Work Method etc.</p> <p>Content, Clear, detailed presentation of the scope of work with full understanding and a logical structure.</p>	

Phase 3:

Price and Preference Goals:

80/20 Principle will be applied in terms of the new Preferential Procurement Regulations, 2022 pertaining to the PPPFA Act no 5 of 2000.

During this phase, quotations will be evaluated based on 80 points for price and 20 points for the listed specific goals. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
TENDERERS THAT ARE FEMALE		5		
TENDERERS THAT HAVE A DISABILITY		5		
TENDERERS THAT ARE YOUTH		5		
LOCATION OF ENTERPRISE (LOCAL EQUALS PROVINCE)		2		
B-BBEE STATUS LEVEL CONTRIBUTORS FROM LEVEL 1 TO 2 WHICH ARE QSE OR EME		3		



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

SITE INSPECTION CERTIFICATE: NB-THE SITE INSPECTION AND BRIEFING IS COMPULSORY AND THIS CERTIFICATE MUST ACCOMPANY YOUR BID AS PART OF YOUR MANDATORY RESPONSE DOCUMENTATION.

WTE-0029ES: SECURITY FENCING AT HLULUWE DAM

DATE: 09 NOVEMBER 2023

TIME: 11:00AM

This is to certify that I, _____
(bidder / representative of the bidder)*
of (Company's name & address)

telephone number

cell number

fax number

e-mail address:

in the company of (DWS REPRESENTATIVE) **NIRDOSH PUNCHUM**
visited and examined the site on (date) **09 NOVEMBER 2023**
after having previously studied the bid documents.
I have acquainted myself with all the local conditions likely to influence the work and the cost thereof.
I further certify that I am satisfied with the description of the works and the explanations given by the
said
engineer and that I understand perfectly the work to be done as specifically implied in the execution of
the
contract.

SIGNED BY:

COMPANY: _____

BIDDER / REPRESENTATIVE:* _____

ENGINEER / REPRESENTATIVE:* _____
* Delete if not applicable.



PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/PUBLIC ENTITY)					
BID NUMBER:	WTE-0029ES	CLOSING DATE:	17 NOVEMBER 2023	CLOSING TIME:	11:00
DESCRIPTION	SECURITY FENCING AT HLUHLWE DAM				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
MIDMAR DAM WALL ENTRANCE					
SECURITY GUARDHUT					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	NISHAN SINGH		CONTACT PERSON	NIRDOSH PUNCHUM	
TELEPHONE NUMBER			TELEPHONE NUMBER	0605874655	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	SINGHN@DWS.GOV.ZA		E-MAIL ADDRESS	PUNCHUMN@DWS.GOV.ZA	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR CENTRAL SUPPLIER DATABASE No:	MAAA	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		TICK APPLICABLE BOX]
	<input type="checkbox"/> Yes <input type="checkbox"/> No				<input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSES) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?					
<input type="checkbox"/> YES <input type="checkbox"/> NO					
DOES THE ENTITY HAVE A BRANCH IN THE RSA?					
<input type="checkbox"/> YES <input type="checkbox"/> NO					
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?					
<input type="checkbox"/> YES <input type="checkbox"/> NO					
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?					
<input type="checkbox"/> YES <input type="checkbox"/> NO					
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?					
<input type="checkbox"/> YES <input type="checkbox"/> NO					
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILEING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA .
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA/ JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

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

DATE:

.....

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the **90/10** preference point system.

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

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

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

- (a) Price; and
(b) Specific Goals.

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

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

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

2. DEFINITIONS

- (a) “**tender**” means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) “**price**” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) “**rand value**” means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) “**tender for income-generating contracts**” means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) “**the Act**” means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

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

80/20

or

90/10

$$P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) \quad \text{OR} \quad P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20 or 90/10

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

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

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

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

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
TENDERERS THAT ARE FEMALE		5		
TENDERERS THAT HAVE A DISABILITY		5		
TENDERERS THAT ARE YOUTH		5		
LOCATION OF ENTERPRISE (LOCAL EQUALS PROVINCE)		2		
B-BBEE STATUS LEVEL CONTRIBUTORS FROM LEVEL 1 TO 2 WHICH ARE QSE OR EME		3		

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

4.6.

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

.....
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....
.....
.....

Industrial Procurement

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Industrial Procurement

The revised Preferential Procurement Policy Framework Act (PPFPA) regulations which came into effect on the 7 December 2011 empower the Department of Trade, Industry and Competition (**the dtic**) to designate industries, sectors and sub-sectors for local production at a specified level of local content.

