



# POCS05-2023-2024

## REQUEST TO BID

**THE SUPPLY AND DELIVER OF BRANDED  
NEIGHBOURHOOD WATCH (NHW) ITEMS FOR THE  
DEPARTMENT OF POLICE OVERSIGHT AND  
COMMUNITY SAFETY FOR A PERIOD OF THIRTY-  
SIX (36) MONTHS**

**CLOSING DATE: 28 JUNE 2024 @ 11H00**

**VALIDITY: 90 Days**

- **PLEASE NOTE THAT IT IS REQUIRED THAT ALL BIDDERS BE REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD) AND ON THE WESTERN CAPE SUPPLIER EVIDENCE BANK (WCSEB).**
- **To complete your CSD registration please log onto <https://secure.csd.gov.za/Account/Login>**
- **To complete registration on WCSEB please complete attach forms marked WCSEB form.**

## 1. SPECIAL INSTRUCTIONS TO BIDDERS:

- 1.1. Bidders are required to complete the standard bid documentation (WCBD documentation) in full, which will form part of the bidding documentation and submit on the closing date and time. Failure to do so will invalidate your Bid.
- 1.2. Bidders **MUST** submit their bids on the closing date **28 JUNE 2024** by **11H00**, in the tender box for the Department, which is situated at the entrance of the Ground Floor, 35 Wale Street, Cape Town. Under no circumstances will late bids be accepted.
- 1.3. Where bids are not able to fit in the tender box, Bidders are to request the security on the Ground Floor of 35 Wale Street to contact Mr Esethu Makanda on (021) 483 6324 to place the bid in the tender box.
- 1.4. The validity period for all bids must be 90 (ninety) days from the closing date for the submitting of bids referred to in clause 1.2 above.
- 1.5. The Department may at any given time request further information from the Bidder by means of a formal written request signed by the Head of Supply Chain Management.
- 1.6. Where information is requested, Bidders will have 2 (two) Business Days to supply the information requested via email in PDF format to the Department. Where information exceeds 3MB (three megabytes) a hard copy of the document must be delivered to the Head of Supply Chain Management.
- 1.7. All additions to the proposal documents i.e. appendices, supporting documentation, pamphlets, photographs, technical specifications and other support documentation relating to the specifications must be neatly bound and indexed.
- 1.8. All responses regarding questions posed in the Appendices, attached herewith must be answered.
- 1.9. Bidders shall provide full and accurate answers to the mandatory questions posed in the specification, and, where required explicitly state either "YES or NO" regarding compliance with the requirements. Failure to do so will invalidate your bid.
- 1.10. Bidders must substantiate their response to all questions, including full details on how their offers will address the requirements of this bid.
- 1.11. Proposals received later than the date and time stipulated in the bid document will not be considered but will be returned to the company unopened.
- 1.12. The Department reserves the right to retract and terminate the bidding process during any stage prior to award.

- 1.13. The Department reserves the right to disqualify a bidder should it be found that information disclosed during the bidding process was inaccurate and/or where such information was a misrepresentation on the part of the bidder.

## 2. DEFINITIONS

- 2.1 “**BBBEE**” means broad-based black economic empowerment as contemplated in the Board-Based Black Economic Empowerment Act 53 of 2003;
- 2.2 “**BBBEE Act**” means the Broad Based Black Economic Empowerment Act 53 of 2003;
- 2.3 “**Bidders**” means any party submitting or intending to submit a bid;
- 2.4 “**Business Day**” means any day other than a Saturday, Sunday, or statutory public holiday in the Republic of South Africa;
- 2.5 “**Calendar Day**” means any day of the week and includes weekends and statutory public holidays proclaimed as such in the Republic of South Africa;
- 2.6 “**CMT**” means the Cut Make Trim
- 2.7 “**CSD**” Central Supplier Database
- 2.8 “**Department**” means the Department of Police Oversight and Community Safety;
- 2.9 “**GCC**” means the General Conditions of Contract which form part of the Bid Documents;
- 2.10 “**NHW**” means Neighbourhood Watch;
- 2.11 “**PPPFA**” means Preferential Procurement Policy Framework Act 5 of 2000;
- 2.12 “**SABS**” means the South African Bureau of Standards
- 2.13 “**SANS**” means the South African National Standard
- 2.14 “**SCC**” means the Special Conditions of Contract;
- 2.15 “**SLA**” means the Service Level Agreement entered into between the successful Bidders and the Department and “contract” and “agreement” will have a corresponding meaning;
- 2.16 “**SMART**” means specific, measurable, achievable, relevant, and time-bound;
- 2.17 “**Service Provider**” means the successful Bidders to which the bid is awarded and accepted;
- 2.18 “**Specifications**” means the bid specification which will be provided to all Bidder at the briefing session;
- 2.19 “**VAT**” means value-added tax;
- 2.20 “**WCG**” means the Western Cape Government;
- 2.21 “**WCSEB**” means the Western Cape Supplier Evidence Bank;

## 1. TENDER OBJECTIVES

- 1.1 The purpose of the bid is for the Department to find the most suitable and cost-efficient service provider who can provide the Department with NHW products (clothing and promotional items) followed by a professional branding process over a period of three years (36) months.
- 1.2 The Department will award the bid to the service provider who quotes for all seven items as per the specifications. Bidders who fail to quote for all seven items will be eliminated immediately and only those bidders who comply with the specifications will progress to the next phase of technical evaluation.
- 1.3 The goods and services required are as follow:

Supply, branding and delivery of NHW clothing and promotional items.

