

**RE- ADVERT: SECURITY SERVICES AT ZONE 5 OF THE NKOMAZI
MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS IN THE FORM
OF ALARM AND ARMED SECURITY GUARDS**



CONTRACT NUMBER:

**THE TOTAL PRICES OFFER INCLUDING VALUE ADDED TAX IS: R..... (In
figures)**

Name of Bidder (Bidding Entity)
(FULL NAME i.e. (CC, PTY LTD, LTD, JV,
SOLE PROPERIETOR, Etc :

TELL NUMBER :

CELL NUMBER :

SIRA NO. :

SIRA NO (IN CASE OF JV) :

FAX NUMBBER :



Nkomazi
Local Municipality

9 Park Street - Malalane
Private Bag X101
Malalane,
1320

Tel: (013) 790 0245

Fax: (013) 790 0886

Customer Care No. (013) 790 0990

www.nkomazi.gov.za

BID NO: NKO 31/2022 RE-ADVERT FOR SECURITY SERVICES AT ZONE 05 OF THE NKOMAZI MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS IN THE FORM OF ALARM & ARMED SECURITY GUARDS

Tenders are hereby invited from experienced Security Companies registered with the Security Industry Registration Authority (SIRA) or any other professional security body applicable for the tender on the provision of "Security Services at the municipal facilities of the Nkomazi Local municipality for a period of three (3) years in the form of armed security guards.

Tender documentation with complete details is available upon the payment of a non-refundable amount of **R1 425.73** on each tender document or can be downloaded for free on the e-Tender portal. Tender document(s) will be available as from **24/02/2023** and to be obtained at Nkomazi Local Municipality: Budget and Treasury (Old Malalane Taxi Rank) Impala Street from the Cashiers Desk from **07h45 to 15H30** (Monday-Friday).

An optional or non-compulsory tenderer briefing session will be held on **28/02/2023 at 10H00** at the Municipal Town Hall Malelane (Kobwa Hall) at Fish Eagle. It is advisable that Service Providers do attend the briefing session though it is not compulsory, but for explanation and clarity purposes they (Service Providers) are encouraged to attend. It is also important to note that those who will not make it to the briefing would not be penalised, beside they will be allowed to contact the office for clarity.

Bidders are advised not to commit fraudulent activities or forge document, All abusers of the SCM system, including or faking of returnable documents, may be reported to SAPS and restricted from doing business with any Public institution for a period not exceeding 10 years in line with section 28 and 29 of the prevention and combating of corrupt activities Act 12 of 2004

A preferential system shall apply whereby this contract will be allocated to a bidder in accordance with the Preferential Procurement Policy Framework Act, no 5 of 2000 and as defined in the bid document, read in conjunction with the Preferential Procurement Regulation, 2022 where 80 points will be allocated in respect of price and 20 points in respect of targeted goals.

Completed bid documentation must be deposited on/before **12h00 on 29/03/2023** in the Tender Box situated at the main entrance of the municipality (Civic Centre), 9 Park Street Malalane.

Tenders/Bids must be submitted in a sealed envelope or container on which the tender/bid number and addressee is clearly marked. No bids transmitted by fax or e-mail will be accepted. It must be noted that the municipality is not bound to accept the lowest on any other tender. Tender/bid documentation which is incomplete or filled incorrectly, not filled in on the official bid documentation or which is received after the close of the bids, will be ignored. It must also be noted that tender submitted in a wrong tender box will not be considered.

Specification queries can be directed to: Mr. S Manzini at 0137900245, and for Supply Chain related queries must be directed to Mr. M R Mabuza on 013 790 0386 between 07H15 – 16H00 on working weekdays.

XT MABILA
MUNICIPAL MANAGER

20.02.2023
Date

1. VERY IMPORTANT NOTICE ON DISQUALIFICATIONS:

- i. A bid not complying with the peremptory requirements stated hereunder will be regarded as not being an "Acceptable bid", and as such will be rejected.
- ii. "Acceptable bid" means any bid which, in all respects, complies with the conditions of bid and specifications as set out in the bid documents, including conditions as specified in the Preferential Procurement Policy Framework Act (Act 5 of 2000) and related legislation as defined in this bid document, read in conjunction with the Preferential Procurement Regulation, 2022 where 80 points will be allocated in respect of price and 20 points in respect of targeted goals.
- iii. If **copy or pin of valid tax clearance certificate** (or in the case of a joint venture, of all the partners in the joint venture) has not been submitted with the bid document on closing date of the bid;
- iv. If any pages have been removed from the bid document, and have therefore not been submitted, or a copy of the original bid document has been submitted;
- v. Failure to complete the schedule of quantities as required, (i.e.: only lump sums provided);
- vi. Writing over or painting out rates, without initialing next to the amended rates or information, affecting the evaluation of the bid;
- vii. The use of correction fluid (i.e.: tippex) or any erasable ink, (e.g., Pencil);
- viii. Attendance of site inspections or information/ clarification meetings is non mandatory/compulsory but advisable to attend the briefing meeting.
- ix. The Bid has not been properly signed by a party having the authority to do so, according
the *example* of "Authority or Signatory";
- x. No authority for signatory submitted – See example, where it is stated that a duly signed and dated original or certified copy of the company's relevant resolution (for each specific bid) of their members or their board of directors, must be submitted;
- xi. The bidder attempts to influence, or has in fact influenced the evaluation and/or awarding of the contract;

- xii. The bid has been submitted either in the wrong bid box or after the relevant closing date and time;
- xiii. If any bidder who during the last five years has failed to perform satisfactorily on a previous contract with the municipality, municipal entity or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
- xiv. The accounting officer must ensure that irrespective of the procurement process followed, no award may be given to a person –
 - who is in the service of the state, or;
 - If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder, is a person in the service of the state; or;
 - Who is an Advisor or Consultant contracted with the municipality in respect of
 - Contract that would cause a conflict of interest?
- xv. **Failure to provide:**
 - Written proof of **registration** with the **Security Industry Regulation Authority (PSiRA)** as required in the bid documentation;
 - Written proof of registration with PSiRA
 - Company/members) as required by the bid document.
- xvi. Bid offers will be rejected if the bidder or any of his directors is listed on the
- xvii. Register of Bid Defaulters in terms of the Prevention and Combating of Corrupt
- xviii. Activities Act of 2004 as a person prohibited from doing business with the public
- xix. sector and all bids would be subjected to vetting;
- xx. Bid offers will be rejected if the bidder has abused the Nkomazi municipality
- xxi. Supply Chain Management System;
- xxii. 17. Failure to attach a copy of a valid signed Joint Venture/Consortium Agreement
- xxiii. (i.e.: if applicable) to the bid document;
- xxiv. Form of offer not completed and signed by the authorized signatory;
- xxv. Not completing in full and signing all pages on the space provided;
- xxvi. Not attaching the following Copy of Central Supplier Database Registration Report, Certified copy of Company Registration (CK),

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- xxvii. Not attaching proof of rates and taxes not later than 3 months/Proof of Residence
- xxviii. 2.1.5 failure to provide information on previous security work done by the Bidder
- xxix. (Please see form 2.1.5) Schedule of previous work out by Bidder.

NOTE

2. IN THIS DOCUMENT AND OTHER DOCUMENTS REFERRED TO BUT NOT ATTACHED, THE FOLLOWING WORDS ARE SYNONYMOUS WITH EACH OTHER.