The following industries, sectors and sub-sectors have so far been designated for local production with minimum local content thresholds.

Industry/sector/sub-sector	Minimum threshold for local content
Buses (Bus Body)	80%
Textile, Clothing, Leather and Footwear	100%
Steel Power Pylons, Monopole Pylons, Steel Substation Structures, Powerline Hardware, Street Light Steel Poles, Steel Lattice Towers	100%
Canned / Processed Vegetables	80%
Pharmaceutical Products:	
<ul style="list-style-type: none"> • OSD Tender • Family Planning Tender 	<ul style="list-style-type: none"> • 70% (volumes) • 50% value
Rail Rolling Stock	65%
Set Top Boxes (STB)	30%
Furniture Products:	
<ul style="list-style-type: none"> • Office Furniture • School Furniture • Base and Mattress 	<ul style="list-style-type: none"> • 85% • 100% • 90%
Solar Water Heater Components	70%
Electrical and telecom cables	90%
Valves products and actuators	70%
Residential Electricity Meter :	
<ul style="list-style-type: none"> • Prepaid Electricity Meters • Post Paid Electricity Meters • SMART Meters 	<ul style="list-style-type: none"> • 70% • 70% • 50%
Working Vessels/Boats (All types):	60%
• Components	• 10% – 100%

<ul style="list-style-type: none">• Class 3• Class 4	<ul style="list-style-type: none">• 45%• 10%
<ul style="list-style-type: none">• Components and conversion activities	<ul style="list-style-type: none">• 50% – 100%
Solar PV Components:	
<ul style="list-style-type: none">• Laminated PV Modules• Module Frame• DC Combiner Boxes• Mounting Structure• Inverter	<ul style="list-style-type: none">• 15%• 65%• 65%• 90%• 40%
Two Way Radio Terminals and Associated Equipment:	
<ul style="list-style-type: none">• Portable Radio• Mobile Radio• Repeater	<ul style="list-style-type: none">• 60%• 60%• 60%
<ul style="list-style-type: none">• Components	<ul style="list-style-type: none">• 20% – 100%
Rail Signaling:	
<ul style="list-style-type: none">• Components	<ul style="list-style-type: none">• 65%
Wheely Bins:	
	100%
Fire Fighting Vehicle	
	30%
<ul style="list-style-type: none">• Crew Cabin• Super Structure• Assembly	<ul style="list-style-type: none">• 100%• 100%• 100%
Steel Products and Component for Construction	
Steel Value-added Products	
<ul style="list-style-type: none">• Fabricated Structural Steel• Joining/Connecting Components• Frames• Roof and Cladding• Fasteners• Wire Products• Ducting and Structural pipework• Gutters, downpipes & lauders•	<ul style="list-style-type: none">• 100%• 100%• 100%• 100%• 100%• 100%• 100%• 100%• 100%• 100%• 100%• 100%
Steel Value-added Products	
<ul style="list-style-type: none">• Plates• Sheets• Galvanised and Colour Coated Coils• Wire Rod and Drawn Wire• Sections• Reinforcing bars•	<ul style="list-style-type: none">• 100%• 100%• 100%• 100%• 100%• 100%• 100%
Pumps, Medium Voltage (MV) Motor and Associated Accessories	
	70%
<ul style="list-style-type: none">• Casting or Frame Fabrication• Fabrication and winding of the Rotor Core• Accessories• Assembly and testing of the fully-built unit	<ul style="list-style-type: none">• 100%• 100%• 100%• 100%
Rail Permanent Way	
	90%
<ul style="list-style-type: none">• Rails and rail joints• Ballasts• Ballastess• Turnouts/switches and crossings• Railway sleepers• Rail fastening and accessories• Railway maintenance of way plant & equipment• Assembly and testing of fully build unitst	<ul style="list-style-type: none">• 100%• 100%• 100%• 100%• 100%• 100%• 70%• 100%
Plastic Pipes	
	100%
<ul style="list-style-type: none">• Polyvinyl chloride (PVC) pipes• High density polyethylene (HDPE) pipes• Polypropylene (PP) pipes• Glass reinforced plastic (GRP) pipes	<ul style="list-style-type: none">• 100%• 100%• 100%• 100%
Air insulated MV Switchgear	
	50%