- Beanies
  - T-Shirts
  - Reflective Vest
  - Barricade Jackets
  - Peak Caps
  - Drawstring Bags
  - Lanyards
- 
- Deliver the branded clothing and items as and when required to the Department's premises, 35 Wale Street, 4th Floor Cape Town or 121 Roeland Street, Cape Town

## 2. PRICE AND QUANTITIES – To include:

**The following to be included in the determination of the price:**

- 2.1 All delivery costs must be included or incorporated in the unit price – (Anticipated orders / deliveries annually or as the need is identified within the department – bulk orders or individual orders may be requested by the Department).
- 2.2 Bidders are required to provide labourers and equipment for the offloading during delivery.
- 2.3 Detailed Pricing schedule indicating price per item, per size, per year over the 36-month period. All increases relating to the textile and clothing industry that may impact on the offer must be taken into account and demonstrated in the price break down for the full duration of the 36-month period by the bidder. The bidder must indicate the firm price for year 1, the firm price for year 2 inclusive of increases and the firm price for year 3 inclusive of increases. The total price of the bid must be firm over the three-year period.
- 2.4 The total price quoted must be an all-inclusive price reflecting transport costs, labour costs, operational costs and administrative costs; inclusive of VAT (where applicable).

**Refer to detailed description of each item in Annexure X**

No.	Item	Year 1	Year 2	Year 3	Quantity for 36 Months
1	Ribbed Knit Beanies (One Size fit all)	5 000	5 000	5 000	<b>15 000</b>
2	Round Neck T-Shirt, Size Medium	1 000	1 000	1 000	<b>3 000</b>
3	Round Neck T-Shirt, Size Large	1 000	1 000	1 000	<b>3 000</b>
4	Round Neck T-Shirt, Size X-Large	1 000	1 000	1 000	<b>3 000</b>
5	Round Neck T-Shirt, Size XXL	400	400	400	<b>1 200</b>
6	Round Neck T-Shirt, Size XXXL	1 000	1 000	1 000	<b>3 000</b>
7	Round Neck T-Shirt, Size XXXXL	600	600	600	<b>1 800</b>
8	Reflective Vest, Size Medium	1 000	1 000	1 000	<b>3 000</b>
9	Reflective Vest, Size Large	1 000	1 000	1 000	<b>3 000</b>
10	Reflective Vest, Size X-Large	1 000	1 000	1 000	<b>3 000</b>
11	Reflective Vest, Size XXL	400	400	400	<b>1 200</b>
12	Reflective Vest, Size XXXL	1 000	1 000	1 000	<b>3 000</b>
13	Reflective Vest, Size XXXXL	600	600	600	<b>1 800</b>
14	Barricade Jacket, Size Medium	200	200	200	<b>600</b>
15	Barricade Jacket, Size Large	200	200	200	<b>600</b>
16	Barricade Jacket, Size X-Large	200	200	200	<b>600</b>
17	Barricade Jacket, Size XX-Large	150	150	150	<b>450</b>
18	Barricade Jacket, Size XXX-Large	300	300	300	<b>900</b>
19	Barricade Jacket, Size XXXX-Large	150	150	150	<b>450</b>
20	6 Panel Heavy Brushed Cap	5 000	5 000	5 000	<b>15 000</b>
21	Drawstring Bags	5 000	5 000	5 000	<b>15 000</b>
22	Lanyards	5 000	5 000	5 000	<b>15 000</b>

### 3. SUBMISSION OF BIDS

3.1 **Very important:** Bidders are required to submit one (1) original bid document.

3.2 The Department may request clarification regarding any aspect of the bid. The bidder must supply the requested information within two (2) business days or unless otherwise indicated after the request has been made; otherwise, the bidder may be disqualified.

#### 4. SAMPLES

- 4.1 The award of this bid is subject to approval of unbranded (compliant supplier during sampling phase 1) and branded (successful/appointed service provider/bidder during sampling phase 2) samples. No samples must be submitted with the bid document.

#### 5. SAMPLING PHASES:

##### 5.1 Sampling phase 1: Unbranded **Sample/s evaluation (COMPLIANT BIDDERS ONLY):**

- 5.1.1 Compliant bidders will be contacted and required to provide an unbranded sample per item (which corresponds with the specifications as advertised, submitted quotes should also correspond with the advertised specifications and sample) within 10 working days upon receipt of email request.

- 5.1.2 Bidders who are requested to submit unbranded samples must submit to the following address and the sample register must be signed for record purposes: 4<sup>th</sup> Floor, 35 Wale Street, Cape Town, for attention Ms Chantell Hendricks, 021 483 6662

- 5.1.3 Samples must be clearly marked with your company details and contact number alternatively a business card may be attached to box / container/plastic sleeve in which you will be providing your sample. A list/description of the contents of the sealed box / container/ plastic sleeve must be handed to the dedicated official mentioned in clause 5.1.2 inclusive of your SABS manufacturing certificate.

- 5.1.4 Please note, the successful bidder's samples will be retained at the office of the Department of Police Oversight and Community Safety for the duration of the tender in order to evaluate and compare the final delivered item/s to the samples submitted.

- 5.1.5 Bidders will be required to supply only one size of each item upon request, at no cost to the Department.

- 5.1.6 After the award of the bid all unsuccessful bidders will be informed in writing and shall be required to ensure that samples are collected from the Department within 10 business days. Failure to collect the samples within the stipulated timeframe will result in the samples becoming the property of the Department.

##### 5.2 **Phase 2: Branded Sample/s (branded/print production sample/s) evaluation (Appointed bidder):**

The appointed bidder to provide a branded/printed pre-production sample to evaluate the print quality and accuracy of the artwork positioning etc. for approval purposes within 10 working days of receipt of email request.

Should the branded/printed sample/s be approved, and all prescripts are compliant and correct, the specific print production/branded sample/s will be added the delivery count.

