 GAUTENG PROVINCE PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA		Provincial Supply Chain Management								
		INVITATION TO BID			Page 1 of 4					
BID NUMBER										
BID DESCRIPTION										
CUSTOMER DEPARTMENT										
CUSTOMER INSTITUTION										
BRIEFING SESSION	Y		N		SESSION COMPULSORY		Y		N	
					SESSION HIGHLY RECOMMENDED		Y		N	
BRIEFING VENUE					DATE			TIME		
COMPULSORY SITE INSPECTION	Y		N		DATE			TIME		
SITE INSPECTION ADDRESS										
TERM AGREEMENT CALLED FOR?		Y		N		TERM DURATION				
CLOSING DATE					CLOSING TIME					
TENDER BOX LOCATION										

NOTES

THE TENDER BOX IS OPEN

- Bids / tenders must be deposited in the Tender Box on or before the closing date and time.
- Bids / tenders submitted by fax will not be accepted.
- This bid is subject to the preferential procurement policy framework act, 2000 and the preferential procurement regulations, 2022, the general conditions of contract (gcc) 2010 and, if applicable, any other special conditions of contract.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL GPG BID FORMS – (NOT TO BE RE-TYPED) - ALL REQUIRED INFORMATION MUST BE COMPLETED (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED)

THE TENDERING SYSTEM

The Invitation to Bid Pack consists of Section 1. This section must be submitted, clearly marked with the Tender Number and the Section Number.

TRAINING SESSIONS

Non-compulsory **"How to tender"** workshops are held every Wednesday from 10:00 to 13:00. Kindly follow our social media platforms / etenders@gauteng.gov.za (Publications) for the venue of the training.



Provincial Supply Chain Management

INVITATION TO BID

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PART A INVITATION TO BID

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	<input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.	



Provincial Supply Chain Management

INVITATION TO BID

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TENDER DOCUMENTS CAN BE OBTAINED FROM: <https://e-tenders.gauteng.gov.za/Pages/Advertised-Open-Tenders.aspx>
OR

ALTERNATIVELY SEND AN E-MAIL TO: Tender.admin@gauteng.gov.za

ANY ENQUIRIES REGARDING BIDDING PROCEDURE MAY BE DIRECTED TO:

DEPARTMENT	
CONTACT PERSON	
TELEPHONE NUMBER	
FACSIMILE	
E-MAIL ADDRESS	

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

DEPARTMENT	
CONTACT PERSON	
TELEPHONE NUMBER	
FACSIMILE	
E-MAIL ADDRESS	



Provincial Supply Chain Management

INVITATION TO BID

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PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

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



CONSENT FORM FOR THE PROCESSING OF PERSONAL INFORMATION [IN TERMS OF THE PROTECTION OF PERSONAL INFORMATION ACT 4 OF 2013 (POPIA)]

This form serves to confirm the Data Subject's consent for the Gauteng Department of ("the Department") to process personal information in accordance with the Protection of Personal Information Act, 2013 (POPIA), and the constitutional right to privacy.

By completing and signing this form, you acknowledge and consent to the processing of your personal information for the purposes outlined herein. This consent remains effective unless and until formally withdrawn.

PART A: DATA SUBJECT DETAILS

Full Name / Registered Company Name: _____

Residential / Postal / Business Address: _____

Contact Number(s): _____

Email Address: _____

PART B: CONSENT AND DECLARATIONS

1. I understand that the Department may, in accordance with its operational requirements and applicable laws and policies, be required to process my personal information, including disclosure to internal units and contracted third parties, for the purpose of evaluating and administering the submission of this bid.
2. I expressly authorise the Department to process and/or further process any personal information I have submitted or which may be obtained during the bid process, solely for purposes aligned with lawful institutional mandates.
3. I acknowledge that processing may include but is not limited to storage, sharing, verification, and retention of personal or company data, in compliance with the Department's privacy framework.

4. I confirm that:

- I have read, understood and accept the terms of this consent form;
- My personal information is accurate, current and complete; and
- I will inform the Department of any changes to the information supplied.

5. I understand that I have the right to:

- Request correction or deletion of my personal information if found to be inaccurate, outdated, excessive, or obtained unlawfully; and
- Withdraw this consent at any time, subject to applicable laws and operational requirements.

6. I accept the Department's data security measures and protocols for the protection and responsible management of personal information.

7. I further understand and accept that the Department may retain relevant personal information for as long as it is lawfully required to fulfil bid-related, administrative, or legal obligations.

8. By signing below, I provide informed, voluntary, and irrevocable consent for the processing of my personal information as outlined in this document.

Signed at: _____

On this: _____ **day of** _____ **20** _____

NAME OF DATA SUBJECT / AUTHORISED REPRESENTATIVE:

Signature: _____

NAME / DESIGNATION OF DEPARTMENTAL OFFICIAL:

Signature: _____

Date: _____



PROVINCIAL SUPPLY CHAIN MANAGEMENT

INSTRUCTION TO BIDDERS

Page: 1 of 4

1.	The INVITATION TO BID Pack is drawn up so that certain essential information should be furnished in a specific manner. Any additional particulars shall be furnished in a separate annexure.
2.	The INVITATION TO BID forms should not be retyped or redrafted, but photocopies may be prepared and used. Additional offers may be made for any item, but only on a photocopy of the page in question or on other forms obtainable from the relevant Department or Institution advertising this BID. Additional offers made in any other manner may be disregarded.
3.	Should the INVITATION TO BID forms not be filled in by means of electronic devices, bidders are encouraged to complete forms in a black ink.
4	Bidders shall check the numbers of the pages and satisfy themselves that none are missing or duplicated. No liability shall be accepted with regards to claims arising from the fact that pages are missing or duplicated.
5	The INVITATION TO BID forms shall be completed, signed and submitted with the bid. SBD 5 (National Industrial Participation Programme Form) will only be added to the INVITATION TO BID pack when an imported component in excess of US \$ 10 million is expected.
6	A separate SBD 3.1, SBD 3.2 or SBD 3.3 form (PRICING SCHEDULE per item) shall be completed in respect of each item. Photocopies of this form may be prepared and used or additional copies, (if required) are obtainable from the relevant Department or Institution advertising this BID (not applicable for PANEL of BIDDERS).
7	Firm delivery periods and prices are preferred. Consequently, bidders shall clearly state whether delivery periods and prices will remain firm for the duration of any contract, which may result from this BID, by completing SBD 3.1 (PRICING SCHEDULE per item) (not applicable for PANEL of BIDDERS).
8	If non-firm prices are offered bidders must ensure that a separate SBD 3.2 (Non-Firm Prices per item) is completed in respect of each item for which a non-firm price is offered. Photocopies of this form may be prepared and used or additional copies, (if required) are obtainable from the relevant Department or Institution advertising this BID (not applicable for PANEL of BIDDERS).