- a. CLIENT, EMPLOYER, NKOMAZI LOCAL MUNICIPALITY
- b. BID, TENDER AND VARIATIONS THEREOFF
- c. JOINT VENTURE / CONSORTIUM

3. SUMMARY FOR BID OPENING PURPOSES

NAME OF BIDDING ENTITY:

PHYSICAL STREET ADDRESS:	POSTAL ADDRESS:

- TELEPHONE NUMBER:
- FAX NUMBER:
- E-mail ADDRES:

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- **CONTRACT PRICE: R**.....
- (Amount brought forward from the Form of Offer and Acceptance) *
- Signed by authorized representative of the Bidding Entity:
- **DATE:**
.....
- Should any discrepancy occur between this figure and that stated in the Form of Offer and Acceptance, the latter shall take precedence and apply.

4. CONTENTS

a. PART T1: BIDDING PROCEDURES

- T1.1 Notice and Invitation to Bid
- T1.2 Bid Data

b. PART T2: RETURNABLE DOCUMENTS

- T2.1 Returnable Schedules required for Bid Evaluation Purposes
- T2.2 Other Documents required for Bid Evaluation Purposes
- T2.3 Returnable Schedules that will be incorporated in the Contract

5. THE CONTRACT

a. PART C1: AGREEMENT AND CONTRACT DATA

- C1.1 Form of Offer and Acceptance
- C1.2 Form of Guarantee
- C1.3 Agreement in Terms of Occupational Health and Safety Act, 1993 (Act No 85 Of 1993)

b. PART C2: PRICING DA

- C2.1 Pricing Instructions
- C2.2 Bill of Quantities/Schedule of Activities

c. PART C 3: SCOPE OF WORKS

- C.3.1 DESCRIPTION OF WORK
- C3.2 PROCUREMENT

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MBD 1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NKOMAZI LOCAL MUNICIPALITY)					
BID NUMBER:	RE-NKO 31/2022	CLOSING DATE:	29 MARCH 2023	CLOSING TIME:	12:00 AM
DESCRIPTION	NKOMAZI LOCAL MUNICIPALITY CORDIALLY INVITES INTERESTED PARTIES TO SUBMIT TENDER/BID TO PROVIDE SECURITY SERVICE FOR MUNICIPALITY FOR A PERIOD 36 MONTHS (3) YEARS.				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS					
NKOMAZI LOCAL MUNICIPALITY CIVIC CENTRE (HEAD OFFICE)					
9 PARK STREET					
MALELANE					
1320					
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					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT <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]		
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE		R
SIGNATURE OF BIDDER		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	SUPPLY CHAIN UNIT		CONTACT PERSON	MR S MANZINI	
CONTACT PERSON	Mr. M MANZINI		TELEPHONE NUMBER	(013) 790 0386	
TELEPHONE NUMBER	(013) 790 0386		FACSIMILE NUMBER	(013) 590 6195	
FACSIMILE NUMBER	(013) 590 6195		E-MAIL ADDRESS	senzo.manzini@nkomazi.gov.za	
E-MAIL ADDRESS	richard.mabuza@nkomazi.gov.za				

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 ONLINE	
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.	
2. TAX COMPLIANCE REQUIREMENTS	
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.	
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.	
2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.	
2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.	
2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.	
2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.5. 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 ABOVE.	

6. T1.1 BID DATA

The Standard Conditions of Bid for Procurements makes several references to the bid data for details that apply specifically to this bid. The bid data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the standard conditions of bid.

Clause number	Data
F.1.1 ACTIONS	The Employer is: The Municipal Manager NKOMAZI Local Municipality 9 Park Street Private Bag X 101 Malalane 1320
TENDER DOCUMENTS	The bid documents issued by the Employer comprise: THE BID Part T1 Bidding procedures Part T1.1 Bid notice and invitation to bid Part T1.2 Bid data Part T2 Returnable documents Part T2.1 List of returnable documents Part T2.2 Returnable schedules THE CONTRACT Part C1 Agreements and contract data C1.1 Form of offer and acceptance C1.2 Contract data C1.3 Form of Guarantee C1.4 Agreement in terms of Occupational Health and Safety Act, 1993 Part C2 Pricing Data C2.1 Pricing Instructions C2.2 Bill of Quantity Part C3 Scope of Works C3 Scope of Works Part C4 Site Information C4 Site Information
Clause number	Data
F.1.4 COMMUNICATION AND EMPLOYER'S AGENT	The Employer's Agent is: Name: Mr. Senzo Manzini Address: 9 Park Street, Malalane, 1320 Tel: 013 7900386 Fax: 013 590 6195
F.2.1 ELIGIBILITY	Companies that fit all the requirements as specified.

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F.2.7 CLARIFICATION MEETING		The arrangements for a non-compulsory clarification meeting are: Location: Nkomazi Kobwa Hall Date: 2023/02/28 Starting time: 10H00
F.2.12 ALTERNATIVE TENDER OFFERS		<i>No alternative bid is to be accepted!</i>
F.2.13.1 SUBMITTING TENDER OFFER	A	Bidders may offer to provide any of the parts, or combinations thereof, of the works, services or supply identified in the contract data.
F.2.13.3 SUBMITTING TENDER OFFER	A	The <i>whole original</i> bid document, as issued by the Nkomazi LM, shall be submitted. Bids may only be submitted on the Bid documentation issued by the Nkomazi LM.
F.2.13.5 SUBMITTING TENDER OFFER	A	The Employer's address for delivery of bid offers and identification details to be shown on each bid offer package are: Location of bid box: Reception Physical address: Nkomazi Local Municipality 9 Park Street Private Bag X 101 MALALANE 1320 Identification Details: Tender Number NKO:31/2022 Project Description: SECURITY SERVICES AT ZONE 5 OF THE NKOMAZI MUNICIPALITY FOR A PERIOD OF 3(THREE) YEARS IN THE FORM OF ARMED SECURITY GUARDS
Clause number		Data
F.2.15 CLOSING TIME		The closing time for submission of bid offers is: 12:00 on 29/03/2023 Telephonic, telegraphic, telex, facsimile or e-mailed bid offers will not be accepted.
F.2.16 TENDER VALIDITY	OFFER	The bid offer validity period is 90 days
Clause number		Data
F.2.17 PROVIDE MATERIAL	OTHER	N/A
F.2.18 INSPECTIONS, TESTS AND ANALYSIS		Access must be provided for the inspection of the tenderers offices if required.
F.2.19 CERTIFICATES		The bidder is required to <i>submit with his bid</i> . (1) registration certificate with the Security Industry Regulation Authority (SIRA) (2) A Copy of Tax Clearance Certificate or Tax Pin issued by the South African Revenue Services (3) Valid Firearm Licenses on the company name (4) Registration with PSiRA

