



human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

Private Bag X644 Pretoria 0001 RSA Tel (012) 421 1311 Fax (012) 341 8512
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<http://www.housing.gov.za> Fraud Line: 0800 701 701 Toll Free Line: 0800 1 46873 (0800 1 HOUSE)

REFERENCE : VA49/750
ENQUIRIES : MR V MKHWANAZI / KHAZEKA MALEKA
TELEPHONE : (012) 444- 9241/ 012 444 9243

BID VA49/750: TERMS OF REFERENCE FOR IMPLEMENTATION EVALUATION OF THE OPERATIONAL CAPITAL PROGRAMME (OPSCAP)

- 1 The closing date for the submission of applications/bid documents is **01 August 2022 @ 11:00**. No late applications/bid documents will be considered. All bids must please be placed in the Tender Box at the main entrance of the building.
- 2 It is compulsory that an original proposal/bid documents together with a copy of the proposal /bid document to be **handed in on the closing date of the bid**. Please clearly mark by writing "Original" and "Copy" on the relevant bid documents.
- 3 You are invited to bid for the services as specified in the attached forms.
- 4 The conditions contained in General Conditions of Contracts (GCC) and the attached SBD1, SBD3.3, SBD4, and SBD6.1 as well as any other conditions accompanying this request are applicable.
- 5 It is compulsory that the SUPPLIER MAINTENANCE FORM ANNEXURE A is completed.
- 6 **COMPULSORY INFORMATION/BRIEFING SESSION**

Venue: Department of Human Settlements
Microsoft Teams
Date: 15 July 2022
Time: 10h00

Regards

MR M MAMPURU
SUPPLY CHAIN MANAGEMENT PROCUREMENT
For: **DIRECTOR-GENERAL**
DATE: 29/06/2022
tendercovlet

Kgoro ya tsa Madulo * Lefapha la Bodulo * Lefapha la tsa Manno * Umnyango Wezindawo Zokuhlala * Isebe leehdawo zokuHlala
* Likho Letekwakhela Luntfu * Menshike Nedersettings * UmNyango weehdawo zokuHlala * Muhasho wa zwa Vhudzulo * Ndzawulo ya swa Vutshamo

Breaking new ground in housing delivery - Houses, Security & Comfort

BID VA 49/750

THE DEPARTMENT OF HUMAN SETTLEMENTS

BID NUMBER: BID VA49/750

DESCRIPTION: PROFESSIONAL SERVICE

CLOSING DATE: 01/08/2022

CHECK LIST TO BE COMPLETED BY THE BIDDER:

TABLE OF CONTENTS:	Yes:	No:
Invitation Letter/ Cover Letter		
(TOR) Terms of Reference		
SBD1 Invitation To Bid		
SBD2 Valid Original Tax Clearance Certificate		
SBD3.3 Pricing Schedule		
SBD4 Declaration of Interest		
SBD6.1 Preference Point: Purchases		
General Conditions of Contract		
SUPPORTING DOCUMENTS:		
Company Profile		
ID Copies of Directors		
Certificate issued by Registrar of Companies & Close Corporation, issued by CIPRO.		
Certified/Original Valid B-BBEE Status Level Verification Certificate – 07 December 2011		
COMPULSORY: Please attach a recent copy of CSD Registration Report		

BIDDER NAME IN FULL: _____

SIGNATURE: _____

DESIGNATION: _____

DATE: _____

Bid invitation check list: Compiled: K Maleka



human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

**IMPLEMENTATION EVALUATION OF THE OPERATIONAL CAPITAL PROGRAMME
(OPSCAP)**

May 2022

**National Department of Human Settlements
Chief Directorate: Sector IMS Performance Monitoring and Evaluation**

1. BACKGROUND

In terms of the Housing Code 2009, since the inception of the National Housing Programmes in 1994 more than 3.4 million houses were delivered. However, housing development is still challenged by the following:

- The lack of affordable, well-located land for low cost housing has resulted in the housing programmes largely extending existing areas that had been developed for low-income housing in the past, often located at the urban margins and with weak prospects of integration. These extensions to existing low- income settlements have generally lacked amenities necessary for a decent quality of life, mainly because of the lack of funding and poor alignment of budgets;
- National policy and provincial funding allocations have not always been able to effectively respond to the changing nature of demand caused by rapid urbanization;
- The number of subsidies required is expected to increase, resulting in an additional burden on the national fiscus;
- The lack of institutional and sector capacity to deliver housing; and
- The inability of beneficiaries of housing subsidies to afford municipal services and taxes, creating the view by municipalities that such housing projects are liabilities.