PROVINCIAL SUPPLY CHAIN MANAGEMENT

INSTRUCTION TO BIDDERS

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9	Where items are specified in detail, the specifications form an integral part of the BID document (see the attached specification) and bidders shall indicate in the space provided whether the items offered are to specification or not (not applicable for PANEL of BIDDERS).
10	In respect of the paragraphs where the items offered are strictly to specification, bidders shall insert the words "as specified" (see the attached specification) (not applicable for PANEL of BIDDERS).
11	In cases where the items are not to specification, the deviations from the specifications shall be indicated (see the attached specification).
12	In instances where the bidder is not the manufacturer of the items offered, the bidder must as per SBD 3.1 or SBD 3.2 (PRICING SCHEDULE per item) submit a Letter of Supply from the relevant manufacturer or his supplier (not applicable for PANEL of BIDDERS).
13	The offered prices shall be given in the units shown in the attached specification, as well as in SBD 3.1 or SBD 3.2 (PRICING SCHEDULE per item) (not applicable for PANEL of BIDDERS).
14	With the exception of imported goods, where required, all prices shall be quoted in South African currency. Where bids are submitted for imported goods, foreign currency information must be supplied by completing the relevant portions of SBD 3.1 (PRICING SCHEDULE per item) and SBD 3.2 (PRICING SCHEDULE per item) (not applicable for PANEL of BIDDERS).
15	Unless otherwise indicated, the costs of packaging materials (if applicable) are for the account of the bidder and must be included in the bid price on the (PRICING SCHEDULE per item) (not applicable for PANEL of BIDDERS).
16	<p>Delivery basis (not applicable for PANEL of BIDDERS):</p> <ul style="list-style-type: none"> a) Supplies which are held in stock or are in transit or on order from South African manufacturers at the date of offer shall be offered on a basis of delivery into consignee's store or on his site within the free delivery area of the bidder's centre, or carriage paid consignee's station, if the goods are required elsewhere. b) Notwithstanding the provisions of paragraph 16(a), offered prices for supplies in respect of which installation / erection / assembly is a requirement, shall include ALL costs on a "delivered on site" basis, as specified on the (PRICING SCHEDULE per item).



PROVINCIAL SUPPLY CHAIN MANAGEMENT

INSTRUCTION TO BIDDERS

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17	Unless specifically provided for in the BID document, no bids transmitted by facsimile or email shall be considered.
18	Failure on the part of the bidder to sign any of the INVITATION TO BID forms and thus to acknowledge and accept the conditions in writing or to complete the attached INVITATION TO BID forms, Preference documents, questionnaires and specifications in all respects, may invalidate the bid.
19	Bids should preferably not be qualified by the bidder's own conditions of bid. Failure to comply with these requirements (i.e. full acceptance of the General Conditions of Contract or to renounce specifically the bidder's own conditions of bid, when called upon to do so, may invalidate the bid.
20	In case of samples being called for together with the bid, the successful bidder may be required to submit pre-production samples to the South African Bureau of Standards (SABS) or such testing authority as designated at the request of the relevant Department concerned. Unless the relevant Department decides otherwise, pre-production samples must be submitted within thirty (30) days of the date on which the successful bidder was requested to do so. Mass production may commence only after both the relevant Department and the successful bidder have been advised by the SABS that the pre-production samples have been approved.
21	Should the pre-production samples pass the inspections / tests at the first attempt, the costs associated with the inspections / tests will be for the account of the relevant Department. If the SABS or such testing authority as designated do not approve the pre-production samples, but requires corrections / improvements, the costs of the inspections / tests must be paid by the successful bidder and samples which are acceptable in all respects must then reach the SABS or such testing authority as designated within twenty-one (21) days of the date on which the findings of the SABS or such testing authority as designated were received by the successful bidder. Failure to deliver samples within the specified time and to the required standards may lead to the cancellation of the intended contract.
22	In case of samples being called for together with the bid, the samples must be submitted together with the bid before the closing time and date of the BID, unless specifically indicated otherwise. Failure to submit the requested sample(s) before the closing time and date of the BID may invalidate the bid.
23	In cases where large quantities of a product are called for, it may be necessary for the relevant item to be shared among two (2) or more suppliers.




PROVINCIAL SUPPLY CHAIN MANAGEMENT

INSTRUCTION TO BIDDERS

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24	In cases where the relevant Department or Institution advertising this BID may deem it necessary, a formal contract may be entered into with the successful bidder, in addition to a Letter of Acceptance and / or purchase order being issued.
25	If any of the conditions on the BID forms are in conflict with any special conditions, stipulations or provisions incorporated in the bid invitation, such special conditions, stipulations or provisions shall apply.
26	This BID is subject to the General Conditions of Contract and re-issues thereof. Copies of these conditions are obtainable from any office of the Gauteng Provincial Government (GPG).
27	<p>Each bid must be submitted in a separate, sealed envelope on which the following must be clearly indicated:</p> <ul style="list-style-type: none"> • NAME AND ADDRESS OF THE BIDDER; • THE BID (GT) NUMBER; AND • THE CLOSING DATE. <p>The bid must be deposited or posted;</p> <ul style="list-style-type: none"> • To the address as indicated on SBD1 and to reach the destination not later than the closing time and date; OR • deposited in the tender box as indicated on SBD1 before the closing time and date.
28	The Gauteng Provincial Government has become a member and as such a key sponsor of the Proudly South African Campaign. GPG therefore would like to procure local products of a high quality, produced through the practise of sound labour relations and in an environment where high environmental standards are maintained. In terms of the Proudly South African Campaign South African companies are encouraged to submit interesting and innovative achievements in the manufacturing field (if relevant to this BID) – including information on new products, export achievements, new partnerships and successes and milestones.
29	Compulsory GPG Contract: It is a mandatory requirement that successful bidder/s (to whom a tender is awarded) sign a GPG Contract upon award of any given contract.