<ul style="list-style-type: none"> • Structural Steel • Rubber • Conveyor Belt • Pulleys 	<ul style="list-style-type: none"> • 100% • 100% • 100% • 60%
Industrial lead Acid Batteries	
	50%
Cement	100%
<ul style="list-style-type: none"> • Cem I • Cem II • Cem III • Cem IV • Cem V • Masonry Cement 	<ul style="list-style-type: none"> • 100% • 100% • 100% • 100% • 100% • 100%

To access the practice notes to the above designated sectors, please go to www.treasury.gov.za

Other industries, sectors and sub-sectors are still being considered for designation. Once a thorough research and consultations have been concluded a decision to designate will be communicated to the public.

Regulation 8(4) of the 2017 Preferential Procurement Regulations provides that if there is no designated sector, an organ of state may include, as a specific condition of the tender, that only locally produced services or goods or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered. The per the standard issued by National Treasury designated sectors circular number 11 of 2019/2020.

Please note that the Minister of Finance has approved the following instructions relating to the amendment of:

- Declaration Certificates for Local Production and Content for designated sectors (SBD 6.2 and MBD6.2); and
- National Treasury Instruction on: Invitation and evaluation of bids based on a stipulated minimum threshold for local production and content for Valve Products and Actuators

These instructions will be effective from the date of issue and can be accessed on the National Treasury website.

The standard bidding documents (SBD 6.2 or MBD 6.2) must be completed in line with the requirements of the SABS approved technical specification number [SABS approved standard SANS 1286:2017](#) and the [Guidance Document for the Calculation of Local Content](#) together with the Local Content Declaration Templates

- [Annexure C](#), Local Content Declaration – Summary Schedule,
- [Annexure D](#), Imported Content Declaration – Supporting Schedule to [Annexure C](#) and
- [Annexure E](#), Local Content Declaration – Supporting Schedule to [Annexure C](#)

All these documents are important for the calculation, measurement and verification of local content.

- [SABS approved standard SANS 1286:2017](#)
- [Guidance Document for the Calculation of Local Content](#)
 - Annexures C, D and E – Download in [PDF] or [XLS] format
 - Examples of completed annexures
 - [Buses](#)
 - [Canned vegetables](#)
- [Preferential Procurement Regulations, 2017](#)
- [Process when requesting exemption letters](#)

For local content related enquiries, please call the helpline on +27 (12) 394 1435.

For technical enquiries please contact Ms Cathrine Matidza:

Director, Fleet Procurement

Tel: +27 (12) 394 5598

E-mail: cmatidza@thedtic.gov.za

For local content enquiries or complaints, please send an e-mail to localcontent@thedtic.gov.za

   Print PDF Email

Sectors

National Industrial Policy Framework



Guidance Document for the Calculation of Local Content

1. DEFINITIONS

Unless explicitly provided in this guideline, the definitions given in SATS 1286:2011 apply.

2. GENERAL

2.1. Introduction

This guideline provides tenderers with a detailed description of how to calculate local content of products (goods, services and works) by components/material/services and enables them to keep an updated record for verification requirements as per the SATS 1286:2011 Annexure A and B.

The guideline consists of two parts, namely:

- a written guideline; and
- three declarations that must be completed:
 - Declaration C: “Local Content Declaration – Summary Schedule” (see Annexure C);
 - Declaration D: “Imported Content Declaration – Supporting Schedule to Annex C” (see Annexure D); and
 - Declaration E: “Local Content Declaration – Supporting Schedule to Annex C” (see Annexure E).

The guidelines and declarations should be used by tenderers when preparing a tender. A tenderer must complete Declarations D and E, and consolidate the information on Declaration C.

Annexure C must be submitted with the tender by the closing date and time as determined by the Tender Authority. The Tender Authority reserves the right to request that Declarations D and E also be submitted.

If the tender is successful, the tenderer must continuously update Declarations C, D and E with actual values for the duration of the contract.

NOTE:

Annexure A is a note to the purchaser in SATS 1286:2011; and

Annexure B is the Local Content Declaration IN SATS 1286:2011.

2.2. What is local content?

According to SATS 1286:2011, the local content of a product is the tender price less the value of imported content, expressed as a percentage. It is, therefore, necessary to first compute the imported value of a product to determine the local content of a product.

2.3. Categories: Imported and Local Content

The tenderer must differentiate between imported content and local content.

