



cooperative governance
and traditional affairs

Department of Cooperative Governance
and Traditional Affairs
FREE STATE PROVINCE

BID DOCUMENT

APPOINTMENT OF A SERVICE PROVIDER(S) FOR RENDERING OF TRAVEL MANAGEMENT SERVICES TO THE FREE STATE DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (COGTA) FOR A PERIOD OF 36 MONTHS

FSCOGTA: RFB/005/23/24

CLOSING DATE: 14 MARCH 2024 AT 11:00

NON COMPULSORY BRIEFING SESSION: 01 MARCH 2024

O.R TAMBO HOUSE, ROOM 729 @ 10H00 or online at:

Join the meeting now

Bid Submission Checklist

Bidders are required to complete the following checklist and to submit it with their bids:

Please note that all the information listed below should be included in the bid.

No	Requirement	Compliant? (Tick <input type="checkbox"/> in appropriate box)	
		Yes	No
1	SECTION 1		
1.1	Invitation Letter		
1.2	Invitation to Bid: SBD 1		
1.3	Pricing schedule: SBD 3.2		
1.4	Declaration of Interest: SBD 4		
1.5	Preference points claim form in terms of the Preferential Procurement Regulations 2022: SBD 6.1		
2	SECTION 2		
2.1	General Conditions of Contract		
3	SECTION 3		
3.1	Specifications / Terms Of Reference and the special conditions of a contract		

NB: Bidders are required to provide the following:

CSD Number: MAAA _____

ASATA Registration Name: _____

IATA Numeric Code: _____

SECTION 1

PART A

INVITATION TO BID

SBD1

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE FREE STATE DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS					
BID NUMBER:	FSCOGTA: RFB/005/23/24	CLOSING DATE:	14 / 03 / 2024	CLOSING TIME:	11: 00 AM
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER(S) FOR RENDERING OF TRAVEL MANAGEMENT SERVICES TO THE FREE STATE DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (COGTA) FOR A PERIOD OF 36 MONTHS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
OR TAMBO HOUSE, MAIN ENTRANCE, GROUND FLOOR					
Ground Floor, OR Tambo House, Cnr Markgraaff & St Andrews Streets Bloemfontein					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	tenders@fscogta.gov.za		CONTACT PERSON	tenders@fscogta.gov.za	
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	tenders@fscogta.gov.za		E-MAIL ADDRESS	tenders@fscogta.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

I. 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]	II. 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]
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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, 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 – NON-FIRM PRICES (SERVICE)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

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

NAME OF BIDDER: _____ Closing date & time: 14 March 2024 at 11h00		BID: FSCOGTA: RFB/005/23/24 Validity Period: 90 Days
ITEM	DESCRIPTION	SERVICE FEE CHARGE PERCENTAGE(%) (PLEASE PROVIDE PERCENTAGE(%) NOT AMOUNT) (INCLUDING VAT)
1	RENDERING OF TRAVEL MANAGEMENT SERVICES IN RESPECT OF AIR TRAVEL, CAR HIRE OR SHUTTLE SERVICES , ACCOMMODATION AND OTHER TRAVEL RELATED SERVICES FOR DOMESTIC TRAVEL (WITHIN SOUTH AFRICA)	
ITEM	DESCRIPTION	STANDARD SERVICE FEE (PRICE AMOUNT NOT PERCENTAGE) FOR ITEM 2,3AND 4 – BELOW (INCLUDING VAT)
2	CHANGE BOOKING FEE	R
3	CANCELLATION FEE	R
4	24 HOUR EMERGENCY CALL CENTRE CHARGES (17:00-07:00) DURING WEEKDAYSINCLUDING WEEKENDS AND PUBLIC HOLIDAYS	R
REQUIRED BY: COGTA DEPARTMENT		
Does offer comply with specification		<input type="checkbox"/> Yes <input type="checkbox"/> No

** "all applicable taxes" includes value- added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies, whichever is applicable to the service provider*

NB: Item 2 to 4 are only for comparison purposes and will not influence the appointment

NAME OF BIDDER: _____ Closing date & time: 14 March 2024 at 11h00	BID: FSCOGTA: RFB/005/23/24 Validity Period: 90 Days
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ITEM	DESCRIPTION	SERVICE FEE CHARGE PERCENTAGE(%) (PLEASE PROVIDE PERCENTAGE(%) NOT AMOUNT) (INCLUDING VAT)
1	RENDERING OF TRAVEL MANAGEMENT SERVICES IN RESPECT OF AIR TRAVEL, CAR HIRE OR SHUTTLE SERVICES, ACCOMMODATION AND OTHER TRAVEL RELATED SERVICES FOR INTERNATIONAL TRAVEL (OUTSIDE SOUTH AFRICA)	
2	CHANGE BOOKING FEE	R
3	CANCELLATION FEE	R
4	24 HOUR EMERGENCY CALL CENTRE CHARGES (17:00-07:00) DURING WEEKDAYS INCLUDING WEEKENDS AND PUBLIC HOLIDAYS	R
REQUIRED BY: COGTA DEPARTMENT		
Does offer comply with specification		<input type="checkbox"/> Yes <input type="checkbox"/> No