	<h1>PROVINCIAL SUPPLY CHAIN MANAGEMENT</h1>	
	<h2>POINT SYSTEM</h2>	Page 1 of 1

BID NUMBER		CLOSING DATE	
VALIDITY OF BID		CLOSING TIME	

The goods / services are required by the Customer Department / Institution, as indicated on SBD 01.

This BID will be evaluated on the basis of the under noted point system, as stipulated in the Preferential Procurement Policy Framework Act (Act number 5 of 2000).

TYPE OF CONTRACT (COMPLETED BY PROJECT MANAGER)

SERVICE BASED	Y		N		SERVICE BASED	Y		N		VALUE BASED	Y		N	
VALUE BASED	Y		N											
QUANTITY BASED	Y		N											
TERM BASED	Y		N											

 GAUTENG PROVINCE PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<h1>Provincial Supply Chain Management</h1>	
	Compulsory Briefing Session	Page 1 of 1

COMPULSORY BRIEFING DECLARATION OF ATTENDANCE

BID NUMBER			
BID DESCRIPTION			
CLOSING DATE		CLOSING TIME	

The goods / services are required by the Customer Department / Institution, as indicated on form SBD1.

CUSTOMER DEPARTMENT								
CUSTOMER INSTITUTION								
BRIEFING SESSION	Y		N		DATE		TIME	
VENUE								

I/We hereby declare that I/we attended the compulsory briefing session to understand the requirements of the Gauteng Provincial Government to supply all or any of the supplies and/or to render all or any of the services described in the attached Bid documents, on the terms and conditions and in accordance with the specifications stipulated in the Bid documents.

I, THE UNDERSIGNED (NAME)

--

CERTIFY THAT THE INFORMATION FURNISHED AT THE BRIEFING SESSION WAS UNDERSTOOD.


BIDDER OR ASSIGNEE(S) NAME		POSITION		SIGN		DATE	
-----------------------------------	--	-----------------	--	-------------	--	-------------	--

FULL COMPANY NAME	
--------------------------	--

GPG OFFICIAL NAME		POSITION		SIGN		DATE	
--------------------------	--	-----------------	--	-------------	--	-------------	--

END USER STAMP

--

 GAUTENG PROVINCE PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	PROVINCIAL SUPPLY CHAIN MANAGEMENT	
	BIDDER'S DISCLOSURE	Page: 1 of 3

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration


- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest 1 in the enterprise, employed by the state?

YES		NO	
------------	--	-----------	--

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

Full Name	Identity Number	Name of State Institution

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

	PROVINCIAL SUPPLY CHAIN MANAGEMENT	
	BIDDER'S DISCLOSURE	Page: 2 of 3

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution?

YES		NO	
------------	--	-----------	--

2.2.1 If so, furnish particulars:

--

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

YES		NO	
------------	--	-----------	--

2.3.1 If so, furnish particulars:


--

3 DECLARATION

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

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

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

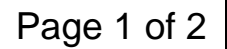
	PROVINCIAL SUPPLY CHAIN MANAGEMENT	
	BIDDER'S DISCLOSURE	Page: 3 of 3

- 3.5 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.7 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

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

Signature		Date	
Position		Name of the Bidder	





PROVINCIAL SUPPLY CHAIN MANAGEMENT

EVALUATION METHODOLOGY PROCESS

Page 2 of 2

BIDDERS JOB CREATION ANALYSIS

Company Name		Vendor Number		Date Established	
--------------	--	---------------	--	------------------	--

	Permanent	Temp	SA Citizens	Other	Comments
Staff compliment at Establishment of Enterprise					
Current staff compliment					
Number of jobs to be created if Bid is successful					

The successful bidder may be audited during the course of the contract to verify the above information.

Comments to include:

- If Job Creation is direct (by your own company) or indirect (by your source of supply)
- Where the jobs created for employees that were in existing positions or unemployed? (Net Job Creation)

NOTE: Job Creation should adhere to all applicable RSA Legislation and Regulations.

THIS SECTION IS FOR OFFICE USE ONLY						
Observations	Initial Job Count	Job Creation Potential	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Year 1						
Year 2						
Year 3						
Year 4						
Year 5						



+

TERMS OF REFERENCE FOR THE APPOINTMENT OF PERSPECTIVE PANEL MEMBERS TO CONDUCT FEASIBILITY STUDIES AND DEVELOP BUSINESS PLANS FOR AGRICULTURAL PROJECTS IN GAUTENG PROVINCE FOR A PERIOD OF THIRTY-SIX (36) MONTHS

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1. BACKGROUND

The Gauteng Department of Agriculture and Rural Development (GDARD) is currently assisting small scale farmers, commercial farmers, and Agro-processors in developing feasibility studies and business plans for agricultural projects which they either intend to source financial support from the Department and/or from Development Finance Institutions. The report compiled is used as a decision support tool by GDARD whether to fund the project based on natural features, infrastructure available and general economic viability as detailed in the report.

Research Technology Development and Support (RTDS) and Agricultural Economic Services (AES) are Directorates within Branch Agro-processing and Economic Services responsible for conducting the feasibility studies and developing business plans. It is against this background that the Gauteng Department of Agriculture and Rural Development and Environment (GDARD), through Agricultural Economic Services (AES) Directorate, wishes to appoint eligible panel of service providers to conduct feasibility studies and compilation of business plans.

2. OBJECTIVES

The objectives of the proposed project are as follows:

- 2.1 To appoint perspective panel members to conduct feasibility studies for projects as and when requested by GDARD.
- 2.2 To appoint perspective panel members, to develop business plans for projects as and when requested by GDARD.
- 2.3 To appoint perspective panel members to build capacity for GDARD officials and with regards to feasibility studies and business plans development

3. SCOPE OF WORK FOR THE OVERALL PROJECT

The scope of work requires prospective service panellist to conduct feasibility studies, develop business plan and build capacity for GDARD officials for a period of thirty-six (36) months.

4. PROJECT DELIVERABLES

The project has three (03) deliverables which are feasibility studies, business plans and capacity building within GDARD.