F.3.4 OPENING OF BID SUBMISSIONS	The time and location for opening of the bid offers are: Immediately after the closing time for submission of bid. Location: Nkomazi Local Municipality 9 Park Street Private Bag X 101 MALALANE 1320
F.3.5 ONE-ENVELOPE SYSTEM	One-envelope procedure be followed.
F.3.9 3.9.1 ARITHMETICAL ERRORS	Replace the contents of the clause with the following: "Check responsive tender offers for arithmetical errors, correcting them in the following manner: a) Where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern. b) If bills of quantities (or schedule of quantities or schedule of rates) apply and there is an error in the line-item total resulting from the product of the unit rate and the quantity, the rate shall govern and the line-item total shall be corrected. c) Where there is an error in the total of the prices either as a result of corrections required by this checking process or in the tenderer's addition of prices, the total of the prices shall be adjusted to reflect the arithmetically correct summation of corrected line-item totals. Consider the rejection of a tender offer if the tenderer does not accept the correction of the arithmetical errors in the manner described above."
F.3.11 EVALUATION OF BID OFFERS	The preference procedure for evaluation of responsive bid offers shall be the 80/20 point preference system.
F.3.13.1 ACCEPTANCE OF BID OFFER	Bids containing any one or more of the errors or omissions, or bids not having complied with any one of the peremptory bid conditions as detailed on page 2 of this bid document, shall not be considered and shall automatically be rejected.
F.3.18 PROVIDE COPIES OF THE CONTRACTS	The number of paper copies of the signed contract to be provided by the Employer is one.
ADDITIONAL CONDITIONS APPLICABLE TO THIS BID	The additional conditions of bid are: 1 The Employer may also request that the bidder to provide written evidence that his financial, labour and other resources are adequate for carrying out the contract. 2 The Employer reserves the right to appoint a firm of chartered accountants and auditors and/or execute any other financial investigations on the financial resources of any bidder. The bidder shall provide all reasonable assistance in such investigations. 3 The bidder shall be required to complete the Form of Offer and Acceptance (C1.1) and Bills of Quantity for all the site or sites for which they intend to bid for

	<p>4 The bid document shall be submitted as a whole and shall not be taken apart.</p> <p>5 List of returnable documents (PART T2) must be completed in full. (i.e.:A bidder's company profile will not be used by the Nkomazi to complete PART T2 on behalf of the bidder)</p> <p>NB: If PART T2 is not completed in full by the bidder, this offer will be rejected.</p>

7. F.1 General

a. F.1.1 Actions

The employer and each tenderer submitting a tender offer shall comply with these conditions of tender. In their dealings with each other, they shall discharge their duties and obligations as set out in F.2 and F.3, timeously and with integrity, and behave equitably, honestly and transparently.

b. F.1.2 Tender Documents

The documents issued by the employer for the purpose of a tender offer are listed in the tender data.

c. F.1.3 Interpretation

- F.1.3.1. The tender data and additional requirements contained in the tender schedules that are included in the returnable documents are deemed to be part of these conditions of tender;
- F.1.3.2. these conditions of tender, the tender data and tender schedules which are only required for tender evaluation purposes, shall not form part of any contract arising from the invitation to tender;
- F.1.3.3. For the purposes of these conditions for the calling for expressions of interest, the following definitions apply:

- Comparative offer means the tenderer's financial offer after the factors of non-firm prices, all unconditional discounts and any other tendered parameters that will affect the value of the financial offer have been taken into consideration;
- corrupt practice means the offering, giving, receiving or soliciting of anything of value to influence the action of the employer or his staff or agents in the tender process; and;
- fraudulent practice means the misrepresentation of the facts in order to influence the tender process or the award of a contract arising from a tender offer to the detriment of the employer, including collusive practices intended to establish prices at artificial levels quality (functionality) means the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs

d. F.1.4 Communication and employer's agent

Each communication between the employer and a tenderer shall be to or from the employer's agent only, and in a form that can be read, copied and recorded. Writing shall be in the English language. The employer shall not take any responsibility for non-receipt of communications from or by a tenderer. The name and contact details of the employer's agent are stated in the tender data.

e. F.1.5 The employer's right to accept or reject any tender offer

- F.1.5.1. The employer may accept or reject any variation, deviation, tender offer, or alternative tender offer, and may cancel the tender process and reject all tender offers at any time before the formation of a contract. The employer shall not accept or incur any liability to a tenderer for such cancellation and rejection, but will give written reasons for such action upon written request to do so.
- F.1.5.2. The employer may not subsequent to the cancellation or abandonment of a tender process or the rejection of all responsive tender offers re- issue a tender covering substantially the same scope of work within a period of six months unless only one tender was received and such tender was returned unopened to the tenderer.

8. F.2 Tenderer's obligations

a. F.2.1 Eligibility

Submit a tender offer only if the tenderer satisfies the criteria stated in the tender data and the tenderer, or any of his principals, is not under any restriction to do business with employer.

b. F.2.2 Cost of tendering

Accept that the employer will not compensate the tenderer for any costs incurred in the preparation and submission of a tender offer, including the costs of any testing necessary to demonstrate that aspects of the offer satisfy requirements.

c. F.2.3 Check documents

All tenders shall be check on receipt for completeness that is in terms of all returnable by the municipal officials in the form of check list

d. F.2.4 Confidentiality and copyright of documents

Treat as confidential all matters arising in connection with the tender. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a tender offer in response to the invitation.

e. F.2.5 Reference documents

Obtain, as necessary for submitting a tender offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are not attached but which are incorporated into the tender documents by reference.

f. F.2.6 Acknowledge addenda

Acknowledge receipt of addenda to the tender documents, which the employer may issue, and if necessary, apply for an extension to the closing time stated in the tender data, in order to take the addenda into account.

g. F.2.7 Clarification meeting

Attend, where required, a clarification meeting at which tenderers may familiarize themselves with aspects of the proposed work, services or supply and raise questions. Details of the meeting are stated in the tender data.

h. F.2.8 Seek clarification

Request clarification of the tender documents, if necessary, by notifying the employer at least five working days before the closing time stated in the tender data.

F.2.9 Insurance

Be aware that the extent of insurance to be provided by the employer (if any) might not be for the full cover required in terms of the conditions of contract identified in the contract data. The tenderer is advised to seek qualified advice regarding insurance.

j. F.2.10 pricing the tender offer

- F.2.10.1. Include in the rates, prices, and the tendered total of the prices (if any) all duties, taxes (except Value Added Tax (VAT), and other levies payable by the successful tenderer, such duties, taxes and levies being those applicable 14 days before the closing time stated in the tender data.
- F.2.10.2. Show VAT payable by the employer separately as an addition to the tendered total of the prices.
- F.2.10.3. Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data
- F.2.10.4. State the rates and prices in Rand unless instructed otherwise in the tender data. The conditions of contract identified in the contract data may provide for part payment in other currencies.
- F.2.11 Alterations to documents
- Not make any alterations or additions to the tender documents, except to comply with instructions issued by the employer, or necessary to correct errors made by the

tenderer. All signatories to the tender offer shall initial all such alterations. Erasures and the use of masking fluid are prohibited.

❖ **F.2.12 Alternative tender offers**

- F.2.12.1. Submit alternative tender offers only if a main tender offer, strictly in accordance with all the requirements of the tender documents, is also submitted. The alternative tender offer is to be submitted with the main tender offer together with a schedule that compares the requirements of the tender documents with the alternative requirements the tenderer proposes.
- F.2.12.2. Accept that an alternative tender offer may be based only on the criteria stated in the tender data or criteria otherwise acceptable to the employer.