Mass production can only commence AFTER approval of the branded/printed sample were granted in writing.

### **Production timeline:**

The successful service provider/appointed bidder will be required to submit a production timeline for the branding/printing of each garment/promotional item.

### **The timeline should include the following items:**

- Production of artwork mockup and approval with a stipulated timeline of receipt;
- Once the artwork is approved by the client directorate, branded sample/s are required within 10 working days for evaluation purposes;
- Once the branded sample/s are approved, the supplier will be required to inform the client directorate in writing by when (date) the items will be delivered.

### **Procedure for possible print/branding defects:**

- In the event of print defects such as distortion, smudging of ink or incorrect application of the logos or wording the appointed supplier/bidder will be required to re-print the clothing item/promotional item for repeat input/approval;
- Should the repeat print revert still be non-compliant/incorrect a consultative process will be implemented with the appointed supplier in order to correct defects by way of discussion/recorded/minuted meetings which will be shared in writing with all parties until a resolution is reached.
- It should be noted the Department **WILL NOT** accept sub-standard products and will implement a stringent quality assurance process.

### **Delivery of Clothing/Promotional Items:**

Deliver the goods to the Department's premises:

35 Wale Street, 4th Floor, Cape Town or.

121 Roeland Street, Cape Town

The selected supplier must give the department at least 24 hours' notice prior to the delivery of the goods.

When delivering the selected supplier will be required to bring own trollies and sufficient human resources to assist with the delivery process.

The staff delivering the goods should be briefed and made aware that they may not deliver goods and leave, they will be required to wait until the Client/Supply Chain Management staff has checked the goods received (quality and quantity), and only thereafter may they leave.

## **6. ITEM SPECIFIC REQUIREMENTS**

- 6.1 The items shall be free from defects that affect their appearance or may affect serviceability (or both) and from marks, spots and stains incurred in the making up. All fusing shall be resistant to washing, shall have a uniform finish and shall be free from strike-back, strike-through, unbounded areas, and other imperfections (e.g., blisters, ripples)

- 6.2 Seams and stitching shall be smooth and free from wrinkles, pleats and puckers and shall be sufficiently extensible to obviate seam cracking and undue shrinkage in use. All ends of sewing shall have been trimmed and loose threads removed. The garment shall be of uniform and acceptable make, colour and finish, and the matching of the shades of the component parts of each garment shall be of such as to be acceptable.
- 6.3 All items should be individually packed in a bag.
- 6.4 A label, indicating the caring instructions, must be sewn at an appropriate space onto each garment.

## **7. EXCHANGES**

- 7.1 It must be allowed for items to be exchanged (sizes) after the delivery date.
- 7.2 Timelines for exchanges will be managed as per the capability assessment information submitted by successful bidder.
- 7.3 Defect items on delivery must be collected by the service provider and exchanged within 5 working days.

## **8. THE DEPARTMENT RESERVES THE RIGHT:**

- 8.1 To verify any information supplied by the Bidders.
- 8.2 Not to appoint any of the Bidders.
- 8.3 To cancel or withdraw this bid at any time without attracting any penalties or liabilities.
- 8.4 To disqualify a bidder should it be found that information disclosed during the bidding process was inaccurate and/or where such information was a misrepresentation on the part of the bidder.
- 8.5 During any stage of the evaluation process to request samples for validation/verification against the SABS certificates provided.

## **9. SERVICE LEVEL AGREEMENT (SLA)**

- 9.1 The successful bidder will be required to sign a SLA with the Department.
- 9.2 The content of the SLA will be comprehensive and will include all documents that will be used to monitor, evaluate, and indicate any penalties as agreed upon by both parties.
- 9.3 The content of the Service Provider's bid will form part of the SLA together with the GCC which is attached hereto.

- 9.4 Should the SLA not be concluded on or before the successful bidder is required to commence the services in which case the terms and conditions as set out in the bid response (to the extent that it does not conflict with the Specifications), bid documentation, Specifications and GCC will constitute the agreement, until such time as the SLA is signed.

## 10. EVALUATION PHASES

- 10.1 The successful bidder must comply with all legislation, regulations, government notices and policies relevant to the clothing industry as well as comply with the Departments terms and conditions including those specified in the SLA and the Specifications.
- 10.2 Bids will be deemed to be unacceptable by the Department when failing to comply with each phase of the evaluation process. Bidders that do not pass a phase will not continue to the following phase, or phases.
- 10.3 The bid documents received will be evaluated based on phases one (1) to five (5), and the phases will be as follow:

### 11. **PHASE ONE (01): MANDATORY / MINIMUM REQUIREMENTS SCREENING**

*In this phase All bids received will be verified for **compliance** and **completeness** of the submitted proposal per the below set of mandatory requirements. Bidders who fail to provide / comply with the below requirements WILL be eliminated and bidders who provide / comply with the below progresses to the next phase of technical evaluation.*

- 11.1 Bid forms must be properly received on the bid closing date and time specified on the invitation, fully completed, dated, and signed in ink.
- 11.2 Submission of the bid document must be bound and is without tearing any pages off.
- 11.3 Invitation to Bid (WCBD 1) must be fully completed.
- 11.4 The bidder must ensure that they are Tax Compliant from the date of closing of the bid until the award. The Department will allow *7 days from the bid closing date to respective bidders who already made necessary arrangements with SARS to comply (**Attach proof as obtained from SARS Branch**).*
- 11.5 Submission of fully completed Pricing Schedule (Purchases – Goods - WCBD 3)
- 11.6 Submission of fully completed WCBD 4 (Declaration of Interest),
- 11.7 Submission of fully completed SBD 6.1 (Preference Claim Certificate), accompanied by certified B-BBEE Status Level Verification Certificate as issued by SANAS accredited service, / or original Sworn Affidavit-B-BBEE Exempted Micro Enterprise (Attached).