4.1 Deliverable One: Feasibility Study Reports

- The prospective panel members are required to conduct feasibility studies as directed by GDARD, the total number of feasibility studies required by the panellists will not exceed a total of forty-eight (48) per financial year.
- The perspective panel members will be required to visit assigned/ allocated projects with the assistance of GDARD officials.
- Two (02) hard copies as well as an editable electronic version of each report must be submitted to GDARD.

THE FEASIBILITY STUDY REPORT MUST ENTAIL THE FOLLOWING AS A MINIMUM REQUIREMENT:

4.1.1 Crop feasibility report must include the following:

4.1.1.1 Land use Report must entail the following as a minimum requirement:

- Soil form
- Clay percentage
- Soil colour
- Soil depth/ effective root depth/restrictive layer
- Size of the land covered by each soil form/soil mapping
- Crop suitability
- Livestock infrastructure suitability
- Current land use and suitability
- GIS map
- Land capability and suitable
- GPS coordinates
- Agricultural Significance of the soil

4.1.1.2 Irrigation Report must entail the following as minimum requirement:

- Water availability /source
- Borehole capacity (in litres/hr)
- Irrigation potential of the farm
- Stock watering system

- Water quality
- Water licensing
- Borehole certificate

4.1.1.3 Farm Infrastructure Report must entail the following as minimum requirement:

- Available Crop farming infrastructure
- Potential use of available infrastructure
- Infrastructure Valuation if any
- Repair and maintenance requirements
- Require infrastructure for expansion

4.1.1.4 Crop Production Report must entail the following as minimum requirement:

- Yield per ha per specific commodity (kg/tons)
- Yield per Tunnel
- Types of fertilizers to be used per commodity.
- Quantity of fertilizers and pesticide applied per specific commodity on a hectare
- Identified Commodity Production plan for 3 cycles.

4.1.1.5 Economic Factors must entail the following as minimum requirement:

- Market viability (Market research, current market, distance to market and price variability)
- Financial viability (Current sales, gross margins, IRR and NPV)
- Statutory Compliance (e.g food safety requirements)

4.1.2 Livestock Feasibility report must include the following:

4.1.2.1 Land Use planning must entail the following as minimum requirement:

- GIS map if available
- GPS coordinates
- Land size
- Current land use
- Water source

4.1.2.2 LAND CAPABILITY AND SUITABILITY MUST ENTAIL THE FOLLOWING AS MINIMUM REQUIREMENT:

- **Extensive farming system**
- Veld condition assessment
- Veld condition score
- Carry capacity of the veld
- Grazing capacity
- **Intensive farming system**
- Small stock infrastructure description
- Poultry structures description
- Infrastructure suitability

4.1.2.3 Irrigation Report must entail the following as minimum requirement:

- Water availability /source
- Borehole capacity (in litres/hr)
- Irrigation potential of the farm
- Stock watering system

4.1.2.4 Farm Infrastructure Report must entail the following as minimum requirement:

- Available farming infrastructure
- Potential use of available infrastructure
- Infrastructure requirements
- Repair and maintenance requirements

4.1.2.5 Livestock Production Report must entail the following as minimum requirement:

- Type of feeds & quantity consumed by a particular livestock per production cycle
- Land size required for a particular number of livestock.
- Time in weeks/months that a particular livestock will take to meet market size (i.e. with broilers they take six weeks but free-range chicken and egg chickens may take longer.
- The same will apply to pigs, sheep's etc.
- Medication required per different livestock.

4.1.2.6 Economic Factors must entail the following as minimum requirement:

- Market viability (Market research, current market, distance to market and price variability)
- Financial viability (Current sales, gross margins, IRR and NPV)
- Statutory Compliance (e.g food safety requirements)

4.1.2.7 Agro-processing projects must entail the following as minimum requirement:

- Number of commodity produced/processed by agro-processors.
- Quantity of product processed per hour/per day
- Ingredients per processed product
- The quantity of raw materials required for production
- Amount of labour required
- Agro-processing Infrastructure
- Agro-processing equipment requirement and detailed specification

4.1.2.8 Infrastructure requirements and detailed specification thereof

4.1.2.9 Any Environmental Impact Assessment where required or certification requirements for both livestock and crop.

4.1.2.10 Any Industry compliance Food Safety and statutory requirements

4.1.2.11 Economic Factors must entail the following as minimum requirement:

- Market viability (Market research, current market, distance to market and price variability)
- Financial viability (Current sales, gross margins, IRR and NPV)
- Statutory Compliance (e.g food safety requirements)

4.2 Deliverable Two: Business Plan Development

The prospective panel members are required to compile business plans as directed by GDARD, which will not exceed a total of forty-eight (48) per financial year.

Below is the recommended format for the development of business plans. The format is provided to ensure consistency since there are different formats for developing business plans available in the market. The business plan should entail the following as minimum requirements:

4.2.1 Executive summary

- 4.2.1.1 Background
- 4.2.1.2 Legal entity
- 4.2.1.3 Financial need
- 4.2.1.4 Summary of viability figures
- 4.2.1.5 Summary of enterprises
- 4.2.1.6 Recommendations

4.2.2 Introduction and Background

- 4.2.2.1 Preamble: reason for business plan
- 4.2.2.2 Description of the land reform programme if applicable
- 4.2.2.3 Beneficiary group if applicable

4.2.3 Description of the farm/entity

- 4.2.3.1 Geographical location
- 4.2.3.2 Summary from feasibility study
- 4.2.3.3 Reference to the map

4.2.4 The farm/entity

- 4.2.4.1 Description
- 4.2.4.2 Available infrastructure
- 4.2.4.3 Need for improvements.
- 4.2.4.4 Summary of water, soils, areas utilised.

4.2.5 Implementation plan

- 4.2.5.1 Project description and scope
- 4.2.5.2 Rationale of planned enterprise(s)
- 4.2.5.3 Description of each enterprise
- 4.2.5.4 Targets of implementation

- 4.2.5.5 Description of intervention on short, medium, and long terms
- 4.2.5.6 Financial needs to reach short, medium, and long terms.
- 4.2.5.7 Starting period – rationale and seasonality.