❖ **F.2.13 submitting a tender offer**

- F.2.13.1. Submit a tender offer to provide the whole of the works, services or supply identified in the contract data and described in the scope of works, unless stated otherwise in the tender data.
- F.2.13.2. Return all returnable documents to the employer after completing them in their entirety, either electronically (if they were issued in electronic format) or by writing in Mark ink.
- F.2.13.3. Submit the parts of the tender offer communicated on paper as an original, with an English translation of any documentation in a language other than English, and the parts communicated electronically in the same format as they were issued by the employer.
- F.2.13.4. Sign the original and all copies of the tender offer where required in terms of the tender data.
- The employer will hold all authorized signatories liable on behalf of the tenderer. Signatories for tenderers proposing to contract as joint ventures shall state the signatories which are the lead partner whom the employer shall hold liable for the purpose of the tender offer.

- F.2.13.5. Seal the original tender offer package in an outer package that states on the outside only the employer 's address and identification details as stated in the tender data.
- F.2.13.6. Accept that the employer will not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated.

❖ **F.2.14 Information and data to be completed in all respects**

- Accept that tender offers, which do not provide all the data or information requested completely and, in the form, required, may be regarded by the employer as non-responsive.

❖ **F.2.15 Closing Time**

- F.2.15.1. Ensure that the employer receives the tender offer at the address specified in the tender data not later than the closing time stated in the tender data. Proof of posting shall not be accepted as proof of delivery. The employer shall not accept tender offers submitted by telegraph, telex, facsimile or e-mail, unless stated otherwise in the tender data.
- F.2.15.2. Accept that, if the employer extends the closing time stated in the tender data for any reason, the requirements of these conditions of tender apply equally to the extended deadline.

❖ **F.2.16 Tender Offer Validity**

- F.2.16.1. Hold the tender offer(s) valid for acceptance by the employer at any time during the validity period stated in the tender data after the closing time stated in the tender data.
- F.2.16.2. If requested by the employer, consider extending the validity period stated in the tender data for an agreed additional period.

❖ **F.2.17 Clarification of tender offer after submission**

- Provide clarification of a tender offer in response to a request to do so from the employer during the evaluation of tender offers. This may include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (Or both). No change in the competitive position of tenderers or substance of the tender offer is sought, offered, or permitted.
- **Note: Sub-clause F.2.17 does not preclude the negotiation of the final terms of the contract with a preferred tenderer following a competitive selection process, should the Employer elect to do so.**

❖ **F.2.18 Provide other material**

- F.2.18.1. Provide, on request by the employer, any other material that has a bearing on the tender offer, the tenderer's commercial position (including notarized joint venture agreements), referencing arrangements, or samples of materials, considered necessary by the employer for the purpose of a full and fair risk assessment. Should the tenderer not provide the material, or a satisfactory reason as to why it cannot be provided, by the time for submission stated in the employer's request, the employer may regard the tender offer as non-responsive.
- F.2.18.2. Dispose of samples of materials provided for evaluation by the employer, where required.

❖ **F.2.19 Inspections, tests and analysis**

Provide access during working hours to premises for inspections, tests and analysis as provided for in the tender data.

❖ **F.2.20 Submit securities, bonds, policies, etc.**

If requested, submit for the employer's acceptance before formation of the contract, all securities, bonds, guarantees, policies and certificates of insurance required in terms of the conditions of contract identified in the contract data.

❖ **F.2.21 Submission of Proforma Service Level Agreement**

- Tender is expected to provide a Proforma service level agreement when returning the tender document.

F.2.22 Return of other tender documents

- If so instructed by the employer, return all retained tender documents within the said days after the expiry of the validity period stated in the tender data.

❖ F.2.23 Certificates

Include in the tender submission or provide the employer with any certificates as stated in the tender data.

❖ F.3 The employer's undertakings

❖ F.3.1 Respond to clarification

Respond to a request for clarification received up to five working days before the tender closing time stated in the tender data and notify all tenderers who drew procurement documents. Any request for information should be in writing.

❖ F.3.2 Issue Addenda

If necessary, issue addenda that may amend or amplify the tender documents to each tenderer during the period from the date that tender documents are available until seven days before the tender closing time stated in the tender data. If, as a result a tenderer applies for an extension to the closing time stated in the tender data, the Employer may grant such extension and, shall then notify all tenderers who drew documents.

❖ F.3.3 Return late tender offers

Return tender offers received after the closing time stated in the Tender Data, unopened, (unless it is necessary to open a tender submission to obtain a forwarding address), to the tenderer concerned.

❖ F.3.4 Opening of tender submissions

- F.3.4.1. Unless the two-envelope system is to be followed, open valid tender submissions in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data. Tender submissions for which acceptable reasons for withdrawal have been submitted will not be opened.

- F.3.4.2. Announce at the meeting held immediately after the opening of tender submissions, at a venue indicated in the tender data, the name of each tenderer whose tender offer is opened, and the total of his prices.
- F.3.4.3. Make available the record outlined in F.3.4.2 to all interested persons upon request.

❖ **F.3.5 One-envelope system**

- F.3.5.1. Open Only the technical proposal of valid tenders in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data and announce the name of each tenderer whose technical proposal is opened.
- F.3.5.2. Evaluate the quality of the technical proposals offered by tenderers, then advise tenderers who remain in contention for the award of the contract of the time and place when the financial proposals will be opened. Open only the financial proposals of tenderers, who score in the quality evaluation more than the minimum number of points for quality stated in the tender data, and announce the score obtained for the technical proposals and the total price and any preferences claimed. Return unopened financial proposals to tenderers whose technical proposals failed to achieve the minimum number of points for quality.

❖ **F.3.6 non-disclosure**

- Not disclose to tenderers, or to any other person not officially concerned with such processes, information relating to the evaluation and comparison of tender offers, the final evaluation price and recommendations for the award of a contract, until after the award of the contract to the successful tenderer.

❖ **F.3.7 Grounds for rejection and disqualification**

- Determine whether there has been any effort by a tenderer to influence the processing of tender offers and instantly disqualify a tenderer (and his tender offer) if it is established that he engaged in corrupt or fraudulent practices.

❖ **F.3.8 Test for responsiveness**

- F.3.8.1. Determine, after opening and before detailed evaluation, whether each tender offer properly received:
 - complies with the requirements of these conditions of tender,
 - has been properly and fully completed and signed, and
 - is responsive to the other requirements of the tender documents.
- ❖ F.3.8.2. A responsive tender is one that conforms to all the terms, conditions, and specifications of the tender documents without material deviation or qualification. A material deviation or qualification is one which, in the Employer's opinion, would:
 - detrimentally affect the scope, quality, or performance of the works, services or supply identified in the Scope of Work,
 - change the Employer's or the tenderer's risks and responsibilities under the contract, or
 - affect the competitive position of other tenderers presenting responsive tenders, if it were to be rectified.
- Reject a non-responsive tender offer, and not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.

❖ **F.3.9 Arithmetical errors**

- F.3.9.1. Check responsive tender offers for arithmetical errors, correcting them in the following manner:
 - Where there is a discrepancy between the amounts in figures and in words, the amount in figures shall govern.
 - If bills of quantities (or schedule of quantities or schedule of rates) apply and there is an error in the line-item total resulting from the product of the unit rate and the quantity, the rate shall govern and the total shall be corrected.
 - Where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the tenderer's addition of prices, the rate shall govern and the tenderer will be asked to revise selected item prices to achieve the tendered total of the prices.