- 11.8 Certified copy of a B-BBEE Certificate / Original Sworn Affidavit – B-BBEE Exempted Micro Enterprise.
- 11.9 Proof of registration on the Centralised Supplier Database (CSD)

**NB:** All bidders who complied with the mandatory Phase 1 requirements, will progress to Phase 2: Mandatory Evaluation for further evaluation per the below set criteria.

## **12 PHASE TWO (2): MANDATORY EVALUATION (APPENDICES)**

12.1 Bidders **MUST** attach the following **VALID** documentation, **FAILURE OF WHICH WILL DISQUALIFY THE BID:**

**12.1.1 Appendix A:** Three (3) referral letters not older than 2 years (Include name, contact details, name of institution / company for uniforms supplied and brand of a similar nature

**12.1.2 Appendix B:** Detailed Pricing Schedule per item, per size for 36 months

**12.1.3 Appendix C:** Company Profile

**12.1.4 Appendix D:** Execution Plan

**12.1.5 Appendix E:** Financial statements of the company for the past two years

**12.1.6 Appendix F:** SABS Certificate

## **13 PHASE THREE (3): TECHNICAL EVALUATION CRITERIA FOR EVALUATION OF SAMPLES**

13.1 In this phase all the bids that comply to **PHASE TWO (2)**, submitting all mandatory documents required will progress to **PHASE THREE (3)**. **PHASE THREE (3) requires the submission of sample items of the NHW Branded Items**

13.2 All SABS Certificates submitted in **PHASE TWO (2)** will be verified by the Technical Team.

13.3 Only suppliers who submitted samples of all items by closing date and time will go through for evaluation against the technical specifications indicated in Annexure X.

13.4 Technical Specifications to be evaluated by the Technical Team in terms of Annexure X.

13.5 Bidders who score 60% and more in terms of the specifications in terms of Annexure X will progress to the next phase of the evaluation.

## **14. PHASE FOUR (4): CAPABILITY ASSESSMENT OF SERVICE PROVIDER**

### **ASSESSMENT PURPOSE**

14.1 The objective of Phase 4 is to evaluate the bidder's capability to render the goods and service over the 36 months period of the contract.

### **DISCRIMINATORY CRITERIA**

14.2 Each bidder must provide an executive summary highlighting the following criteria in support of their bid:

14.2.1 Proven relevant experience.

14.2.2 Execution Plan

**DISCRIMINATORY CRITERIA ALLOCATION:**

The Discriminatory Criteria will be based on the following:

No	Criteria	Weight
1.	<b>Proven relevant experience of the company:</b> Number of years in supply, packing, and transport and branding of relevant/similar products / services. Submit proof of minimum 3 years' experience relating to the supply, packaging, transport and branding of relevant goods [i.e. references (minimum of 3) etc.]	<b>25</b>
2.	<b>Execution Plan</b> Bidders must submit a comprehensive detailed execution plan, indicating the intended management of the contract. Example: Plan on how and when orders will be made up, delivery, collection (lead times), how exchanges/ replacement of defect items will be dealt with.	<b>75</b>
<b>TOTAL</b>		<b>100</b>

**NB: Qualification Threshold – Bidders must achieve 60% and above for consideration to the next phase of Preference Point System.** Bidders who fail to achieve minimum threshold of 60% of the requirements WILL be eliminated and bidders who comply with the below progresses to the final phase of Sampling evaluation.

**a. GUIDELINES FOR EVALUATION OF DISCRIMINATORY CRITERIA**

Values for each weighting will be calculated as follows:

**0 = non-compliant, 1 = Poor, 2 = average, 3 = good.**

NO	DISCRIMINATORY CRITERIA	WEIGHTING
1.	<b>Proven relevant experience</b>	<b>25</b>

NO	DISCRIMINATORY CRITERIA	WEIGHTING
1.1	<p>Number of years in manufacturing of uniforms, supplying and delivering of branded uniforms of a similar nature i.e., Reference letters / Testimonial letters from previous or current client</p> <p><b>Scoring:</b></p> <p>More than 10 years relevant experience = <b>3</b></p> <p>6 to 10 years relevant experience = <b>2</b></p> <p>3 to 6 years relevant experience = <b>1</b></p> <p>Less than 3 years relevant experience = <b>0</b></p>	<b>15</b>
2.2	<p>References indicate a positive performance from previous or current clients.</p> <p><b>Scoring:</b></p> <p>3 positive references within the last 3 years = <b>3</b></p> <p>2 positive references within the last 3 years = <b>2</b></p> <p>1 positive reference within the last 3 years = <b>1</b></p> <p>0 positive references within the last 3 years = <b>0</b></p>	<b>10</b>
<b>2.</b>	<b>Execution plan</b>	<b>75</b>
2.1	<p>Detailed Plan on</p> <p>Lead time for packing and delivery from date order has been issued.</p> <p><b>Scoring:</b></p> <p>Lead time 10 -15 working days = <b>3</b></p> <p>Lead time 16 - 20 working days = <b>2</b></p> <p>Lead time 21 - 25 working days = <b>1</b></p> <p>More than 26 days + = <b>0</b></p> <p>NB: Execution plan will form basis of Service Level Agreement (SLA) and will be subjected to penalties for non-performance.</p>	<b>25</b>
2.2	<p>Project plan of how order will be managed i.e., Detailed project plan with the following headings:</p> <p>1. Resources required and resource allocation (Number of personnel i.e., roles and responsibilities, equipment required to perform the function i.e., screenprint and embroidery machines, etc.)</p> <p><b>Scoring:</b></p>	<b>15</b>