Imported content of a product by components/material/services is separated into two categories, namely:

- products imported directly by the tenderer; and
- products imported by a third party and supplied to the tenderer.

2.3.1. Imported Content

Identify the imported content, if any, by value for products by component/material/services. In the case of components/materials/services sourced from a South African manufacturer, agent, supplier or subcontractor (i.e. third party), obtain that information and Declaration D from the third party.

Calculate the imported content of components/materials/services to be used in the manufacture of the total quantity of the products for which the tender is to be submitted.

As stated in clause 3.2.4 of SATS 1286:2011: "If information on the origin of components, parts or materials is not available, it will be deemed to be imported content."

2.3.1.1. Imported directly by the tenderer:

When the tenderer import products directly, the onus is on the tenderer to provide evidence of any components/materials/services that were procured from a non-domestic source. The evidence should be verifiable and pertain to the tender as a whole. Typical evidence will include commercial invoices, bills of entry, etc.

When the tenderer procures imported services such as project management, design, testing, marketing, etc and makes royalty and lease payments, such payments relating to the tender must be included when calculating imported content.

2.3.1.2. Imported by a third party and supplied to the tenderer:

When the tenderer supplies components/material/services that are imported by any third party (for example, a domestic manufacturer, agent, supplier or subcontractor in the supply chain), the onus is on the tenderer to obtain verifiable evidence from the third party.

The tenderer must obtain Declaration D from all third parties for the related tender. The third party must be requested by the tenderer to continuously update Declaration D. Typical evidence of imported content will include commercial invoices, bills of entry etc.

When a third party procures imported services such as project management, design, testing, marketing etc. and makes royalty and lease payments, such payments relating to the tender must be included when calculating imported content.

2.3.1.3. Exempt Imported Content:

Exemptions, if any, are granted by the Department of Trade and Industry (**the dti**). Evidence of the exemptions must be provided and included in Annexure D.

2.3.2. Local Content

Identify and calculate the local content, by value for products by components/materials/services to be used in the manufacture of the total quantity of the products.

3. ANNEXURE C

3.1. Guidelines for completing Annexure C: Local Content Declaration – Summary Schedule

Note: The paragraph numbers correspond to the numbers in Annexure C.

- C1. Tender Number**
Supply the tender number that is specified on the specific tender documentation.
- C2. Tender description**
Supply the tender description that is specified on the specific tender documentation.
- C3. Designated products**
Supply the details of the products that are designated in terms of this tender (i.e. buses).
- C4. Tender Authority**
Supply the name of the tender authority.
- C5. Tendering Entity name**
Provide the tendering entity name (for example, Unibody Bus Builders (Pty) Ltd).
- C6. Tender Exchange Rate**
Provide the exchange rate used for this tender, as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.
- C7. Specified local content %**
Provide the specified minimum local content requirement for the tender (i.e. 80%), as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MDB) 6.2.
- C8. Tender item number**
Provide the tender item number(s) of the products that have a local content requirement as per the tender specification.

C9. List of items

Provide a list of the item(s) corresponding with the tender item number. This may be a short description or a brand name.

Calculation of local content

C10. Tender price

Provide the unit tender price of each item excluding VAT.

C11. Exempted imported content

Provide the ZAR value of the exempted imported content for each item, if applicable. These value(s) must correspond with the value(s) of column D16 on Annexure D.

C12. Tender value net of exempted imported content

Provide the net tender value of the item, if applicable, by deducting the exempted imported content (C11) from the tender price (C10).

C13. Imported value

Provide the ZAR value of the items' imported content.

C14. Local value

Provide the local value of the item by deducting the Imported value (C13) from the net tender value (C12).

C15. Local content percentage (per item)

Provide the local content percentage of the item(s) by dividing the local value (C14) by the net tender value (C12) as per the local content formula in SATS 1286.

Tender Summary

C16. Tender quantity

Provide the tender quantity for each item number as per the tender specification.

C17. Total tender value

Provide the total tender value by multiplying the tender quantity (C16) by the tender price (C10).

C18. Total exempted imported content

Provide the total exempted imported content by multiplying the tender quantity (C16) by the exempted imported content (C11). These values must correspond with the values of column D18 on Annexure D.

C19. Total imported content

Provide the total imported content of each item by multiplying the tender quantity (C16) by the imported value (C13).

C20. Total tender value

Total tender value is the sum of the values in column C17.

C21. Total exempted imported content

Total exempted imported content is the sum of the values in column C18. This value must correspond with the value of D19 on Annexure D.