Housing delivery has been constrained by:

- The withdrawal of large construction groups from the low-cost market due to a variety of reasons. Capacity gaps in the low- cost housing sector in respect of construction, project management, financial management and subsidy administration further constrain delivery;
- The slow and complex process of identification, acquisition and release of land in terms of the revised procurement framework;
- Differences in interpretation and application of the policy, for example, the difference of opinion on issues such as beneficiary contributions; and
- Capacity constraints in the implementation of programmes, in the use of new planning principles, in acquiring affordable land and in sustaining a dedicated group of officials. These constraints exist in all spheres of government but are especially prevalent in municipalities.

Operational Capital Programme (OPSCAP)

The OPSCAP Programme therefore provides provincial governments with a mechanism for the reservation of a certain percentage of the annual housing funding allocated by the Minister for purposes of appointing external capacity to assist in the implementation of the National Housing Programmes.

The mechanism entails Project Management Support enhanced by:

- The provision of operational capital;
- The outsourcing of planning, engineering, project management and social facilitation to ensure delivery in the short term (which will depend on the capacity across government and will not be the same everywhere); and
- The transfer of skills and training by private sector teams to public sector employees who will increasingly have to take on the responsibilities for ensuing delivery.

The OPSCAP Programme was introduced in 2010 by the Minister of Housing in terms of the

provisions of Section 3(5) of the Housing Act, 1997 (Act No. 107 of 1997).

The Programme was geared to provide Project Management Support through:

- The provision of operational capital;
- The outsourcing of planning, engineering, project management and social facilitation to ensure delivery in the short term (which will depend on the capacity across government and will not be the same everywhere); and
- The transfer of skills and training by private sector teams to public sector employees who will increasingly have to take on the responsibilities for ensuing delivery.

To enable the achievement of the Government's priority housing development goals, the Programme provides funding for the appointment of external expertise by the Provincial Department (PD) and accredited municipalities to augment their capacity required for housing delivery at scale, with particular emphasis on the following programmes but not limited to:

- The Informal Settlement Upgrading Programme.
- Projects that promote integration and the creation of a non-racial society.
- The provision of primary social and economic amenities.
- The unblocking of stalled projects.

The following legislation underpins the Human Settlements mandate:

The Constitution

Section 26 of the Constitution of the Republic of South Africa, mandates the State to take reasonable legislative and other measures within its available resources to achieve the progressive realisation of the right to adequate housing.

The Housing Act

The Housing Act, 107, 1997, mandates the Minister of Human Settlements to provide for the facilitation of a sustainable housing development process; for this purpose to lay down general principles applicable to housing development in all spheres of government, to define the functions of national, provincial and local governments in respect of housing development, the financing of national housing programmes;

The National Housing Code

In the National Housing Code the document defines, amongst others, the policy approaches to the White Paper, which sets out Government's broad housing policy and strategy on the basis of 7 key strategies. Housing policy has since evolved and implementation has proceeded. Part of this is the "rationalising institutional capacities". This strategy envisages the need to create a single transparent housing process and institutional system. The culmination of the strategy is the Housing Act, 1997 which has been in effect since 1 April 1998. The Act establishes a new institutional framework and clearly defines housing roles and responsibilities in the public sector. Capacity building is a key element for the creation of an enabling environment at national, provincial and municipal spheres within which the regulators and implementers could fulfil their respective roles. This entails the introduction of appropriate legal and policy frameworks, the establishment of an effective and efficient workforce, and the installation of appropriate technology, equipment and systems for monitoring, evaluation and reporting purposes. The National Capacity Building Program aims to ensure that PDs and municipalities have the capacity to carry out their housing functions

The Division of Revenue Act

In terms of the Human Settlements Development Grant Framework (HSDG) and Urban Settlements Development Grant (USDG) as contained in the Division of Revenue Act Provinces and Metropolitan Municipalities may utilise up to a maximum of 5 per cent of the provincial allocation for the operational capital budget programme to support the implementation of the projects contained in the business plan. The Human Settlements Development and the Urban Settlements Development grants (HSDG, USDG) business plans that these institutions have been implementing over the past years contain in themselves a budgetary and expenditure items catering for Operational Capital Programme (OPSCAP).