NO	DISCRIMINATORY CRITERIA	WEIGHTING
	<p>Detailed description of resources utilised and allocation thereof as indicated above = <b>3</b></p> <p>Partial description of resources needed, and allocation thereof as indicated above = <b>2</b></p> <p>Vague description of resources needed and allocation thereof = <b>1</b></p> <p>Resource requirement and allocation thereof not addressed in execution plan = <b>0</b></p> <p>2. Project Risks (Heading 1: identify risks, heading 2: categorize and prioritize each risk, heading 3: likelihood of risks occurring, heading 4: impact if risk should occur, heading 5: practical steps for mitigation of risks, Heading 6: contingency plan with timeframe)</p> <p><b>Scoring:</b></p> <p>Risk Management plan, related to the project, with at least 2 risks identified, risk management processes explained with headings indicated above along with realistic contingency plan = <b>3</b></p> <p>Risk Management plan, related to the project, with at least 2 risks identified, risk management processes explained with 4 to 3 headings indicated above along with realistic contingency plan = <b>2</b></p> <p>Vague risk management plan, related to the project, only addressing 1 risk with some/all above headings = <b>1</b></p> <p>No risk management plan = <b>0</b></p> <p>NB: Project plan will form basis of Service Level Agreement (SLA) and will be subjected to penalties for non-performance.</p>	<b>15</b>
2.3	<p>Plan for management of defect items with the following headings:</p> <p>1. Name and contact details of 2 persons responsible for dealing with defective items/specific order i.e. landline and cellphone number and e-mail addresses</p>	



## 16 Penalties

16.1 Where the successful bidder fails to render the goods and services in terms of this Contract, penalties for the failure will be calculated per transgression. Penalties shall be imposed for the following transgressions:

Penalty	Penalty
Late delivery – delivery after lead time specified in execution plan (appendix E)	Penalty as specified in General Conditions of Contract par 22.1 calculated on the total order amount x 1% percent
Short delivery of order	Penalty as specified in General Conditions of Contract par 22.1 calculated on the total order amount x 1%
Defective item(s) – not delivered in terms of lead time stated in Appendix E i.e. exchange plan.	Penalty as specified in General Conditions of Contract par 22.1 calculated on the total order amount x 1%

16.2 The Department shall inform the successful bidder in writing of the penalties and the value imposed.

16.3 The successful bidder shall be required to provide the Department with a credit note to the value of the imposed penalties.

**TECHNICAL SPECIFICATIONS OF NEIGHBOURHOOD BRANDED ITEMS**

Technical evaluation team to indicate in the column provided whether the prospective bidder comply (Yes/No) with the specifications.

Yes/No

**ITEM 1: PLAIN RIBBED KNIT BEANIES.****Quantity: 15 000****Beanie Specifications:****Plain ribbed Knit Beanie****100% Acrylic Yarn****High Bulk DMM2/28**

BRANDING APPLICATION  
BEANY - UNISEX

**SPECS:**

SIZE - TO BE SUPPLIED

CLOTHING LABEL  
EMBROIDERY (ONE THREAD COLOUR)

OR

CLOTHING LABEL  
SCREEN PRINTING (ONE COLOUR)

Woven Label – stitched onto front of Beanie on the left side with the NHW logo screen printed onto the woven label

Type: Turn-up brim

Style: Chunky Ribbed design

Size: One size fit all

Colour: Charcoal

**Branding**

- Label size on front of the Beanie should be 6 x 5cm, the logo must be screen printed onto the label (one colour)
- Label must be placed/stitched onto beanie on the left side of the beanie
- Artwork layout must be done via the supplier to the department.

- The Department will provide logos, artwork mock-up must be put together by supplier for input and approval – allow for two reverts.

logo will be printed in white on the label which will be stitched onto the cap on the left side.

**ITEM 2: BLACK ROUND NECK T-SHIRTS WITH WHITE NHW LOGO**

**Quantity: 15 000**

**Round Neck T-shirt Specifications:**

**Front**



**Back**



**Breakdown of quantity in size:**

T-shirt size	Total
Medium	3000
Large	3000
X Large	3000

Yes/ No

2X Large	1200
3X Large	3000
4X Large	1800

**DESCRIPTION:**

- Gram: 180 grams
- Material: 100% Cotton
- Colour of t-shirt: black
- Style: Round neck T-shirt
- Screen printing to be applied
- Artwork layout must be done via the supplier to the department.
- The Department will provide logos, artwork mock-up must be put together by supplier for input and approval – allow for two reverts.
- White logo print on **front (centre)** and **back (top centre)** of T-shirts (2 logo prints).
- **Logo dimensions:** Front: 22cm x 22cm  
Back: 12cm x 12cm

Yes/ No

**ITEM 3: REFLECTIVE VESTS**



**Description**

The enclosed high visible garment to be manufactured using reflective tape and fabric conforming to the requirements of the EN 471 and SANS 50471 standard. The vest comes standard with a zip and ID pocket on the front and black piping on edges of the vest.

**Quantity: 15 000**

Breakdown of quantity in size:

**Breakdown of quantity in size:**

T-shirt size	Total
Medium	3000
Large	3000
X Large	3000
2X Large	1200
3X Large	3000
4X Large	1800

**Colour:** Lime Green (Level 2 Garment)

**Fabric Specifications:**

125gsm; 100% Polyester; colour: lime, level 2 Garment

**Tape Specifications:**

50mm Silver standard reflective tape (50 washes) is required, the ECONO REFLECTIVE TAPE WILL NOT BE ACCEPTED; colour: Silver reflective tape and Black piping on edges of the vest.