C22. Total tender value net of exempted imported content

The total tender value net of exempt imported content is the total tender value (C20) less the total exempted imported content (C21).

C23. Total imported content

Total imported content is the sum of the values in column C19. This value must correspond with the value of D53 on Annexure D.

C24. Total local content

Total local content is the total tender value net of exempted imported content (C22) less the total imported content (C23). This value must correspond with the value of E13 on Annexure E.

C25. Average local content percentage of tender

The average local content percentage of tender is calculated by dividing total local content (C24) by the total tender value net of exempted imported content (C22).

4. ANNEXURE D

4.1. Guidelines for completing Annexure D: “Imported Content Declaration – Supporting Schedule to Annexure C”

Note: The paragraph numbers correspond to the numbers in Annexure D.

D1. Tender number

Supply the tender number that is specified on the specific tender documentation.

D2. Tender description

Supply the tender description that is specified on the specific tender documentation.

D3. Designated products

Supply the details of the products that are designated in terms of this tender (i.e. buses).

D4. Tender authority

Supply the name of the tender authority.

D5. Tendering entity name

Provide the tendering entity name (i.e. Unibody Bus Builders (Pty) Ltd).

D6. Tender exchange rate

Provide the exchange rate used for this tender, as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

Table A. Exempted Imported Content

D7. Tender item number

Provide the tender item number(s) of the product(s) that have imported content.

D8. Description of imported content

Provide a list of the exempted imported product(s), if any, as specified in the tender.

D9. Local supplier

Provide the name of the local supplier(s) supplying the imported product(s).

D10. Overseas supplier

Provide the name(s) of the overseas supplier(s) supplying the exempted imported product(s).

D11. Imported value as per commercial invoice

Provide the foreign currency value of the exempted imported product(s) disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).

D12. Tender exchange rate

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D13. Local value of imports

Convert the value of the exempted imported content as per commercial invoice (D11) into the ZAR value by using the tender exchange rate (D12) disclosed in the tender documentation.

D14. Freight costs to port of entry

Provide the freight costs to the South African Port of the exempted imported item.

D15. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the exempted imported product(s) as stipulated in the SATS 1286:2011.

D16. Total landed costs excl VAT

Provide the total landed costs (excluding VAT) for each item imported by adding the corresponding item values in columns D13, D14 and D15. These values must be transferred to column C11 on Annexure C.

D17. Tender quantity

Provide the tender quantity of the exempted imported products as per the tender specification.

D18. Exempted imported value

Provide the imported value for each of the exempted imported product(s) by multiplying the total landed cost (excl. VAT) (D16) by the

tender quantity (D17). The values in column D18 must correspond with the values of column C18 of Annexure C.

D19. Total exempted imported value

The total exempted imported value is the sum of the values in column D18. This total must correspond with the value of C21 on Annexure C.

Table B. Imported Directly By Tenderer

D20. Tender item numbers

Provide the tender item number(s) of the product(s) that have imported content.

D21. Description of imported content:

Provide a list of the product(s) imported directly by tender as specified in the tender documentation.

D22. Unit of measure

Provide the unit of measure for the product(s) imported directly by the tenderer.

D23. Overseas supplier

Provide the name(s) of the overseas supplier(s) supplying the imported product(s).

D24. Imported value as per commercial Invoice

Provide the foreign currency value of the product(s) imported directly by tenderer disclosed in the commercial invoice accepted by the South African Revenue Service (SARS).

D25. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D26. Local value of imports

Convert the value of the product(s) imported directly by the tenderer as per commercial invoice (D24) into the ZAR value by using the tender exchange rate (D25) disclosed in the tender documentation.

- D27. Freight costs to port of entry**
Provide the freight costs to the South African Port of the product(s) imported directly by the tenderer.
- D28. All locally incurred landing costs and duties**
Provide all landing costs including customs and excise duty for the product(s) imported directly by the tenderer as stipulated in the SATS 1286:2011.
- D29. Total landed costs excl VAT**
Provide the total landed costs (excluding VAT) for each item imported directly by the tenderer by adding the corresponding item values in columns D26, D27 and D28.
- D30. Tender quantity**
Provide the tender quantity of the product(s) imported directly by the tenderer as per the tender specification.
- D31. Total imported value**
Provide the total imported value for each of the product(s) imported directly by the tenderer by multiplying the total landed cost (excl. VAT) (D29) by the tender quantity (D30).
- D32. Total imported value by tenderer**
The total value of imports by the tenderer is the sum of the values in column D31.