4.2.6 Management Strategy

- 4.2.6.1 Management structure
- 4.2.6.2 Financial system and controls
- 4.2.6.3 Procurement disciplines
- 4.2.6.4 Maintenance requirements and controls
- 4.2.6.5 Marketing management and sales
- 4.2.6.6 Human resource management

4.2.7 Human Resources Plan

- 4.2.7.1 Beneficiary involvement
- 4.2.7.2 Institutional requirements
- 4.2.7.3 Capacity requirements for the project
- 4.2.7.4 Human resource development strategy
- 4.2.7.5 Management of human resources

4.2.8 Marketing Plan

- 4.2.8.1 Target Market
- 4.2.8.2 Market research
- 4.2.8.3 Competition
- 4.2.8.4 Competitive advantage
- 4.2.8.5 Marketing Mix
 - Product
 - Price
 - Place
 - Promotion

(Attach sales records, offtake agreements, invoices or letters of intent)

4.2.9 Financial Plan (Reference to feasibility Study)

- 4.2.9.1 Assumptions
- 4.2.9.2 Capital structure expenditure
- 4.2.9.3 Labour cost assumption
- 4.2.9.4 Enterprise budgets, breakeven and sensitivity summary
- 4.2.9.5 Working capital needs.

4.2.10 Cash flow analysis and projections with reference to feasibility study

- 4.2.10.1 Pro forma income statement for at least three years
- 4.2.10.2 Pro forma balance sheet for at least three years
- 4.2.10.3 Gross Margin, Internal rate of return and net present value
- 4.2.10.4 Total budget for the project
- 4.2.10.5 Start -up financial requirements for the enterprise.
- 4.2.10.6 Operational financial requirements

4.3 Deliverable three (03) capacity building of GDARD officials

Capacity building must be done once for one financial year covering the following:

4.3.1 Two (02) workshops, one (01) feasibility studies and one (01) business plans for one financial year.

4.3.2 Financial Management Model (16 people)

- a. Enterprise budgets for crop and livestock production
- b. Enterprise budget for processed products
- c. Break even and sensitivity analysis.
- d. Income Statement
- e. Balance sheet

4.3.3 Business Plan Write up

4.3.4 Once for one financial year for Irrigation designs (Registered with South African Irrigation Institute) (08 people).

5. Evaluation Criteria

5.1 Stage 1A Administrative Compliance

5.1.1 Mandatory requirements

All the below Mandatory Documents should be completed, signed, and submitted:

- (a) A completed and signed Invitation to Bid form SBD 1
- (b) A completed and signed Declaration of Interest form SBD 4
- (c) A completed and signed Preference Points Claim Form SBD 6.1
- (d) A valid originally stamped compulsory briefing declaration of attendance, completed and signed by GDARD and Bidder (SCM 03)
- (e) Submission of a Project Proposal responding to the Technical Evaluation Criteria

NOTE: Bids that do not comply with the above Mandatory Returnable Documents as listed above, will be regarded as non-compliant and be disqualified from the bid process.

5.1.2 Stage 1B Returnable Documents

Bidders are required to submit the following documents:

- Tax Compliance Status Pin. For consortiums or Joint-Ventures, submit a Tax Compliance Status Pin for each party.
- Proof of National Treasury Central Supplier Database (CSD) registration. For Consortiums or Joint-Ventures, submit proof of National Treasury Central Supplier Database (CSD) registration for each party.
- Company registration (CIPC) document
- A copy of a valid BBBEE certificate or affidavit. For Consortiums or Joint-Ventures, submit for each party.

NOTE: All certificates and/or sworn affidavits, certified as a “true copy of the original”, must comply with the requirements outlined in the Justices of the Peace and Commissioners of Oaths Act of 1963 and its Regulations (as promulgated in Government Notice GNR 1258 of 21 July 1972).

5.1.3 Stage 1C Functionality Evaluation

A total of 100 points is allocated for feasibility studies and business plans and the minimum threshold is seventy-five (75) points Any bidder who fails to meet this minimum required threshold will be deemed non-responsive.

Evaluation phase	Evaluation methodology	Threshold points	Total points
Stage:1C	Functionality Technical evaluation	75	100

6. FUNCTIONALITY ON CRITERIA

Technical evaluation is allocated 100 points. Minimum threshold is 75 points.

6.1 Technical Evaluation on Deliverable

Technical evaluation will be allocated 100 points and threshold is 75 points.

A total of 100 points is allocated for feasibility studies and business plans and the minimum threshold is seventy-five (75) points and any bidder who fails to meet this minimum required threshold will be deemed non-responsive.

6.2 PROTECTION OF PERSONAL INFORMATION ACT (POPIA)

This Terms of Reference (TOR) is subject to Protection of Personal Information Act (POPIA)

Quality Criteria	Sub Criteria	Maximum number of points
Prospective panel members' experience for agriculture feasibility studies and business plans	<p>To present the company experience in terms of conducting the feasibility study and business plans, the following should be attached.</p> <p>Five (05) or more different appointment letters or purchase orders with completion certificates from five (05) or more different organisations, institutions, clients 35 points</p>	35

	<p>Four (04) different appointment letters or purchase orders with completion certificates from four (04) different organisations, institutions, clients =28 points</p> <p>Three (03) different appointment letters or purchase orders with completion certificates from three (03) different organisations, institutions, clients =21 points</p> <p>Two (02) different appointment letters or purchase orders with completion certificates from two (02) different organisations, institutions, clients = 14 points</p> <p>One (01) appointment letter purchase order with completion certificates from one (01) organisation, institutions, client = 7 points</p> <p>No appointment letter or purchase order with completion certificate from different organisations, institutions, client =0</p>	
<p>Proof of experience in feasibility studies and business plans managed by Project Manager. Project Manager must be an Agricultural Economist</p> <p>CV including contactable references details demonstrating list of feasibility studies and business plans completed.</p>	<p>CV demonstrating five (05) or more agricultural feasibility studies and five (05) or more agricultural business plans completed for different commodities by the Project Manager =30</p> <p>CV demonstrating four (04) agricultural feasibility studies and four (04) agricultural business plans completed for different commodities by the Project Manager =24</p> <p>CV demonstrating three (03) agricultural feasibility studies and three (03) agricultural business plans completed for different commodities by the Project Manager =18</p> <p>CV demonstrating two (02) agricultural feasibility studies and two (02) agricultural business plans completed for different commodities by the Project Manager =12</p> <p>CV demonstrating one (01) agricultural feasibility study and one (01) agricultural business plan completed by the Project Manager =6</p>	30