The Comprehensive Plan for the Creation of Sustainable Human Settlements

(The Comprehensive Plan) recognizes the need for external contractors to provide implementation assistance at provincial level as a key intervention for the achievement of the Government's housing development goals and in turn address capacity constraints in the implementation of programmes, in the use of new planning principles, in acquiring affordable land and in sustaining a dedicated group of officials.

In view of the limitations of provincial operational budgets, the Comprehensive Plan introduced a framework for a funding mechanism to assist provincial governments in this regard.

2. PURPOSE

- 2.1. The purpose of the Evaluation is to assess the implementation of the OPSCAP programme in order to
 - 2.1.1. understand how the OPSCAP is working and how it can be strengthened by:
 - a) Analysing the environment within which the programme is implemented;
 - b) Analysing the cost effectiveness of the intervention;
Measuring the degree to which the program is having an effect on the human settlements sector; in order to
 - c) Understand what effect the intervention has had and why.

3. KEY EVALUATION QUESTIONS

- 3.1. The Evaluation must respond to the following key questions:
 - 3.1.1. Does theoretical framework that informs the OPSCAP provide an appropriate response to human settlements challenges?
 - 3.1.2. Is the OPSCAP being implemented according to the design?
 - 3.1.3. What are the institutional issues/gaps that are coming to light as this programme is being implemented and how is it affecting delivery of the Human Settlements Programmes?
 - 3.1.4. Are resources used efficiently? Is value for money being obtained?
 - 3.1.5. Are the performance indicators for the OPSCAP suitable for its stated purpose and how is it captured in the performance monitoring frameworks of the various spheres of government?

4. EVALUATION DESIGN

4.1. The study will follow a qualitative approach to assess the five (5) main aspects of the evaluation questions by engaging relevant literature (specific and general), legislation, policies, and stakeholders internal and external to the programme. The (5) main aspects being the theoretical framework, programme structure and design, institutional arrangements, resources efficiency and value for money, and monitoring and evaluation framework.

4.2. METHODOLOGY

The service provider must propose an appropriate method suitable to conduct the evaluation study.

4.3. LITERATURE REVIEW

The purpose of the literature review is to establish conceptual framework that will contextualise the aspects of:

- a) OPSCAP programme, which must consist of a variety of topics that are relevant to the evaluation and the programme being evaluated;
- b) evaluation type that is suitable for OPSCAP: the service provider must elaborate on the understanding of implementation evaluation study;
- c) Suitable methodological approaches that may be adopted for conducting such evaluations; and
- d) Propose methodology to conduct this evaluation study.

4.4. SAMPLING METHODOLOGY

4.5.1. As part of the methodology, the service provider must propose a scientifically sound sampling method and stakeholder can form part of the sample.

5. SCOPE OF THE EVALUATION

5.1. The evaluation entails the following:

5.1.1 An analysis of literature, policy prescripts; records of decisions; legislative frameworks; strategic plans and annual performance plans; and business plans to determine whether the theoretical frameworks underpinning the OPSCAP provide an appropriate response to human settlements challenges. The output for this component is chapter in the literature review report.