**Printing Spec for 15000 Reflective Vest**

- Screen printing to be applied.
- Artwork layout must be done via the supplier to the department.
- The Department will provide logos, artwork mockup must be put together by supplier for input and approval – allow for two reverts.

**The Front:**

Branding in the front of the vest should be positioned as per the attached visual on the right breast when worn.

**The Back:**

Should have 2 grey Reflective strips running through the middle.

The NHW logo should appear in the middle/center as per the visual.

**ITEM 4: SCREEN-PRINTING OF 3600 X BLACK NHW BARRICADE JACKET**



**Description:**

- Style: BAR-JAC Barricade Jacket
- Description: The Barricade Jacket is 100% coated Oxford Polyester that has removable sleeves, inner zip for embroidery access, an ID pocket, a welt side pocket, and chest pockets, as well as a sleeve pocket. Features a ribbed hem and cuffs with reinforced seams, bar tacking finish on all pressure points for a high-quality work-wear garment, to finish this amazing item off it has a water-resistant coating and a contrast 220g microfleece lining.
- Colour: Black with silver reflective strips
- Screen printing to be applied in white
- Artwork layout must be done via the supplier to the department.
- The Department will provide logos, artwork mock-up must be put together by supplier for input and approval – allow for two reverts.
- Logo in white to be screen printed on **front (left chest)** and **back (top centre)** of jacket (2 logo prints).
- **Logo dimensions:** Back: 20cm x 20cm  
Front: 12cm x 12cm

**Breakdown of quantity in size:**

Jacket size	Total
Medium	600
Large	600

X Large	600
2X Large	450
3X Large	900
4X Large	450

**ITEM 5: 6 PANEL HEAVY BRUSHED CAP**



**Item:** 6 Panel Heavy Brushed Cap

**Colour:** Black with black stitching

**Quantity:** 15 000

**Size:** One size fits all (Adjustable)

**Description:**

- Material: Heavy brushed Cotton twill
- 4 Needle stitch twill sweatband
- Embroidered self-colour eyelets
- Pre-curved peak
- Self-fabric Velcro strap
- **Branding Application:** Logo to be embroidered onto cap in white.
- **Logo Size:** 5cm diameter – Biggest Application size (actual logo might be slightly smaller)
- Artwork layout must be done via the supplier to the department.
- The Department will provide logos, artwork mock-up must be put together by supplier for input and approval – allow for two reverts.

## ITEM 6: DRAWSTRING BAGS



**Quantity:** 15 000

**Colour:** Black

**Product Dimension:** 33cm (h) x 44cm (l).

### Description:

- to be used as a backpack, or over the shoulder carry bag
- Lightweight 190T material
- Large main compartment with cinch top.
- Brand Application: Screen printed in white
- Logo Size: 27cm x 17.5cm
- Artwork layout must be done via the supplier to the department.
- The Department will provide logos, artwork mock-up must be put together by supplier for input and approval – allow for two reverts.

## Item 7: LANYARDS



**Quantity:** 15 000

**Colour:** Black

**Description:**

- Lanyard - 20mm Black Petersham with Lobster Hook
- Brand Application: Screen printed in white
- Artwork layout must be done via the supplier to the department.
- The Department will provide logos, artwork mock-up must be put together by supplier for input and approval – allow for two reverts.

**NB: ARTWORK AND LOGOS WILL BE SUPPLIED BY DEPARTMENT OF POLICE OVERSIGHT AND COMMUNITY SAFETY AS SUPPORTING DOCUMENTATION, HOWEVER THE APPOINTED BIDDER WILL BE REQUIRED TO COMPILE AND SUPPLY UPDATED ARTWORK MOCKUP PER ITEM FOR INPUT/APPROVAL PURPOSES.**

- **All prospective suppliers must be registered and compliant on the Central Supplier Database at the closing date and time. Failure to comply with this requirement will invalidate suppliers.**

**Delivery Details:**

- The Department of Police Oversight and Community Safety, 4<sup>th</sup> Floor, 35 Wale Street, Cape Town, 8001.

**For technical enquiries with regards to specifications please contact the following officials**

- Name: Chantell Hendricks
- Telephone no: 021 483 6662
- Email Address: [Chantell.Hendricks@westerncape.gov](mailto:Chantell.Hendricks@westerncape.gov)
  
- Name: Gavin Kellerman
- Telephone no: 021 483 4317
- Email Address: [Gavin.Kellerman@westerncape.gov.za](mailto:Gavin.Kellerman@westerncape.gov.za)

**2. For Supply Chain Management enquiries please contact the following officials:**

- Name: Esethu Makanda
- Telephone no: 021 483 6324
- Email Address: [Esethu.Makanda@westerncape.gov.za](mailto:Esethu.Makanda@westerncape.gov.za)

## PRICING SCHEDULE

The Supply and Deliver of Branded Neighbourhood Watch (NHW) Items for a period of 36 Months