CV should include scope of work and the period	CV demonstrating zero (0) agricultural feasibility study and zero (0) business plan = 0	
Demonstrated education qualification of the project team members (attach Curriculum Vitae and qualification). All must be registered with professional bodies and must be attached except Agricultural Economics	<p>Certified copies of qualifications and copies of registration with professional bodies are required.</p> <p>Seven (07) Project Team members must comprise of the following as minimum qualification:</p> <p>A minimum of B. Tech or Degree of different disciplines of personnels in terms of seven (07) qualifications and certifications (Not more than six (06) months) mentioned below:</p> <p>Agricultural Economics =5</p> <p>Agronomy =5</p> <p>Agricultural Engineering =5</p> <p>Hydrology = 5</p> <p>Animal Science =5</p> <p>Land Use Planning = 5</p> <p>Geography Information System =5</p> <p>Six (06) Project Team members must comprise of at least the following as minimum qualification:</p> <p>A minimum of B. Tech or Degree of different disciplines of personnels in terms of any six (06) qualifications and certifications (Not more than six (06) months) mentioned below:</p> <p>Agricultural Economics =5</p> <p>Agronomy =5</p> <p>Agricultural Engineering =5</p> <p>Hydrology = 5</p> <p>Animal Science =5</p> <p>Land Use Planning = 5</p> <p>Geography Information System =5</p>	35
Threshold:	Bidder who scores less than 75 points during this stage would not be considered for the next stage of evaluation	100

7 PREFERENCE POINTS SYSTEM / PRICE

a) These criteria will not form part of the evaluations for the prospective panel of members. However, should the bidder be included on the panel the following (Price and Specific Goals) will be used during the Request for Quotation Stage.

(b) The evaluation as per Regulation 4 of the Preferential Procurement Regulations, 2022, will be as follows:

AREAS	POINTS
Price	80
Specific goals	20

7.1 Points Awarded for Price

In terms of Regulation 4. (1) of the Preferential Procurement Regulations, 2022. The formula to be used to calculate the points for price is as follows:

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

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

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{\min} = Price of lowest acceptable tender

8. Specific Goals:

In terms of Regulation 4. (2) of the PPR 2022, a maximum of 20 points is allocated for the Department's Specific Goals identified below:

Specific Goals (HDI - Historical Disadvantage Individuals)	Number of Points
Black owned	10
Women owned	5
People with disabilities owned	5

To qualify for the total allocated points per Specific Goal, Tenderers must submit evidence of **100% ownership** for the specified Historically Disadvantaged Individuals (HDI) categories. Tenderers must submit verifiable documentation as proof to claim the Preference (Specific Goal) Points. Tenderers verified ownership percentage relevant to the identified Specific Goal listed above, will be applied on a **pro-rata basis to the number of points available, if not 100% owned**.

8.1 Ownership verification process:

- ❖ Tenderers CSD Report will be used for scoring and evaluating of the above ownership percentages.
- ❖ The ownership information as per the CSD Report will be verified against a valid B-BBEE Status Level Verification Certificate and/or valid Sworn Affidavit to confirm the points claimed by the Tenderer, based on the Specific Goals outlined in this tender document and the SBD 6.1 form.
- ❖ In the case of a partnership/ consortium/ joint-venture, only a valid consolidated B-BBEE Status Level Verification Certificate will be usage for evaluation purposes.
- ❖ Refer to paragraph 12.1 under “*Other Returnable Documents*” for further guidance on B-BBEE certificates and/or sworn affidavits.
- ❖ Copy of a valid Medical Certificate signed by a Medical Professional, confirming owner disability.
- ❖ Tenderers ownership status that cannot be verified for evaluation purposes will forfeit the allocated points for Specific Goals.

Note: All points will be allocated in accordance with Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2022 as amended at the date of tender closure, and the Department’s Supply Chain Management Policy.

9. SUBMISSION OF PROJECT PROPOSAL

Project proposal and supporting documentation must be submitted to:
Gauteng Department of Agriculture and Rural Development, 56 Eloff Street,
Marshalltown, Umnotho House, Ground Floor

10. TIME FRAMES

It will also be expected from the perspective panel members to complete the forty-eight (48) feasibility reports and forty-eight (48) business plans per financial year. At the end of thirty-six (36) months the service provider would have completed one

hundred and forty-four (144) feasibility studies and one hundred and forty- four (144) business plans. If there is a delay, reasons should be provided and agreed upon by both parties. Penalties may be imposed for non-compliance.

11. PROJECT MANAGEMENT ARRANGEMENTS

The perspective panel members will report directly and handover all deliverables to be reviewed and sanctioned to the project leader from GDARD. The panel of service providers must plan and budget for project management meetings to report about progress on the feasibility studies report and business plans.

12. CONTRACTUAL ARRANGEMENTS

This TOR and the project proposal will constitute an agreement between the Department and the successful bidder. However, it will be expected from the perspective panel members to sign a service level agreement with the GDARD.

13. FINANCIAL MANAGEMENT

Payment will be made after completion, review, and approval of each deliverable received from the perspective panel members, the invoice must detail specific deliverables made.

14. GAUTENG PROVINCIAL TREASURY (GPT) ELECTRONIC INVOICE SUBMISSION AND TRACKING

Section 38(1)(f) of the PFMA and Treasury Regulation 8.2.3 regulates the Payment to suppliers within 30 days of invoice receipt. In support of this it is compulsory for the successful bidder/s, on award, to register for GPT Electronic Invoice Submission and Tracking. The GPT shall assist the successful bidder/s in this regard, if required.