5.1.2 An analysis of the institutional arrangements that are in place to govern the implementation of OPSCAP in order to determine the effectiveness of these arrangements, the efficiency of

- the arrangements, and elevate any gaps which may exist in the system that requires improvements. The output for this component is a chapter in the literature review report.
- 5.1.3 An analysis of strategic and annual performance plans; business plans; quarterly and annual reports to determine how the programme has performed since inception at the level of provincial departments of human settlements. The output for this component is a chapter in the literature review report; a chapter in the data collection exercise; and detailed findings report for this component.
 - 5.1.4 An analysis of strategic and annual performance plans; business plans; built environment performance plans; service delivery and budget implementation plans; quarterly and annual reports to determine how the programme has performed since inception at the level of metropolitan municipalities. The output for this component is a chapter in the literature review report; a chapter in the data collection exercise; and a detailed findings report for this component.
 - 5.1.5 An analysis and profile of the types of outputs that the programme has produced since inception. These must be categorized according to how the outputs have addressed the human settlements capacity challenges in the institutions that implement OPSCAP. The output for this component is an analysis of skills and expertise that are sufficient to implement the main human settlements programmes; the gaps or shortages of these skills; a list of resources that institutions have acquired utilising the OPSCAP budget; how these delivered certain outputs and how these outputs have addressed the human settlements development challenges.
 - 5.1.6 An analysis of standard operating processes and procedures that must be followed in the implementation of OPSCAP in order to determine whether these processes and procedures comply with policy prescripts and programme objectives and whether the utilisation of the OPSCAP budget of provinces and metropolitan municipalities comply with policy prescripts and programme objectives? The output for this component is a chapter in the literature review; a chapter in the data collection exercise; and a detailed findings report for this component.
 - 5.1.7 An analysis of the legislative prescripts for budgeting (Division of Revenue Bills); the Medium Term Budgetary and Expenditure Frameworks; the annual performance plans; the SDBIPs and BEPPS; the quarterly and annual reports of institutions in order to determine whether there is value for money in the utilisation of OPSCAP budget through the acquisition of certain resources or implementation of certain capacity development programmes. The output for this component is a chapter in the literature review report; a chapter in the data collection exercise; and a detailed finding report for this component.
 - 5.1.8 An analysis of the performance indicators of the OPSCAP programme to determine whether these are suitable for the stated purpose of the programme and how this is captured in the monitoring and evaluation (M&E) frameworks of the different institutions. An output for this exercise will result in a chapter that will review of the theory of change (TOC) in the programme design to understand the inner logic of the programme. In the absence thereof this must result in the proposal of a TOC suitable for the programme in order to inform the M&E Framework.
 - 5.1.9 A data validation exercise that will validate the collected data from the respondents that will confirm the final outcomes of the data collection exercise. The output of this is the data collection and data validation workshop.

6 DATA COLLECTION

- 6.1 The study will implement the following data collection activities:
 - 6.1.1 Analysis of the existing theories, concepts, and definitions relevant to the study;
 - 6.1.2 Analysis of the Housing Code's Financial Interventions – Operational Capital Programme;
 - 6.1.3 Analysis of the Division of Revenue Act;
 - 6.1.4 Analysis of Business Plans prepared by provincial DHS since the inception of the programme;
 - 6.1.5 Analysis of Built Environment Performance Plans (BEPPs) prepared by metropolitan municipalities since the inception of the programme;
 - 6.1.6 Analysis of SDBIPs prepared by metropolitan municipalities focusing on those that falls within the period since the programme was implemented;
 - 6.1.7 Analyse the APPs and Annual and Quarterly Reports since the inception of the programme; and
 - 6.1.8 Analyse other relevant policies and frameworks.

7 PRODUCTS / DELIVERABLES EXPECTED FROM THE EVALUATION

- 7.1 An Inception Report and Project Implementation Plan. The inception plan must provide an overview of how the service provider interprets the terms of reference and the main and the key evaluation questions; the scope of work and the evaluation design contained in the TORs. The project implementation plan must revise the schedule which must be supported by a detailed Gantt chart with main activities, sub-activities, and the main deliverables.
- 7.2 Literature review report containing the details outlined in 4.3 above.
- 7.3 Case report for all provinces that are implementing the Programme
- 7.4 Case report for all Metropolitan Municipalities that are implementing the programme
- 7.5 Comparative case study report which provides an analysis of the cases and responds to the broad evaluation questions in section 3, with an executive summary of about 5 pages;
- 7.6 Data analysis report
- 7.7 Data validation workshop
- 7.8 Final evaluation report (including all datasets and metadata collected)
- 7.9 A summary of the report (± 50 pages);
- 7.10 PowerPoint presentation of the project design, findings and recommendations;
- 7.11 It is expected that all outputs should be in a manner that shows a high degree of professionalism and good report writing skills;
- 7.12 All documents must be language edited.
- 7.13 The final reports should be submitted in three (3) Compact Disks / hard Drive Memory and 3 bound copies printed in colour. The document should be written in 12 pts Arial, 1½ spacing, justified and in both PDF and MS Word formats. No branding of the service provider would be allowed in any of the documents submitted.