- ❖ F.3.9.2. Consider the rejection of a tender offer if the tenderer does not correct or accept the correction of his arithmetical errors in the manner described in

- ❖ **F.3.10 Clarification of a tender offer**

Obtain clarification from a tenderer on any matter that could give rise to ambiguity in a contract arising from the tender offer.

F.3.11 Evaluation of tender offers

9. EVALUATION METHODOLOGY:

The tender shall be evaluated on a 80/20 preferential points system, where 80 points will be allocated in respect of price and 20 points in respect of targeted goals.

a. Factors to be considered:

- Points
- Targeted/specified goals
- Integrated Development Planning (IDP)

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POINTS FOR CONTRACTING AN ENTERPRISE OWNED BY HISTORICALLY DISADVANTAGED PERSONS OR INDIVIDUALS		
HISTORICALLY DISADVANTAGED PERSONS OR INDIVIDUALS	POINTS ALLOCATION	SOURCE DOCUMENTS REQUIRED TO CLAIM POINTS
100% black person or people owned enterprise	2,5	A copy of a <i>Full CSD report</i> not older than 3 months
More than 30% woman or women shareholding or owned enterprise	2,5	
more than 30% youth shareholding or owned enterprise	2,5	
More than 30% people living with disability shareholding or owned enterprise	2,5	A copy of a Medical Certificate to confirm disability
POINTS FOR IMPLEMENTING OF RDP PROGRAMMES		
Enterprises regarded as *EMEs located within the Nkomazi Local Municipality area of jurisdiction	2,5	<p>➤ A copy of a Full CSD report not older than 3 months</p> <p>NB: Points will only be awarded if the CSD physical address is the same as the address for the proof of residence required in 1.9 above.</p>
Corporate Social Investment (CSI)	5	<p>➤ Local/Social Labour Plan proposition</p>
2,5 points for valid B-BBEE level 1 contribution (SANAS accredited B-BBEE certificate for generic enterprise, and for EME and SME a sworn affidavit or CIPC issued certificate confirming annual turnover and level of Black Ownership).	2,5	<p>➤ Certified Valid BBEE certificate</p> <p>➤ or Certified Valid EME and SME a sworn affidavit</p> <p>➤ or Certified Valid CIPC issued certificate confirming annual turnover and level of Black Ownership</p>
TOTAL PREFERENCE POINTS TO BE CLAIMED	20	

***All certified copies must not be older than three months.**

- Received bids will be evaluated for responsiveness based on mandatory requirements, technical evaluation criteria and bidders who obtain a minimum of **70 points** out of a possible **100 points**,
- b. **80/20 price and preference point system is for acquisition of goods or services with Rand value equal to or below R50 million**
- i. The following formula must be used to calculate the points out of 80 for price in respect of a tender with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

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

Where-

P_s = Points scored for price of tender under consideration;
 P_t = Price of tender under consideration; and
 P_{\min} = Price of lowest acceptable tender.

- ii. A maximum of 20 points may be awarded to a tenderer for the specified goals for the tender.
- iii. The points scored for the specific goal must be added to the points scored for the price and the total must be rounded off to the nearest two decimal places.
- iv. Subject to section 2(1)(f) of the PPPFA, the contract must be awarded to the tendering scoring the highest points.

❖ **F.3.12 Insurance provided by the employer**

- If requested by the proposed successful tenderer, submit for the tenderer's information the policies and / or certificates of insurance which the conditions of contract identified in the contract data, require the employer to provide.

❖ **F.3.13 Acceptance of tender offer**

- F.3.13.1. Accept tender offer only if the tenderer complies with the legal requirements stated in the tender data.
- F.3.13.2. Notify the successful tenderer of the employer's acceptance of his tender offer by completing and returning one copy of the form of offer and acceptance before the expiry of the validity period stated in the tender data, or agreed additional period.

Providing the form of offer and acceptance does not contain any qualifying statements, it will constitute the formation of a contract between the employer and the successful tenderer as described in the form of offer and acceptance.

❖ **F.3.14 Notice to unsuccessful tenderers**

After the successful tenderer has acknowledged the employer's notice of acceptance, notify other tenderers that their tender offers have not been accepted.

❖ **F.3.15. Prepare contract documents**

- If necessary, revise documents that shall form part of the contract and that were issued by the employer as part of the tender documents to take account of:
 - i. addenda issued during the tender period,
 - ii. inclusion of some of the returnable documents,
 - iii. other revisions agreed between the employer and the successful tenderer, and d) the schedule of deviations attached to the form of offer and acceptance, if any.

❖ **F.3.16 Issue final contract**

- Prepare and issue the final draft of contract documents to the successful tenderer for acceptance as soon as possible after the date of the employer's signing of the form of Offer and acceptance (including the schedule of deviations, if any). Only those documents that the conditions of tender require the tenderer to submit, after acceptance by the employer, shall be included.

F.3.17 Complete adjudicator's contract

- Unless alternative arrangements have been agreed or otherwise provided for in the contract, arrange for both parties to complete formalities for appointing the selected adjudicator at the same time as the main contract is signed.

▪ **F.3.18 Provide copies of the contracts**

Provide to the successful tenderer the number of copies stated in the tender data of the signed copy of the contract as soon as possible after completion and signing of the form of offer and acceptance.

❖ **PART T2 LIST OF RETURNABLE DOCUMENTS**

The bidder must complete the following returnable documents.

T2.1 RETURNABLE SCHEDULES REQUIRED FOR BID EVALUATION
PURPOSES.....

T2.2 OTHER DOCUMENTS REQUIRED FOR BID EVALUATION
PURPOSES.....

T2.3 RETURNABLE SCHEDULES THAT WILL BE INCORPORATED IN THE
CONTRACT.....

T2.4 OTHER DOCUMENTS THAT WILL BE INCLUDED IN THE
CONTRACT.....

NOTE:

- Although the documents under Part T2 is headed “Returnable Documents” in line with the **CIDB model**, these are not the only documents to be returned together with the bid. All the documents indicated on Part T1, must be completed and signed where applicable and submitted as a complete set of documents.

❖ **T2.1 RETURNABLE SCHEDULES REQUIRED FOR BID EVALUATION PURPOSES**

▪ **CONTENTS**

- **FORM 2.1.1: SCHEDULE OF EQUIPMENTS REQUIRED FOR THE
CONTRACT.....**

- **FORM 2.1.2: SIZE OF ENTERPRISE AND CURRENT WORKLOAD**

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- FORM 2.1.3: STAFFING PROFILE
- FORM 2.1.4: PROPOSED KEY PERSONNEL
- FORM 2.1.5: SCHEDULE OF PREVIOUS WORK CARRIED OUT BY BIDDER.....
- FORM 2.1.6: FINANCIAL ABILITY TO EXECUTE THE PROJECT
- FORM 2.1.7: AUTHORITY FOR SIGNATORY
- FORM 2.1.8: SCHEDULE OF PROPOSED SUB CONTRACTORS
- FORM 2.1.9: FINANCIAL REFERENCES
- FORM 2.1.10 DETAILS OF ALTERNATIVE BIDS FORM 2.1.1 SCHEDULE OF
- FORM 2.1.11 AMENDMENTS & QUALIFICATIONS BY BIDDER

❖ FORM 2.1.1 SCHEDULE OF EQUIPMENTS REQUIRED FOR THE CONTRACT

The Bidder shall state below what Equipment will be available for the work should he be awarded the Contract.