15. ENQUIRIES

All enquiries must be made in writing to attention of Supply Chain Management and Agricultural Economic Services

Supply Chain Management Questions:

Ms. Lindi Ngati

Supply Chain Management Directorate

Email: Ursula.Ngati@gauteng.gov.za

Technical Questions:

Mr. Fikile Mokgadi

Agricultural Economic Services

Email: Fikile.Mokgadi@gauteng.gov.za

16. BRIEFING SESSION

A compulsory project briefing session will be held to illustrate to prospective panel members the requirements and allow the opportunity for questions. **Attendance is compulsory. Bidders that do not attend the compulsory briefing session will be disqualified.**



Provincial Supply Chain Management

Financial Statements

Page 1 of 1

Submission of Financial Statements

The latest financial statements for the last two years are required (except if it is a new or a dormant entity)

- a) Financial statements must be signed by the auditor (in the case of companies) or the accounting officer (in the case of close corporations) the owner (in case of sole proprietors). Signatures must be on the accounting officer's / auditors report on the auditor's /accounting officer's letterhead.
- b) Financial statements must be signed by the member/s (in the case of close corporations) or by the director/s (in the case of companies.)
- c) In bids where consortia/joint ventures/sub-contractors and partnerships are involved, all bidders must submit their financial statements.
- d) If it is a new or dormant entity an opening set of financial statements must be submitted. A letter from the auditor (in the case of companies) or the accounting officer (in the case of close corporations) stating that the entity has not yet traded must be submitted.
- e) In cases where an entity has operated for a period less than a year the Management Accounts Report for the period in operation must be submitted signed accordingly as stated in paragraph (a) and (b) of this document.
- f) In cases where the entity has operated for a period more than a year but less that two years, then the financial statement for the first year of operation signed accordingly as per paragraph (a) and (b) of this document must be submitted.



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REPUBLIC OF SOUTH AFRICA

**GAUTENG ETHICS &
ANTI CORRUPTION**

INTEGRITY PACT FOR BUSINESSES



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FIGHTING CORRUPTION, PROMOTING INTEGRITY

1. INTRODUCTION

This agreement is part of the tender document, which shall be signed and submitted along with the tender document. The Chief Executive Officer of the bidding company or his/her authorised representative shall sign the integrity pact. If the winning bidder has not signed this integrity pact during the submission of the bid, the tender/proposal shall be disqualified.

2. OBJECTIVES

Now, therefore, the Gauteng Provincial Government and the Bidder agree to enter into this pre-contract agreement, hereinafter referred to as an integrity pact, to avoid all forms of corruption by following a system that is fair, transparent, and free from any influence/unprejudiced dealings before, during and after the currency of the contract to be entered, with a view to:

- 2.1 Enable the Gauteng Provincial Government to obtain the desired contract at a reasonable and competitive price in conformity to the defined specifications of the works, goods and services; and
- 2.2 Enable bidders to abstain from bribing or any corrupt practice to secure the contract by assuring them that their competitors will refrain from bribing and other corrupt practices and the Gauteng Provincial Government will commit to preventing corruption, in any form by their officials by following transparent procedures.

3. GOVERNANCE

- 3.1 The integrity pact seeks to ensure that both parties comply with all applicable provincial, national, continental, and international laws and regulations regarding fair competition and anti-corruption.

4. ENVIRONMENT

- 4.1 The integrity pact requires that both parties comply with all applicable environmental, health, and safety regulations.

5. PROTECTION OF INFORMATION

- 5.1 The integrity pact seeks to ensure that both parties undertake to protect the confidentiality of information. Each party, when given access to confidential information as part of the business relationship should not share this information with anyone unless authorised.



6. REPUTATION

- 6.1 The Gauteng Provincial Government wants to work with bidders who are proud of their reputation for fair dealing and quality delivery.
- 6.2 The Gauteng Provincial Government wants to ensure that working with government is reputation enhancing for the supplier.
- 6.3 The Gauteng Provincial Government expects bidders/suppliers to be protective of government's reputation, and ensure that neither they, nor any of their partners or subcontractors, bring government to disrepute by engaging in any act or omission which is reasonably likely to diminish the trust that the public places in government.
- 6.4 The Gauteng Provincial Government further requires its bidders/suppliers to always adhere to ethical conduct even outside their contractual obligation with the Gauteng Provincial Government.

7. VALUES OF THE GAUTENG PROVINCIAL GOVERNMENT

- 7.1 The value system of the Gauteng City Region is shown below:

GAUTENG CITY REGION VALUES SYSTEM	
CORE VALUES	ETHICAL VALUES
Patriotism Purposefulness Team focused Integrity Accountability Passionate Activism	Integrity Accountability Dignity Transparency Respect Honesty

- 7.2 The Gauteng Provincial Government commits to ensure that the values system is embedded into the day-to-day operations of its institutions.

8. COMMITMENTS OF THE GAUTENG PROVINCIAL GOVERNMENT

The Gauteng Provincial Government commits itself to the following:

- 8.1 The GPG commits that its officials will at all times conduct themselves in accordance with Treasury Regulations 16A.8¹, copy of which is attached marked Annexure A, and that:
 - 8.1.1 The GPG is committed to doing business with integrity and proper regard for ethical business practices.
 - 8.1.2 The GPG hereby undertakes that no official of the GPG, connected directly or indirectly with the contract will demand, take a promise for or accept, directly or through

¹ Government Notice No. R. 225 of 2005 published under Government Gazette No. 27388 of 15 March 2005, as amended



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intermediaries, any bribe, consideration, gift, reward, favour, or any material or immaterial benefit or any other advantage from the bidder, either for themselves or for any person, organisation or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.

- 8.1.3 The GPG further confirms that its officials have not favoured any prospective bidder in any form that could afford an undue advantage to that bidder during the tendering stage and will further treat all bidders alike.
- 8.1.4 The GPG will during the tender process treat all Bidder(s) with equity.
- 8.1.5 All officials of the GPG shall report any attempted or completed violation of clauses to the following details:

	Gauteng Ethics Hotline	National Anti-Corruption Hotline
Toll-free number	080 1111 633	0800 701 701
SMS call-back	49017	N/A
E-mail	gpethics@behonest.co.za	nach@psc.gov.za
Fax	086 726 1681	0800 204 965
Website	www.thehotline.co.za	www.publicservicecorruptionhotline.org.za
Post	Chief Directorate: Integrity Management Private Bag X61 Marshalltown 2001	Public Service Commission Private X121 Pretoria 0001
Walk-in	Office of the Premier 55 Marshall Street Marshalltown Johannesburg 2001	Gauteng Provincial Office Public Service Commission Schreiner Chambers 6 th Floor 94 Pritchard Street Johannesburg



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- 8.1.6 Following the report on the violation of the above clauses by the official(s), through any source, the GPG shall investigate allegations of such violations against the official or other role players and when justified:
- Take steps against such official and other role players (necessary disciplinary proceedings, and/or any other action as deemed fit, bar such officials from further dealings related to the contract process). In such a case, while an enquiry is being conducted by the Gauteng Provincial Government the proceedings under the contract would not be stalled.
 - Inform the relevant Treasury of steps taken in 8.1.5(a) against such officials; and
 - Report any conduct by such official and other role players that may constitute an offence to the South African Police Service.