8 PROJECT PLAN AND PAYMENT

8.1 Project plan

This project should be completed within 8 months or 34 weeks after the service provider has been appointed. The service provider is expected to develop a draft project plan and which take into consideration the following:

Table 1: Outline project plan

Activity	Who	By when
Service provider contract signed		1 week after receiving Confirmation of appointment.
Inception meeting	Dept/Service provider (SP)	1 week after receiving Confirmation of appointment and signing of the Service Level Agreement (SLA).
Inception report and a revised comprehensive project plan	SP	2 weeks after inception meeting.
Literature Review Report and Field Work Plan	SP	4 weeks after the approval of the inception report.
Provincial Case Study Report	SP	4 weeks after the approval of the Literature Review Report.
Metropolitan Municipalities case study report	SP	4 weeks after the approval of the Provincial Case Study Report.
Comparative Report		4 weeks after the approval of the metropolitan municipalities' case study report.
Submission of draft report	SP	4 weeks after the approval of the Comparative report.
Workshop with stakeholders to validate and discuss the findings and recommendations as outlined in the draft report	Dept, SP and stakeholders	4 weeks after receiving the draft report.
Inputs on the draft report	Peer reviewers and steering committee	4 weeks after receiving inputs to the draft report.
Submission of final report	SP	2 weeks after receiving inputs.

a. Budget and payment schedule

Payment for the delivery of the work will be conducted in the following manner:

Deliverable	Proportion of total payment
Phase 1: Inception Report and Project Plan a) On submission and approval of the Inception Report and Project Plan	10%
Phase 2: Literature Review Report and data collection Plan a) On submission and approval of the Literature Review Report and Fieldwork Plan	30%
Phase 3: Comparative Report <ul style="list-style-type: none"> • On submission and approval of the Comparative Report 	20%
Phase 4: Draft report On submission and approval of the Draft Report	10%
Phase 5: Final Report a) On submission and approval of a final report (full and in 1/3/25 format)as follows: <ul style="list-style-type: none"> • Report to have all sections of academic report such as executive summary, introduction, literature review, research methodology, statement and analysis of findings, conclusions and recommendations. Findings to be presented in tables and graphic forms for each of the test items • A summary report in both PDF and MS Word • An overall report with an executive summary 1.3 • Electronic presentation of the project • The report should be in three compact disks, 3 bound copies printed in colour (no service provider branding) All reports should be language edited b). Provision of all datasets, metadata and survey documentation (including interviews) when data is collected.	30%

2 MANAGEMENT ARRANGEMENTS

a. Management

- i. The National Departments of Planning, Monitoring, and Evaluation (DPME), and Human Settlements (NDHS) will manage the project jointly.
- ii. The service provider will be expected to present the inception report, draft report and final report for comments and inputs to the evaluation steering committee, which comprise of NDHS, National Treasury, Provincial Departments, and relevant stakeholders. Further, to present the draft report at the stakeholder validation workshop.
- iii. All communication between the Service Provider and the Department shall be made through the project manager at the NDHS.

b. Reporting arrangements

- i. Monthly progress report should be submitted to the Project Manager in the NDHS indicating the key developments in the time period reported on, future activity schedule, and obstacle if any that are being encountered together with the suggested solutions to the challenges.
- ii. It would be expected that any urgent matters that affect the service provider's ability to meet the deadlines should be brought to the attention of the Project Manager immediately.