** "all applicable taxes" includes value- added tax, pay as you earn, , whichever is applicable to the service provider.
NB: Item 2 to 4 are only for comparison purposes and will not influence the appointment

PRICE ADJUSTMENTS (INCLUSIVE OF DOMESTIC & INTERNATIONAL TRAVEL)

A NON-FIRM PRICES SUBJECT TO ESCALATION

1. IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES
 IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF

THE FOLLOWING FORMULA:
$$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{D4t}{D4o} \right) + VPt$$

Where:

Pa = The new escalated price to be calculated.

(1-V)Pt = 85% of the original bid price. **Note that Pt must always be the original bid price and not an escalated price.**

D1, D2.. = Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1,D2...etc. must add up to 100%.

R1t, R2t..... = Index figure obtained from new index (depends on the number of factors used).

R1o, R2o = Index figure at time of bidding.

VPt = 15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

3. The following index/indices must be used to calculate your bid price:

Index..... Dated..... Index..... Dated..... Index..... Dated.....

Index..... Dated..... Index..... Dated..... Index..... Dated.....

4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR (D1, D2 etc. e.g. Labour, transport etc.)	P PERCENTAGE OF BID PRICE

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW PRICE WILL BE EFFECTIVE

BIDDER'S DISCLOSURE

SBD 4

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 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:

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.

.....
.....
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 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

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.

AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD
THIS DECLARATION PROVE TO BE FALSE.

.....
Signature Date

.....
Position Name of bidder

SBD 6.1

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

- a) The applicable preference point system for this tender is the 80/20 preference point system.
- b) 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of

this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

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 points is allocated for price on the following basis:

80/20

$$Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$$

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Blacks and people who had no franchise on national elections before 1994 constitution (more than 50% ownership)	2	
Women (more than 30% ownership)	5	
Youth (more than 30% ownership)	5	
People with disability (more than 30% ownership)	3	
promotion of local economy in terms of province, region, municipal area or rural area (within Free State)	5	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

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

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

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

SECTION 2

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions	<p>1. The following terms shall be interpreted as indicated:</p> <p>1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.</p> <p>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.</p> <p>1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.</p> <p>1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.</p> <p>1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.</p> <p>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.</p> <p>1.7 "Day" means calendar day.</p> <p>1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.</p> <p>1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.</p> <p>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.</p> <p>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</p>
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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 sub bidders) 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.

	<p>1.23 “SCC” means the Special Conditions of Contract.</p> <p>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.</p> <p>1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.</p>
2. Application	<p>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.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p>
3. General	<p>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.</p> <p>3.2 With certain exceptions, invitations to bid are only published in the Government Bid Bulletin. The Government Bid Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za</p>
4. Standards	<p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p>
1. Use of contract documents and information; inspection.	<p>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.</p>

	<p>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.</p> <p>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.</p> <p>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.</p>
6. Patent rights	<p>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.</p>
7. Performance security	<p>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.</p> <p>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.</p> <p>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</p> <p>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.</p>
8. Inspections, tests and analyses	<p>8.1 All pre-bidding testing will be for the account of the bidder.</p> <p>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</p>

	<p>bidder or bidder shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
<p>9. Packing</p>	<p>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</p>

	<p>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.</p> <p>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.</p>
10. Delivery and documents	<p>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.</p> <p>10.2 Documents to be submitted by the supplier are specified in SCC.</p>
11. Insurance	<p>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.</p>
12. Transportation	<p>12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.</p>
13. Incidental services	<p>13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:</p> <ul style="list-style-type: none"> (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. <p>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.</p>

<p>14. Spare parts</p>	<p>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:</p> <ul style="list-style-type: none"> (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: <ul style="list-style-type: none"> (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.
<p>15. Warranty</p>	<p>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.</p> <p>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.</p> <p>15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.</p> <p>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.</p> <p>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.</p>

16. Payment	<p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p>
17. Prices	<p>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.</p>
18. Contract amendments	<p>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.</p>
19. Assignment	<p>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.</p>
20. Subcontracts	<p>20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract 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.</p>
21. Delays in the supplier's performance	<p>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.</p>
	<p>21.2 If at any time during performance of the contract, the supplier or its sub bidder(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.</p>