NAME OF BIDDER: \_\_\_\_\_

ITEM	Item description	Quantity for 1	Unit Price: Year 1	Year 1: Total Cost (incl VAT)	Quantity for year 2	Unit Price: Year 2	Year 2: Total Cost (incl VAT)	Quantity for year 3	Unit Price: Year 3	Year 3: Total Cost (incl VAT)	Total cost for 3 years
1	Branded NHW Beanies	5000		-	5000		0	5000		0	-
	Branded NHW T-Shirts sizes			-			0			0	-
2	Medium	1000		-	1000		0	1000		0	-
3	Large	1000		-	1000		0	1000		0	-
4	X Large	1000		-	1000		0	1000		0	-
5	2X Large	400		-	400		0	400		0	-
6	3X Large	1000		-	1000		0	1000		0	-
7	4X Large	600		-	600		0	600		0	-
	REFLECTIVE VESTS			-			0			0	-
8	Medium	1000		-	1000		0	1000		0	-
9	Large	1000		-	1000		0	1000		0	-
10	X Large	1000		-	1000		0	1000		0	-
11	2X Large	400		-	400		0	400		0	-
12	3X Large	1000		-	1000		0	1000		0	-
13	4X Large	600		-	600		0	600		0	-
	BLACK NHW BARRICADE JACKET			-			0			0	-
14	Medium	200		-	200		0	200		0	-
15	Large	200		-	200		0	200		0	-
16	X Large	200		-	200		0	200		0	-
17	2X Large	150		-	150		0	150		0	-
18	3X Large	300		-	300		0	300		0	-
19	4X Large	150		-	150		0	150		0	-
20	6 PANEL HEAVY BRUSHED CAP	5000		-	5000		0	5000		0	-
21	DRAWSTRING BAGS	5000		-	5000		0	5000		0	-
22	LANYARDS	5000		-	5000		0	5000		0	-
				-			0			0	-
	<b>TOTAL BID PRICE inclusive of VAT</b>			-			0			0	0

## PART A INVITATION TO BID

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

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

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

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

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

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

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF POLICE OVERSIGHT AND COMMUNITY SAFETY					
BID NUMBER:	POCS 05-2023/2024	CLOSING DATE:	28 JUNE 2024	CLOSING TIME:	11 H00 AM
DESCRIPTION	THE SUPPLY AND DELIVER OF BRANDED NEIGHBOURHOOD WATCH (NHW) ITEMS FOR A PERIOD OF 36 MONTHS				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
35 Wale Street					
Cape Town CBD					
8000					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	Esethu Makanda		CONTACT PERSON	Gavin Kellerman	
TELEPHONE NUMBER	021 483 6324		TELEPHONE NUMBER	021 483 4317	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	Esethu.Makanda@Westerncape.gov.za		E-MAIL ADDRESS	Gavin.Kellerman@westerncape.gov.za	
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		<b>AND</b>	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
IF YES, WAS THE CERTIFICATE ISSUED BY A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN NATIONAL ACREDITATION	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No				

SYSTEM (SANAS)			
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT (FOR EMEs&amp; QSEs) MUST BE SUBMITTED TOGETHER WITH A COMPLETED 6.1 IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>			
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS/ SERVICES/ WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>			
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?		<input type="checkbox"/> YES <input type="checkbox"/> NO	
<b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.</b>			

**PART B  
TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED – (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (WCBD7).</b>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER’S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE WITH TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE AND CSD NUMBER AS MENTIONED IN 2.3 ABOVE.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE.”
<b>NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID</b>

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....  
(Proof of authority must be submitted e.g. company resolution)

DATE: .....

**PRICING SCHEDULE**  
(Goods and Services)

NAME OF BIDDER: .....	BID NO.: POCS05-2023-2024
CLOSING TIME: <b>11H00</b>	CLOSING DATE: 28 JUNE 2024

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

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

**PROJECT NAME:**

**THE SUPPLY AND DELIVER OF BRANDED NEIGHBOURHOOD WATCH (NHW) ITEMS FOR A PERIOD OF 36 MONTHS FOR THE DEPARTMENT OF POLICE OVERSIGHT AND COMMUNITY SAFETY**

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

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

<b>Department:</b>	Police Oversight and Community Safety	
<b>Contact Person:</b>	Mr Esethu Makanda	Ms Lizanne Martins
<b>Tel:</b>	021 483 6324	021 483 5712
<b>E-mail address:</b>	Esethu.Makanda@westerncape.gov.za	Lizanne.Martins@westerncape.gov.za

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

<b>Department:</b>	Police Oversight and Community Safety
<b>Contact Person:</b>	Mr Gavin Kellerman
<b>Tel:</b>	021 483 4317
<b>E-Mail:</b>	Gavin.Kellerman@westerncape.gov.za

## PROVINCIAL GOVERNMENT WESTERN CAPE

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

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

#### 6. Definitions

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

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

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

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

**“business interest”** means -

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

**“Consortium or Joint Venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;

**“Controlling interest”** means, the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise;

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

Any person who directly or indirectly -

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

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

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

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

**“employee”**, in relation to –

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

**“entity”** means any -

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

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

**“Family member”** means a person's -

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

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

**“Institution”** means –

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

**“Provincial Government Western Cape (PGWC)”** means

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

**“RWOEE”** means -

Remunerative Work Outside of the Employee's Employment

**“spouse”** means a person's -

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

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

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

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

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

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





<b>SECTION C: PERFORMANCE MANAGEMENT AND BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES</b>			
To enable the prospective bidder to provide evidence of past and current performance.			
<b>C1.</b>	Did the entity conduct business with an organ of state in the last twelve months? (If yes complete Table C)	NO	YES

**C2. TABLE C**

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

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

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

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

**SECTION D: DULY AUTHORISED REPRESENTATIVE TO DEPOSE TO AFFIDAVIT**  
*This form must be signed by a duly authorised representative of the entity in the presence of a commissioner of oaths.*

- I, ..... hereby swear/affirm;
- i. that the information disclosed above is true and accurate;
  - ii. that I have read understand the content of the document;
  - iii. that I have arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor.
  - iv. that the entity undertakes to independently arrive at any offer at any time to the Institution without any consultation, communication, agreement or arrangement with any competitor. In addition, that there will be no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specification, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates;
  - v. that the entity or its representative are aware of and undertakes not to disclose the terms of any bid, formal or informal, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract; and
  - vi. that there have been no consultations, communications, agreements or arrangements made with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and that my entity was not involved in the drafting of the specifications or terms of reference for this bid.