DESCRIPTION, SIZE, CAPACITY		NUMBER
1		
2		
3		
4		

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5		
6		
7		
8		
9		
10		

❖ FORM 2.1.2 SIZE OF ENTERPRISE AND CURRENT WORKLOAD

- What was your turnover in the previous financial year?
R _____
- What is the estimated turnover for your current financial year? R _____
- Physical facilities:

Provide information on offices, factories, yards and warehouses occupied by your enterprise (attach details if the space provided is not enough)

Description	Address	Area (m ²)

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List your current contracts and obligations:

Description	Value (R)	Start date	Duration	Expected completion date

Do you have the capacity to supply the goods and services described in this bid, should the contract be awarded to you

❖ **FORM 2.1.3 STAFFING PROFILE**

Provide information on the staff that you have available to execute this contract (attach a separate list if the space provided is insufficient)

Own staff: gender and race	Number of staff
Staff to be employed for the project: gender and race	Number of staff

❖ **FORM 2.1.4 PROPOSED KEY PERSONNEL**

The Bidder shall list below the key personnel (including first nominee and the second-choice alternate), whom he proposes to employ on the project should his bid be accepted, both at his headquarters and on the Site, to direct and for the execution of the work, together with their qualifications, experience, positions held and their nationalities.

Designation	Name of	Nationality	Summary of		NQF Certificate Yes/No	6
			Qualifications	Experience & Present Occupation		
HEADQUARTERS Partner/director						
Project Manager						
Other key staff (Give designation)						
PROJECT MONITORING Site(s) Supervisors						
Other key staff (give designation)						

❖ **FORM 2.1.5 SCHEDULE OF PREVIOUS WORK CARRIED OUT BY BIDDER**

Provide the following information on relevant previous experience. Indicate comparable projects of similar or larger size. This information is material to the award of the Contract.

Tender cannot be awarded to a Bidder who does not have previous security working experience. Give at least one name and telephone number and e-mail address of a reference representing the company you work for

EMPLOYER (Name, tel no and fax no)	NATURE OF WORK CARRIED OUT PREVIOUSLY	VALUE OF WORK	YEAR OF COMPLETION

❖ **FORM 2.1.6 FINANCIAL ABILITY TO EXECUTE THE PROJECT**

Provide details on the surety you will provide if the bid is awarded to you

.....

AMOUNT

❖ Which of the following institutions will provide surety?

- Bank registered in terms of the Bank Act 1990 (Act 94 of 1990):
- Insurance Company registered in terms of the Short-Term Insurance Act 1998 (Act 53 of 1998):

 ▪ Cash:

❖ Provide the estimated cash flow on the project in terms of submissions of payment certificates or payment schedules to the Employer

Month NO	Received	b Payments made	a – b Net cash flow	Cumulative cash flow

Maximum negative cash flow: Take the largest negative number in the last column and write it in here

Notes:

- Value added tax to be included in all amounts
- Assume payment of certificates within 30 days of approval of certificate
- From what sources will you fund the above amount (e.g. Funds internally available, bank overdraft, loan, etc)

❖ **FORM 2.1.7 AUTHORITY FOR SIGNATORY (SAMPLE)**

❖ **CERTIFICATE OF AUTHORITY FOR SIGNATURE**

10. SUPPLIERS / CONTRACTORS

- "Certificate of authority to sign all documents in connection with this tender and any contract or agreement which may arise there from", duly signed and dated, shall be provided by the Board of Directors of the firm and shall be attached to this page. An example is given below.

11. JOINT VENTURE

- The document of formation of the Joint Venture shall be attached to this page.
- A "certificate of authority to sign all documents in connection with this tender and any contract or agreement which may arise there from", duly signed and dated, shall be provided by the Boards of Directors of each member of the Joint Venture and shall be attached to this page.

12. EXAMPLE OF A CERTIFICATE OF AUTHORITY FOR SIGNATORY

- "By resolution of the board of directors passed at a meeting held on

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

- Mr. /Ms..... whose signature appears below, has been duly authorized

- to sign all documents in connection with the tender for Contract no.....

- .and any contract which may arise there from on behalf of (block capitals).....
.....

- SIGNED ON BEHALF OF THE COMPANY.....

- IN HIS/HER CAPACITY AS:

.....

- DATE:

.....

- SIGNATURE OF SIGNATORY: .

.....

- WITNESS: 1:

.....

2.

.....

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NAME OF FIRM	ADDRESS	DULY AUTHORIZED SIGNATORY
(Lead partner, i.e. "ABCD (PTY) LTD")	P.O. Box 111 Heaven 1560	Signature: Name: Designation:
Name of 2nd Company	Address of 2nd Company	Signature: Name: Designation:
Name of 3rd Company	Address of 3rd Company	Signature: Name: Designation:

- An example for "SOLE PROPRIETOR" is shown below:
- "I hereby certify that I'm the sole proprietor of the Bidding Entity, namely, " _____" and therefore duly authorized to sign the bidding documents"

❖ SIGNATURE OF SOLE PROPRIETOR:

.....

- IN HIS CAPACITY AS:

.....

- DATE:

.....

- AUTHORISED SIGNATURE:..... PERSON'S

- AS WITNESS: 1.

- AS WITNESS: 2.....

❖ **FORM 2.1.8 FINANCIAL REFERENCES**

❖ **FINANCIAL STATEMENTS**

- We agree, if required, to furnish an audited copy of the latest set of financial statements together with my/our Directors' and Auditors' report.

❖ **DETAILS OF BIDDING ENTITY'S BANK**

- If the bidder is a Joint Venture or partnership, the information requested below is required for each member / partner.
- We hereby authorize the Employer/Engineer to approach all or any of the following banks for the purposes of obtaining a financial reference:

DESCRIPTION OF BANK DETAIL	BANK DETAILS APPLICABLE TO BIDDER
Name of bank	
Contact person	
Branch name	
Branch code	
Street address	
Postal address	()
Telephone number	()
Fax number	
Account number	
Type of account (i.e. Cheque account)	

❖ **BIDDER'S TAX DETAILS**

Bidder's VAT vendor registration number:

Bidder's SARS tax reference number:

❖ **AMENDMENTS AND QUALIFICATIONS BY BIDDER**

See condition of bid

PAGE	DESCRIPTION

❖ **T2.2 OTHER DOCUMENTS REQUIRED FOR BID EVALUATION PURPOSES**

❖ **CONTENTS**

- FORM 2.2.1: CERTIFICATE OF BIDDER'S ATTENDANCE AT THE SITE/
- CLARIFICATION MEETING
- FORM 2.2.2: TAX CLEARANCE CERTIFICATE/ MBD 2
- FORM 2.2.3 PROOF OF REGISTRATION WITH SECURITY INDUSTRY REGULATION

- AUTHORITY (SIRA)
- FORM 2.2.4 DECLARATION
- FORM 2.2.5 DECLARATION OF INTEREST/ MBD 4
- FORM 2.2.6 DECLARATION FOR PROCUREMENT ABOVE R10 MILLION/ MBD 5

❖ **FORM 2.2.1 SITE INSPECTIONS / INFORMATION / CLARIFICATION MEETINGS**

Where Compulsory Site Inspections and Compulsory Information, Briefing or Clarification Meetings are to be held, it shall be subject to the following conditions:

Necessity for Compulsory Site Inspection and Compulsory Information / Briefing / Clarification Meetings

- ❖ Compulsory Inspections / Meetings must only be held where the nature of the contract is such that it requires either an inspection of a site or a briefing session. The Bid Specification Committee should indicate to the Bid Office that such a compulsory inspection or briefing is regarded as a necessity.