Table C. Imported by Third Party and Supplied to the Tenderer

- D33. Description of imported content**
Provide a list of the product(s) imported by the third party and supplied to the tenderer as specified in the tender documentation.
- D34. Unit of measure**
Provide the unit of measure for the product(s) imported by the third party and supplied to tenderer as disclosed in the commercial invoice.
- D35. Local supplier**
Provide the name of the local supplier(s) supplying the imported product(s).

D36. Overseas supplier

Provide the name(s) of the overseas supplier(s) supplying the imported products.

D37. Imported value as per commercial invoice

Provide the foreign currency value of the product(s) imported by the third party and supplied to the tenderer disclosed in the commercial invoice accepted by SARS.

D38. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D39. Local value of imports

Convert the value of the product(s) imported by the third party as per commercial invoice (D37) into the ZAR value by using the tender exchange rate (D38) disclosed in the tender documentation.

D40. Freight costs to port of entry

Provide the freight costs to the South African Port of the product(s) imported by third party and supplied to the tenderer.

D41. All locally incurred landing costs and duties

Provide all landing costs including customs and excise duty for the product(s) imported by third party and supplied to the tenderer as stipulated in the SATS 1286:2011.

D42. Total landed costs excluding VAT

Provide the total landed costs (excluding VAT) for each product imported by third party and supplied to the tenderer by adding the corresponding item values in columns D39, D40 and D41.

D43. Quantity imported

Provide the quantity of each product(s) imported by third party and supplied to the tenderer for the tender.

D44. Total imported value

Provide the total imported value of the product(s) imported by third party and supplied to the tenderer by multiplying the total landed cost (D42) by the quantity imported (D43).

D45. Total imported value by third party

The total imported value from the third party is the sum of the values in column D44.

Table D. Other Foreign Currency Payments

D46. Type of payment

Provide the type of foreign currency payment. (i.e. royalty payment for use of patent, annual licence fee, etc).

D47. Local supplier making the payment

Provide the name of the local supplier making the payment.

D48. Overseas beneficiary

Provide the name of the overseas beneficiary.

D49. Foreign currency value paid

Provide the value of the listed payment(s) in their foreign currency.

D50. Tender rate of exchange

Provide the exchange rate used for this tender as per the Standard Bidding Document (SBD) and Municipal Bidding Document (MBD) 6.2.

D51. Local value of payments

Provide the local value of each payment by multiplying the foreign currency value paid (D49) by the tender rate of exchange (D50).

D52. Total of foreign currency payments declared by tenderer and/or third party

The total of foreign currency payments declared by tenderer and/or a third party is the sum of the values in column D51.

D53. Total of imported content and foreign currency payment

The total imported content and foreign currency payment is the sum of the values in column D32, D45 and D52. This value must correspond with the value of C23 on Annexure C.

5. **ANNEXURE E**

5.1. **Guidelines to completing Annexure E: “Local Content Declaration-Supporting Schedule to Annexure C”**

The paragraph numbers correspond to the numbers in Annexure E

- E1. Tender number**
Supply the tender number that is specified on the specific tender documentation.
- E2. Tender description**
Supply the tender description that is specified on the specific tender documentation.
- E3. Designated products**
Supply the details of the products that are designated in terms of this tender (for example, buses/canned vegetables).
- E4. Tender authority**
Supply the name of the tender authority.
- E5. Tendering entity name**
Provide the tendering entity name (for example, Unibody Bus Builders (Pty) Ltd) Ltd).

Local Goods, Services and Works

- E6. Description of items purchased**
Provide a description of the items purchased locally in the space provided.
- E7. Local supplier**
Provide the name of the local supplier that corresponds to the item listed in column E6.
- E8. Value**
Provide the total value of the item purchased in column E6.

E9. Total local products (Goods, Services and Works)

Total local products (goods, services and works) is the sum of the values in E8.

E10. Manpower costs:

Provide the total of all the labour costs accruing only to the tenderer (i.e. not the suppliers to tenderer).

E11. Factory overheads:

Provide the total of all the factory overheads including rental, depreciation and amortisation for local and imported capital goods, utility costs and consumables. (Consumables are goods used by individuals and businesses that must be replaced regularly because they wear out or are used up. Consumables can also be defined as the components of an end product that are used up or permanently altered in the process of manufacturing, such as basic chemicals.)