3 EXPECTATIONS OF THE SERVICE PROVIDER

a. Qualification criteria

- i. Socio-economic, historic and political landscape of South Africa
- ii. Economics, social sciences, and Human Settlements related field
- iii. A good knowledge of evaluation methodologies, and experience in applying them. This would be required in relation to
 - 1. Case Study research
 - 2. Quantitative and qualitative research
 - 3. Policy and programme analysis and policy and programme evaluation
 - 4. Strong project management skills, including field coordination and implementation where needed;
 - 5. Knowledge of and exposure to international good practice would be an advantage, particularly in middle-income and African countries.

4 EVALUATION CRITERIA

- a. The evaluation of the proposals submitted to the Department will follow a two-step process. In the first step, all proposals will be evaluated on functionalities and capabilities. In the second step, only qualifying proposals will be evaluated on the 80/20 preference point system.
- b. The proposal should contain a description of how the report will be organised and which components it will contain.
- c. The functionalities and capabilities will be evaluated as follows:

Criteria	Sub Criteria	Sub points	Total points
Team expertise ¹	Team consisting of a combination of skills including Social Scientists, Economists, and professionals in the Built Environment at Masters Level and above	15	15
	Team consisting of a combination of skills including Social Scientists, Economists, and professionals in the Built Environment at Honours Level and above	10	

¹ Please attach curriculum vitae of the team members

Criteria	Sub Criteria	Sub points	Total points
	Team consisting of a combination of skills including Social Scientists, Economists, and professionals in the Built Environment only at Degree Level	7	
Experience of the team leader in social/ economic and human settlements research	Years in the field: 10 and more years' experience	25	25
	From six (6) to nine (9) years of experience	20	
	From three (3) to five (5) years' experience	10	
Delivery of similar assignments ²	Delivery of 10 or more similar assignments	10	10
	Delivery from seven (7) to nine (9) similar assignments	7	
	Delivery from four (4) to six (6) similar assignments	4	
	Delivery from two (2) to three (3) similar assignments	1	
Understanding of the scope of work	<ul style="list-style-type: none"> Detailed and logical project proposal with clear and empirical methodology to be followed to respond to the scope of work based on demonstrated significant use of existing relevant literature 	25	35
	<ul style="list-style-type: none"> Project plan with milestones and timeframes 	10	
Resource capacity to carry out the project	<ul style="list-style-type: none"> Outline of project team members, respective skills and areas of responsibilities during the duration of the project 	10	15
	<ul style="list-style-type: none"> Demonstrated skills and expertise (outline analytical, technical evaluation methodologies and research skills) 	5	
Overall total			100

- d. A service provider who submits a proposal that scores less than 70 out of 100 points would be considered having submitted a non-responsive proposal and will be disqualified.
- e. **The Department reserves the right to shortlist an acceptable number of candidates who might be requested to make a presentation before appointing a service provider based on the above criteria.**
- f. No service provider is allowed to score themselves on the submitted documents.

²Please provide a list of projects, stating the name of the client and contact person for reference

5 COMPULSORY INFORMATION SESSION

The National Department of Human Settlements will conduct a **VIRTUAL BRIEFING SESSION** which will be compulsory to all Survey Companies.

Details of the briefing session are as follows:

DATE:

VENUE: Department of Human Settlements
Microsoft Teams

TIME: 10h00

6 GENERAL CONDITIONS

- a. The tender will be valid for a period of 90 days. The prices quoted in the tender remain applicable unless and until the national DHS is notified to the contrary by the service provider;
- b. The service provider must furnish the following information as comprehensively as possible:
 - Full details of the service provider
 - head office address and email
 - telephone and fax numbers
 - level of technical competency
 - company profile
 - full details of the individuals to be involved, their expertise, track record and roles in the assignment;
 - A detailed cost breakdown of the tender prices. Preference will be given to fixed price contracts linked to clearly identifiable deliverables;
 - clearly defined milestones, correlating to the sections outlined in this invitation; and
 - A detailed explanation of the process to be followed to provide the required service.
- c. The successful service provider would be expected to submit a detailed project proposal indicating methodologies to be employed and work break down schedule, which will be presented to the National Departments of Planning, Monitoring, and Evaluation (DPME), and Human Settlements (NDHS) within twenty one (14) days after appointment.
- d. The successful service provider would be expected to sign a service level agreement; both the service level agreement and the terms of reference will be equally binding in the administration and management of the project.