.....  
**DULY AUTHORISED REPRESENTATIVE'S SIGNATURE**

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

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

.....  
 SIGNATURE FULL NAMES Commissioner of Oaths  
 Designation (rank) ..... ex officio: Republic of South Africa  
 Date:..... Place .....

Business Address: .....

.....

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

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

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

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

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

### 1. DEFINITIONS

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

- 1.10 **“EME”** is an Exempted Micro Enterprise with an annual total revenue of R10 million or less.
- 1.11 **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 1.12 **“Large Enterprise”** is any enterprise with an annual total revenue above R50 million;
- 1.13 **“non-firm prices”** means all prices other than “firm” prices;
- 1.14 **“person”** includes a juristic person;
- 1.15 **“price” means an amount of money tendered for goods or services, and** includes all applicable taxes less all unconditional discounts;
- 1.16 **“proof of B-BBEE status level contributor”** means-
- (a) The B-BBEE status level certificate issued by an authorized body or person;
  - (b) A sworn affidavit as prescribed in terms of the B-BBEE Codes of Good Practice; or
  - (c) Any other requirement prescribed in terms of the Broad- Based Black Economic Empowerment Act.
- 1.17 **QSE** is a Qualifying Small Enterprise with an annual total revenue between R10 million and R50 million;
- 1.18 **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- 1.19 **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract.
- 1.20 **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- 1.21 **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions;
- 1.22 **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
- 1.23 **“the Regulations”** means the Preferential Procurement Regulations, 2022;

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

## 2. GENERAL CONDITIONS

2.1 The following preference point systems are applicable to all bids:

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

2.2 Preference point system for this bid:

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

(b) Either the 80/20 or 90/10 preference point system will be applicable to this tender

*(delete whichever is not applicable for this tender).*

2.3 Preference points for this bid (even in the case of a tender for income-generating contracts) shall be awarded for:

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

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

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

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

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

### 3. ADJUDICATION USING A POINT SYSTEM

3.1 Subject to Section 2 (1) (f) of the Preferential Procurement Policy Framework Act, 2000, the **bidder obtaining the highest number of total points** will be awarded the contract.

3.2 A tenderer must submit proof of its B-BBEE status level of contributor in order to claim points for B-BBEE.

3.3 A tenderer failing to submit proof of B-BBEE status level of contributor or is a non-compliant contributor to B-BBEE will not be disqualified but will only score:

(a) points out of 80 for price; and

(b) 0 points out of 20 for B-BBEE

3.4 Points scored must be rounded off to the nearest 2 decimal places.

3.5 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.

3.6 As per section 2 (1) (f) of the Preferential Procurement Policy Framework Act, 2000, the contract may be awarded to a bidder other than the one scoring the highest number of total points based on objective criteria in addition to those contemplated in paragraph (d) and (e) of the Act that justifies the award to another tenderer provided that it has been stipulated upfront in the tendering conditions.

3.7 Should two or more bids be equal in all respects; the award shall be decided by the drawing of lots.

### 4. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

#### 4.1 POINTS AWARDED FOR PRICE

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

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

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

Where

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

$P_t$  = Price of tender under consideration

$P_{\min}$  = Price of lowest acceptable tender

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

### 5.1 POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 \\
 \mathbf{Ps} = \mathbf{80} \left( \mathbf{1} + \frac{\mathbf{Pt} - \mathbf{Pmax}}{\mathbf{Pmax}} \right) & & \mathbf{Ps} = \mathbf{90} \left( \mathbf{1} + \frac{\mathbf{Pt} - \mathbf{Pmax}}{\mathbf{Pmax}} \right) \\
 & \mathbf{or} & 
 \end{array}$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

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

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

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

6.2 An **EME** must submit a valid, originally certified affidavit confirming annual turnover and level of black ownership or an affidavit issued by Companies Intellectual Property Commission

6.3 A **QSE that is less than 51 per cent (50% or less) black owned** must be verified in terms of the QSE scorecard issued via Government Gazette and submit a valid, original or a legible certified copy of a B-BBEE Verification Certificate issued by SANAS.

6.4 A **QSE that is at least 51 per cent black owned (51% or higher)** must submit a valid, originally certified affidavit confirming turnover and level of black ownership as well as declare its empowering status or an affidavit issued by Companies Intellectual Property Commission.

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

**7. BID DECLARATION**

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

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

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

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

**9. SUB-CONTRACTING**

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

- 9.1.1 If yes, indicate:

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

- (ii) the name of the sub-contractor? .....

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

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

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

## 10. DECLARATION WITH REGARD TO COMPANY/FIRM

10.1 Name of company/ entity: .....

10.2 VAT registration number: .....

10.3 Company Registration number: .....

### 10.4 TYPE OF COMPANY/ FIRM

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

[SELECT APPLICABLE ONE]

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

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

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

**SIGNATURE(S) OF THE BIDDER(S):** .....

**DATE:** .....

**ADDRESS:** .....

.....

**WITNESSES:**

1. ....

2. ....

# **THE NATIONAL TREASURY**

**Republic of South Africa**



---

## **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT**

**July 2010**

**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**  
**July 2010**

**NOTES**

The purpose of this document is to:

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

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

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

## TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

## General Conditions of Contract

### 1. Definitions

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

RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such

obligations of the supplier covered under the contract.

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

## **2. Application**

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

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

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

## **3. General**

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

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

## **4. Standards**

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

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

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

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

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

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

## **6. Patent rights**

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

**7. Performance security**

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

**8. Inspections, tests and analyses**

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

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

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

**9. Packing**

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

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

**10. Delivery and documents**

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

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

**11. Insurance**

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

**12. Transportation**

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

**13. Incidental services**

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

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