❖ **Attendance Register**

An attendance register of potential bidders and the firms they represent shall be kept and signed by attendees. A copy of such attendance register shall immediately after the inspection/briefing be sent to the Bid Evaluation Committee and shall form part of the evaluation.

❖ **Confirmation notes of inspection/non briefing sessions**

- Confirmation notes of non-compulsory inspection or briefing session shall be held by or on behalf of the contact person of the Department for whom the Bid is being advertised.
- A copy of the notes shall be kept by the municipality and can be made available to firm that was represented at the inspection/meeting on request as soon as possible after the inspection or meeting and before the closing date of the bid. A copy of the notes shall also be sent to the Bid evaluation Committee.
- The relevant Department will ensure that the notes are submitted to the Bid Evaluation Committee and to the Bid Adjudication Committee.

❖ **Bid Documents**

The bid documentation shall clearly state where the inspection of a site or the attendance of a briefing session is non-compulsory, non-attendance thereof will not lead to the disqualification of the bidder in question.

❖ **FORM 2.2.1 CERTIFICATE OF BIDDER'S ATTENDANCE AT THE NON-COMPULSORY SITE/CLARIFICATION MEETING**

This is to certify that I, (NAME IN PRINT)
.....,

Representative of (Bidder).....
.....

.....
of
(address).....
.....

.....
Telephone number..... Fax
number visited
and inspected the Site / Attended Clarification Meeting on (date) in the
company of (Municipal
Representative).....

SIGNATURE OF BIDDER'S REPRESENTATIVE:
.....

❖ **FORM 2.2.2 COPY OF TAX CLEARANCE CERTIFICATE**

ATTACHED A COPY OF SARS TAX PIN OR COPY OF TAX CLEARANCE CERTIFICATE, OBTAINED FROM SARS TO BE SUBMITTED WITH BID DOCUMENTS.

❖ **TAX CLEARANCE CERTIFICATE REQUIREMENTS/ MBD 2**

- It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.
- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001
- "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax
- Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- The copy of Tax Clearance Certificate or tax pin must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

▪ **FORM 2.2.3 PROOF OF REGISTRATION WITH PSiRA**

- The bidder is to affix to this page either:
- Written proof of his registration with the Security Industry Regulation Authority (SIRA).
- Written proof of his registration/member's registration with the Security Officer Board (SOB)
-

Note:

- Failure to affix such documentation as prescribed to this page shall result in this bid not being further considered for the award of the contract.
- Should this bid be considered for award of the contract, based on proof of submission of application for registration in the appropriate category with the referred bodies, and should proof of such subsequent registration not be forthcoming to the employer before the end of business, at the last working day, prior to evaluation by the Tender Evaluation Committee of the contract, then this bid will no longer be considered for the award of the contract.

❖ **FORM 2.2.4 DECLARATION:**

We, the undersigned:

- (a) bid to supply and deliver to the Nkomazi local municipality [hereafter "Nkomazi LM"] all or any of the supplies and to render all or any of the articles, goods, materials, services or the like described both in this and the other Schedules to this Contract;
- (b) agree that we will be bound by the specifications, prices, terms and conditions stipulated in those Schedules attached to this bid document, regarding delivery and execution;
- (c) further agree to be bound by those conditions, set out in, "PARTS T1; T2; C1; C2; C3 and C4", attached hereto, should this bid be accepted in whole or in part;
- (d) confirm that this bid may only be accepted by the Nkomazi LM by way of a duly authorized Letter of Acceptance;

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- (e) declare that we are fully acquainted with the Bid document and Schedules, and the contents thereof and that we have signed the Bill of Quantities and completed the Returnable Schedules and declarations, attached hereto;
- (f) declare that all amendments to the bid document have been initialed by the relevant authorized person and that the document constitutes a proper contract between the Nkomazi LM and the undersigned;
- (g) certify that the item/s mentioned in the bid document, qualifies/qualify for the preference(s) shown.;
- (h) acknowledge that the information furnished is true and correct;
- (i) accept that in the event of the contract being awarded as a result of preference claimed in this bid document, I may be required to furnish documentary proof to the satisfaction of the Nkomazi LM that the claims are correct. If the claims are found to be inflated, the Nkomazi LM may, in addition to any other remedy it may have, recover from me all cost, losses or damages incurred or sustained by the Nkomazi LM as a result of the award of the contract and/or cancel the contract and claim any damages which the Nkomazi LM may suffer by having to make less favourable arrangements after such cancellation;
- (j) declare that no municipal rates and taxes or municipal service charges owed by the bidder or any of its directors to the municipality, or to any other municipality or municipal entity, are in arrears for more than three (3) months; and
- (k) declare that I have not failed to perform satisfactorily during the last five (5) years on a previous contract with the Municipality, Municipal entity or any other organ of state, after written notice was given to me that my performance was unsatisfactory.

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Signed

at.....this.....day

of..... 20.....

Authorised Signature:

Name of Bidding Entity:

Date:

As witness: 1.....

❖ **FORM 2.2.5 DECLARATION OF INTEREST / MBD 4**

- No bid will be accepted from persons in the service of the state:
- Any person or having kinship with a person in the service of state, or persons who act on behalf of Nkomazi Local Municipality, including a blood relationship, may make an offer or offers in terms of this bid invitation. In view of possible allegations of favouritism or bias, should the resulting bid, or part thereof, be awarded to persons employed by State, or to persons who act on behalf of Nkomazi Local Municipality, or to persons connected with or related to them, it is required that the bidder or his authorised representative shall declare any interest of whatever nature and/or relationship (including blood relationship) to any employees, or persons who act on behalf of, or persons connected with or related to Nkomazi Local Municipality.
- In order to give effect to the above, the following questionnaire must be completed and submitted with the bid:
- Full Name of the bidder or his representative:
- Identify Number:
.....

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- Position occupied in the Company (director, trustee shareholder):

.....
.....
.

- Company Reference Number:

.....

- Tax Reference Number:

- VAT Registration Number:

- The names of all directors/trustees/ shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

- Are you presently in the service of the state?

YES/NO

- If yes, furnish particulars:

12.MSCM Regulations: “in the service of the state” means to be-

- a. A member of-
 - i. Any municipal council
 - ii. Any provincial legislature, or
 - iii. The national Assembly or the national council of provinces
- b. A member of the board of directors of any municipal entity;
- c. An official of any municipality or municipal entity;
- d. An employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- e. A member of the accounting authority of any national or provincial public entity; or

f. An employee of parliament or a provincial legislature

- ❖ Shareholder means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

- Have you been in the service of the state for the past twelve months?

YES / NO

If yes, furnish

particulars:.....
.....
.....

- Do you, have any relationship (family, friend, other) with a person employed by state/Nkomazi Local municipality, who may be involved in the evaluation and adjudication of this bid?

YES / NO

- If yes, furnish particulars:

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

- Are you, aware of any relationship (family, friend, other) between the bidder and any person employed by state/Nkomazi Local Municipality, who may be involved in the evaluation and adjudication of this bid?