7 Copyright

- a. The copyright of all data collected and the final report to be delivered by the service provider will rest with the National Departments of Planning, Monitoring, and Evaluation (DPME), and Human Settlements (NDHS);

- b. The service provider will not publish (including presentation to conferences and all other forums), whether in part or whole, the submitted report without the written permission of the DHS.
- c. A contract for this project will only be awarded on the condition that all information, reports and plans, both print and electronic, as well as the system that may have been designed specifically for this project, in whatever format, will belong to the National Department of Human Settlements. None of the information can be used without the express permission of the NDoHS. To this effect, the service-provider appointed will be required to sign a confidentiality agreement.

8 Enquiries

Written enquiries regarding these ToRs should be directed to:

Ms Mulalo Muthige
Chief Director: Sector IMS and Performance Monitoring and Evaluation
National Department of Human Settlements
Telephone: (012) 421 1609 or Cell: 082 880 1275
e-mail: mulalo.muthige@dhs.gov.za

OR

Mr Andile Mncube
Acting Director: Human Settlements Programme and Projects Evaluation
National Department of Human Settlements
Cell: 084 428 7911
e-mail: andile.mncube@dhs.gov.za

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	VA49/750	CLOSING DATE: 01 AUGUST 2022	CLOSING TIME:	11:00	
DESCRIPTION	IMPLEMENTATION EVALUATION OF THE OPERATIONAL CAPITAL PROGRAMME (OPSCAP)				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS,					
DR RUTH MOMPATI BUILDING					
260 JUSTICE MAHOMED STREET,					
SUNNYSIDE, PRETORIA					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	MR V MKHWANAZI, MS K MALEKA		CONTACT PERSON	MR A MNCUBE	
TELEPHONE NUMBER	012 444 9239/9243		TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	khazeka.maleka@dhs.gov.za		E-MAIL ADDRESS	andile.mncube@dhs.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER 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.					

**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, 2017, 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:

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

DATE:

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO.: VA49/750
CLOSING TIME 11:00	CLOSING DATE: 01/08/2022

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
---------	-------------	---

BID VA49/750: TERMS OF REFERENCE FOR IMPLEMENTATION EVALUATION OF THE OPERATIONAL CAPITAL PROGRAMME (OPSCAP)

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....
3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

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

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

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

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

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

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

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

- 6. Period required for commencement with project after acceptance of bid
.....
- 7. Estimated man-days for completion of project
.....
- 8. Are the rates quoted firm for the full period of contract? *YES/NO
- 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.
.....

***[DELETE IF NOT APPLICABLE]**

Any enquiries regarding bidding procedures may be directed to the –

THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS, 240 JUSTICE MAHOMED STREET, GOVAN MBEKI HOUSE, SUNNYSIDE, PRETORIA, 0002

MS M HITGE / MS K MALEKA

Tel: 012 444 9239 or 012 444 9245

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

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

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.

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

2.2.1 If so, furnish particulars:

.....
.....

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

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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.

SBD4

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

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

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

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

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

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

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

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

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

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

1.2

- a) The value of this bid is estimated to ~~exceed~~/not exceed R50 000 000 (all applicable taxes included) and therefore the preference point system shall be applicable; or
- b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

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

5. BID DECLARATION

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

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

6.1 B-BBEE Status Level of Contributor: _____ = _____ (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

7. SUB-CONTRACTING

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

(Tick applicable box)

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

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted.....%

ii) The name of the sub-contractor.....

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

iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

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

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

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		

Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration
 number:.....

8.3 Company registration
 number:.....

8.4 TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

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

[TICK APPLICABLE BOX]

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

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the
 company/firm, certify that the points claimed, based on the B-BBE status level of
 contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies
 the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as
 indicated in paragraph 1 of this form;

- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

<p>WITNESSES</p> <p>1.</p> <p>2.</p>	<p>.....</p> <p>SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE:</p> <p>ADDRESS</p> <p>.....</p> <p>.....</p>
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THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

1. Definitions
2. Application
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5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
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13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
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27. Settlement of disputes
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33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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