9. COMMITMENTS OF THE BIDDERS

The bidder commits himself/herself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of his/her bid or during any pre-contract or post contract stage to secure the contract or in furtherance to secure it and commits himself/herself to the following:

- The bidder is committed to doing business with integrity and proper regard for ethical business practices.
- The bidder will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducements to any official of the Gauteng Provincial Government, connected directly or indirectly with the bidding process, or to any person, organisation or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.
- The bidder further undertakes that he/she has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducements to an official of the Gauteng Provincial Government or otherwise in procuring the contract or forbearing to do or having done any act in relation to the obtaining or execution of the contract or any other contract with the Gauteng Provincial Government for showing or forbearing to show favour or disfavor to any person in relation to the contract or any other contract with the Gauteng Provincial Government.
- The bidder will not collude with other parties interested in the contract to preclude the competitive bid price, impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.
- The Bidder(s)/Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.



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- 9.6 The Bidder(s)/Contractor(s) will, when presenting his / her bid, disclose any and all payments he /she has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- 9.7 In case of sub-contracting, the Principal Contractor shall take the responsibility of adoption of Integrity Pact by the Sub-Contractor.
- 9.8 The bidder shall report any attempted or completed violation of clauses 9.1 to 9.7 including any alleged unethical conduct to the Gauteng Ethics Hotline (details are provided at clause 8.1.4).
- 9.9 The bidder (or anyone acting on its behalf) warrants that:
 - 9.9.1 It has not been convicted by a court of law for fraud and/or corruption with respect to the procurement/tendering processes; and/or
 - 9.9.2 It has not been convicted by a court of law for theft or extortion; and/or
 - 9.9.3 It is not listed on the National Treasury's database of Restricted Suppliers or Register of Tender Defaulters.

10. SANCTIONS FOR VIOLATION

- 10.1 The breach of any aforesaid provisions or providing false information by employers, including manipulation of information by evaluators, shall face administrative charges and penal actions as per the existing relevant rules and laws.
- 10.2 The breach of the Pact or providing false information by the Bidder, or anyone employed by him, or acting on his behalf (whether without the knowledge of the Bidder), or acting on his/her behalf, shall be dealt with as per the provisions of the Prevention and Combating of Corrupt Activities Act (12 of 2004).
- 10.3 The Gauteng Provincial Government shall also take all or any one of the following actions, wherever required:
 - 10.3.1 To immediately call off the pre-contract negotiations without giving any compensation to the bidder. However, the proceedings with the other bidder(s) would continue.
 - 10.3.2 To immediately cancel the contract, if already awarded/signed, without giving any compensation to the bidder.
 - 10.3.3 To recover all sums already paid by the Gauteng Provincial Government.
 - 10.3.4 To cancel all or any other contracts with the bidders and GPG shall be entitled to demand and recover from the Contractor liquidated damages of the Contract value.
 - 10.3.5 To submit the details of the bidder to the National Treasury to register on the database for tender defaulters.



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11 CONFLICT OF INTEREST

- 11.1 A conflict of interest involves a conflict between the public duty and private interest (for favor or vengeance) of a public official, in which the public official has private interest which could improperly influence the performance of their official duties and responsibilities. Conflicts of interest would arise in a situation when any concerned members of both parties are related either directly or indirectly or has any association or had any confrontation. Thus, conflict of interest of any tender committee must be declared in a prescribed form.
- 11.2 The bidder shall not lend or borrow any money from or enter any monetary dealings or transactions, directly or indirectly, with any member of the tender committee or officials of the Gauteng Provincial Government, and if he/she does so, the Gauteng Provincial Government shall be entitled forthwith to rescind the contract and all other contracts with the bidder.

12 LEGAL ACTIONS

- 12.1 The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

13 VALIDITY

- 13.1 The validity of this Integrity Pact shall cover the tender process and extend until the completion of the contract to the satisfaction of both the Gauteng Provincial Government and the bidder (service provider).
- 13.2 Should one or several provisions of the Pact turn out to be invalid; the remainder of this Pact remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

GPG INTEGRITY PACT FOR BUSINESSES

BIDDER/SUPPLIER/SERVICE PROVIDER	
Signature of the CEO	
Full name of the CEO	
Tender number	
Date	

Annexure A**GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010****NOTES**

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

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

- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.
- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance**
- 7.1 Within thirty (30) days of receipt of the notification of contract award,

security

the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

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

8. Inspections, tests and analyses

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

cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser

may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily

available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the

envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34. Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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

Js General Conditions of Contract (revised July 2010)



Provincial Supply Chain Management

PREFERENCE POINTS CLAIM FORM

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 **To be completed by the organ of state**

[TICK APPLICABLE BOX]

<input type="checkbox"/>	The applicable preference point system for this tender is the 90/10 preference point system.
<input type="checkbox"/>	The applicable preference point system for this tender is the 80/20 preference point system.
<input type="checkbox"/>	Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

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



Provincial Supply Chain Management

PREFERENCE POINTS CLAIM FORM

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1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

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

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

2. DEFINITIONS

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



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PREFERENCE POINTS CLAIM FORM

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3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20

or

90/10

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20

or

90/10

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender



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4. POINTS AWARDED FOR SPECIFIC GOALS

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



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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)



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DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm

4.4. Company registration number

4.5. TYPE OF COMPANY/ FIRM

[TICK APPLICABLE BOX]

<input type="checkbox"/>	Partnership/Joint Venture / Consortium
<input type="checkbox"/>	One-person business/sole propriety
<input type="checkbox"/>	Close corporation
<input type="checkbox"/>	Public Company
<input type="checkbox"/>	Personal Liability Company
<input type="checkbox"/>	(Pty) Limited
<input type="checkbox"/>	Non-Profit Company
<input type="checkbox"/>	State Owned Company

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –



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

SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME	
DATE	
ADDRESS	