YES / NO

- If yes, furnish particulars:

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

NKOMAZI LOCAL MUNICIPALITY SECURITY DOCUMENT

- Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in the service of state?

YES / NO

- If yes, furnish particulars.

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

- Are any spouses, child or parent of the company's director's trustees, managers, principle shareholders or stakeholders in service of state?

YES / NO

- If yes, furnish particulars.

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

- Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract.

YES / NO

- If yes, furnish particulars.

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

NKOMAZI LOCAL MUNICIPALITY SECURITY DOCUMENT

- Full details of directors. Trustees/ members/ shareholders.

Full Name	Position filled in the " State"	ID number	State employee number

.....
Signature

.....
Bid Number

.....
Date

.....
Capacity

.....
Name of the Company

MBD 5

FORM 2.2.6 DECLARATION FOR PROCUREMENT ABOVE R10 MILLION

DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (VAT INCLUDED)

For all procurement expected to exceed R10 million (VAT included), bidders must complete the following questionnaire:

1. Are you by law required to prepare annual financial Statements for auditing? YES / NO

- 1.1. If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

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

2. Do you have any outstanding undisputed commitments for municipal services towards a municipality or any other service provider in respect of which payment is overdue for more than 30 days? YES / NO

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days.

- 2.2 If yes, provide particulars.

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

3. Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract? YES / NO

3.1 If yes, furnish particulars.

.....

.....

.....

.....

.....

.....

4. Will any portion of goods or services be sourced from outside the Republic and if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic? YES / NO

4.1 If yes, furnish particulars

.....

.....

.....

.....

CERTIFICATION

I, THE UNDERSIGNED (NAME)

.....
.....

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM
IS CORRECT.

- I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS
DECLARATION PROVE TO BE FALSE.

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 **To**

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

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

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

1.4

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 Nkomazi Local Municipality 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 Nkomazi Local Municipality.

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

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

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

3.2.1.1. POINTS AWARDED FOR PRICE

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

80/20 or 90/10

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

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
 - (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

NKOMAZI LOCAL MUNICIPALITY SECURITY DOCUMENT

- 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)
100% black person or people owned enterprise	N/A	2,5	N/A	
More than 30% woman or women shareholding or owned enterprise	N/A	2,5	N/A	
more than 30% youth shareholding or owned enterprise	N/A	2,5	N/A	
More than 30% people living with disability shareholding or owned enterprise	N/A	2,5	N/A	
Enterprises regarded as *EMEs located within the Nkomazi Local Municipality area of jurisdiction	N/A	2,5	N/A	
5 points for Corporate Social Investment (CSI)	N/A	2,5	N/A	

5 points for valid B-BBEE level 1 contribution (SANAS accredited B-BBEE certificate for generic enterprise, and for EME and SME a sworn affidavit or CIPC issued certificate confirming annual turnover and level of Black Ownership).	N/A	5	N/A	
--	-----	---	-----	--

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:

NKOMAZI LOCAL MUNICIPALITY SECURITY DOCUMENT

- 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:

.....

.....

▪ **Competence Achievement Schedule and Technical Evaluation Criteria**

- a. Bidders must **score at least 70** points to be further evaluated on preference point system.
- b. The evaluation of service provider's responses will be evaluated in accordance with the criteria below.

▪ **Evaluation criteria:**

Quality criteria (category)	Sub Criteria			Maximum Points
Company Experience		NO of years	Points	20
	Arm response (attach proof -in the form of appointment letter(s) and must be certified copy(s)) (Points are non-cumulative) Max points 20	2	5	
		2 - 5	15	
		+5	20	
Resources		No. of equipment	Points	10
	Vehicles (Proof of ownership or hire/leased)	3	5	
		+3	10	
	Company Firearm Certificates (points are non-cumulative)	2-3 firearms	5	15
		4-5 firearms	10	
		+5 firearms	15	
	Personal currently employed (attach organogram)		5	5
	Control room (verifiable proof needed)		5	5
Locality	Were company offices are based (Points non-cumulative)	Nkomazi area	15	15
		Outside of Nkomazi but within Mpumalanga Province	10	

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	Max points 15	Outside Mpumalanga Province	5	
Team Leader (Supervisor) as per organogram		No. of years	Points	15
	Experience (Attach verifiable CV and qualifications) Max points 15	5	7	
		+5	8	
	Qualification (attach proof of certified copies) (points accumulative) Max points 15	Grade A	8	15
		Grade B	5	
		National Diploma in Security management	2	
Maximum possible score for quality				100

NB: Only Bidders meeting the stipulated threshold of 70 points, Evaluation will be considered for price and preference points as per the specified goals.

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
 - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
 - b. been convicted for fraud or corruption during the past five years;
 - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p><u>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the audi alteram partem rule was applied).</u></p> <p><u>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</u></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		

4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

13.CERTIFICATION

- I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION
FORM TRUE AND CORRECT.
- I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY
BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

❖ **T2.3 RETURNABLE SCHEDULES THAT WILL BE INCORPORATED IN THE CONTRACT**

❖ **CONTENTS**

❖ **FORM 2.3.1 RECORD OF ADDENDA TO BID DOCUMENTS**

- We confirm that the following communications received from the SCM Unit before the submission of this bid offer, amending the bid documents, have been taken into account in this bid offer:

	Date	Title or Details
		Confirmatory notes of compulsory site/clarification meeting
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

Attach additional pages if more space is required.

.....

Signature of Authorized person: Date:

.....

Name.....Position:

- CONTRACT FORM – RENDERING OF SERVICES
- PART 2 (TO BE FILLED IN BY THE PURCHASER)

MBD 7.1

14. CONTRACT FORM - PURCHASE OF GOODS/WORKS

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH 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.

PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of institution)..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Tax clearance certificate;
 - Pricing schedule(s);
 - Technical Specification(s);
 - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
 - Declaration of interest;
 - Declaration of bidder's past SCM practices;
 - Certificate of Independent Bid Determination;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)

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3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

- NAME (PRINT)
- CAPACITY.....
- SIGNATURE.....
- NAME OF FIRM
- DATE.....

WITNESSES

1

2.

DATE:

CONTRACT FORM - PURCHASE OF GOODS/WORKS**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity
as.....
accept your bid under reference
number.....dated.....for the supply
of goods/works indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the
terms and conditions of the contract, within 30 (thirty) days after receipt of an
invoice accompanied by the delivery note.

ITEM NO.	PRICE (ALL APPLICABLE TAXES INCLUDED)	BRAND	DELIVERY PERIOD	B-BBEE STATUS LEVEL OF CONTRIBUTI ON	MINIMUM THRESHOLD FOR LOCAL PRODUCTION AND CONTENT (if applicable)

4. I confirm that I am duly authorized to sign this contract.

SIGNED ATON.....

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

8. Inspections, tests and analyses

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

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

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

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

16. Payment

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

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

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

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

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

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

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

**25. Force
Majeure**

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

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

**26. Termination
for insolvency**

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

**27. Settlement of
Disputes**

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

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

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

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

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

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of
liability**

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

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

		(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1	The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1	The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	31.1	Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
	31.2	The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
32. Taxes and duties	32.1	A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
	32.2	A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
	32.3	No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
33. National Industrial Participation Programme (NIP)	33.1	The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34 Prohibition of Restrictive practices	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.

Js General Conditions of Contract (revised July 2010)