E12. Administration overheads and mark-up:

Provide the total of all the administration overheads, including marketing, insurance, financing, interest and mark-up costs.

E13. Total local content:

The total local content is the sum of the values of E9, E10, E11 and

E12. This total must correspond with C24 of Annexure C.

Local Content Declaration - Summary Schedule

Note: VAT to be excluded from all calculations

Pula EU GBP [illegible]

Signature of tenderer from Annex B

Date: _____

(C20) Total tender value	R 0	
(C21) Total Exempt imported content	R 0	
(C22) Total Tender value net of exempt imported content	R 0	
(C23) Total Imported content		R 0
(C24) Total local content		R 0
(C25) Average local content % of tender		

Imported Content Declaration - Supporting Schedule to Annex C

(01)	Tender No.	
(02)	Tender description:	
(03)	Designated Products:	
(04)	Tender Authority:	
(05)	Tendering Entity name:	
(06)	Tender Exchange Rate:	Pula

Note: VAT to be excluded from all calculations

EU	R 9.00	GBP	R 12.00
----	--------	-----	---------

A. Exempted imported content

[illegible]

This total must correspond with
Annex C - C 21

B. Imported directly by the Tenderer

[illegible]

(D32) Total imported value by tenderer

C. Imported by a 3rd party and supplied to the Tenderer

[illegible]

(D45) Total imported value by 3rd party

D. Other foreign currency payments

D. Other foreign currency payments				Calculation of foreign currency payments		Summary of payments
Type of payment	Local supplier making the payment	Overseas beneficiary	Foreign currency value paid	Tender Rate of Exchange	Local value of payments	
(D46)	(D47)	(D48)	(D49)	(D50)	(D51)	

Signature of tenderer from Annex B

(D52) Total of foreign currency payments declared by tenderer and/or 3rd party

	P
(D53) Total of imported content & foreign currency payments - (D32), (D45) & (D52) above	

Date: _____

This total must correspond with

Local Content Declaration - Supporting Schedule to Annex C

(E1)	Tender No.	
(E2)	Tender description:	
(E3)	Designated products:	
(E4)	Tender Authority:	
(E5)	Tendering Entity name:	

Note: VAT to be excluded from all calculations	
Local suppliers	Value
(E7)	(E8)
(Goods, Services and Works)	R 0
Consumables etc.)	R 0
(e.g., interest etc.)	R 0
(E13) Total local content	R 0

This total must correspond with Annex C - C24

[illegible]

(E9) Total local products (Goods, Services and Works)	R 0

(E10) Manpower costs (Tenderer's manpower cost)	R 0
---	-----

(E11) Factory overheads (Rental, depreciation & amortisation, utility costs, consumables etc.)	R 0
--	-----

(E12) Administration overheads and mark-up (Marketing, insurance, financing, interest etc.)	R 0
--	-----

(E13) Total local content	R0
---------------------------	----

This total must correspond with Annex C - C24

Signature of tenderer from Annex B

Date: _____



BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ 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 institution	State

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

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

2.2.1 If so, furnish particulars:

.....

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 consortium² 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.

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

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

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

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number: WTE-0029ES
Closing Time 11:00	Closing date: 17 NOVEMBER 2023

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

ITEM NO	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
1	1	• SECURITY FENCING AT HLULUWE DAM	R _____
VAT			_____
TOTAL R			_____

- Required by:

OPERATIONS EASTERN

- Att:

SUPPLY CHAIN MANAGEMENT

- Brand and model

N/A.....

- Country of origin

N/A.....

- Does the offer comply with the specification(s)?

*YES/NO

- If not to specification, indicate deviation(s)

.....

- Period required for delivery

.....
*Delivery: Firm/not firm

- Delivery basis

.....

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

**** "all applicable taxes" includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies.**

***Delete if not applicable**

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT:

GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT July 2010

NOTES

The purpose of this document is to:

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

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 “Countervailing duties” are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 “Dumping” occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

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

1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 “GCC” means the General Conditions of Contract.

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

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

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

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

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

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

1.21 “Purchaser” means the organization purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

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

obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

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

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

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

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

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

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

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any

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

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

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

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

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

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

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

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

28. Limitation of liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

		(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1	The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1	The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	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. Industrial Participation Programme	33.1	The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34. Prohibition of Restrictive practices	34.1	In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
	34.2	If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

34.3

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