	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: <ul style="list-style-type: none"> (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.
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 favorable difference shall on demand be paid forthwith by the bidder to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the bidder 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	<p>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.</p> <p>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.</p> <p>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.</p> <p>27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.</p> <p>27.5 Notwithstanding any reference to mediation and/or court proceedings herein,</p> <p>(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and</p> <p>(b) the purchaser shall pay the supplier any monies due the supplier.</p>
28. Limitation of liability	<p>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 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.</p>
29. Governing language	<p>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.</p>
30. Applicable law	<p>30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.</p>
31. Notices	<p>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</p>

	<p>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</p> <p>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.</p>
32. Taxes and duties	<p>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.</p> <p>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.</p> <p>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.</p>
33. National Industrial Participation (NIP) Programme	<p>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.</p>
34. Prohibition of Restrictive practices	<p>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).</p> <p>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.</p> <p>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)</p>

	<p>years and/or claim damages from the bidder(s) or contractor(s) concerned.</p>
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SECTION 3

SPECIAL CONDITIONS AND SPECIFICATION/ TERMS OF REFERENCE

1. LEGISLATIVE AND REGULATORY FRAMEWORK

- 1.1 This bid and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). The Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

2. STATUS OF REQUEST FOR PROPOSAL

- 2.1 This bid is an invitation for Bidder (s) to submit proposal (s) for the provision of the services as set out in the Terms of Reference contained herein.
- 2.2 The Free State Cooperative Government and Traditional Affairs (COGTA) wishes to enter into an agreement with Travel Agency (s)/ Travel management Companies (TMC)/ Agency whereby all arrangements for travel management services for Department are referred to this Travel Agency/ies.

3. OBJECTIVE

- 3.1 To appoint Travel Management Company/ies (TMC/s) in line with COGTA's objectives to :
- provide travel management services that are consistent and reliable;
 - ensure that quality service is rendered in line with the Service Level Agreement;
 - improve the Department's travel management services and shorten turnaround times in terms of Travel Management;
 - operate within the Travel Management Policy;
 - ensure the efficient, economic and effective facilitation of domestic and international travelling and accommodation bookings required;
 - To bring about element of professionalism within COGTA's travelling management system.

4. DEFINITIONS

- 4.1 Regulations has the same meaning assigned to it in the Act or the Regulations, and—
- “**Accommodation**” means the rental of lodging facilities while away from one's place of residence while on official business;
- “**after-hours services**” means a travel request that is actioned after normal working hours, i.e. 17h00 to 7h00 on Mondays to Fridays and twenty-four (24) hours on weekends and public holidays;
- “**Air travel**” means travel by airline on official business;
- “**authorizing official**” means the official who has delegated authority in terms of the Institution's approved delegations, to approve travel requests and expenses;

“best price of the day” means–

- (a) for airline bookings: the lowest fare offered at the time of booking, provided that this fare is offered in conjunction with suitable travel times. Travel Bookers to take cognisance of airline discount agreements negotiated by National Treasury;
- (b) for accommodation bookings: the lowest rate available at suitable accommodation establishments within reasonable distance from place of duty. The travel booker will determine the most appropriate star rating, based on an assessment of government business requirements and total cost of travel (typically, accommodation rates plus transportation costs). Travel bookers to take cognisance of the maximum allowable accommodation rates prescribed by National Treasury;

“car rental” means the rental of a vehicle for a defined period of time by a traveler for official business purposes;

“delegated official” means an official authorised in writing by the AO/AA in terms of sections 44 and 56, respectively, of the PFMA or any other enabling legislation to exercise a power or perform a duty set out in the relevant legislation, subject to such conditions as may be determined by the relevant AO/AA;

“domestic travel” means travel within the borders of the Republic of South Africa or within the borders of the foreign country where the official is based;³

“emergency” means an event where unforeseen and unavoidable circumstances (either personal and, or, business related), including but not limited to, a death, illness, health risk, disaster management operations, or a business environmental risk, requires a booking for travel or a diversion from the original planned trip;

“Governance Committee”⁴ means external and internal members belonging to a body that provides oversight and assurance functions over the operations of an Institution. Such Governance Committees include:

- a) The Board and its sub-committees;
- b) Departmental Audit Committees;
- c) Departmental Risk Committees;
- d) Departmental Anti-corruption Committees;

“incidental expenses” means minor expenditures associated with business travel. These expenses comprise an immaterial part of the travel and entertainment costs that a person might incur. These expenditures are usually paid by the traveler, since they are so small and are covered by the subsistence allowances under normal circumstances. Examples of these expenses are gratuity for table and room service, reading matter, private telephone calls, Liquid Refreshments which do not form part of the Meals and any similar minor expense;

³ The location, town, city, or country, as the case may be, where the Official in the normal course reports for work.

⁴ Institutions may include other governance committees applicable to the Institution which include external members.

“international travel” means travel outside the borders of the Republic of South Africa or outside the borders of the foreign country where the official is based;⁵

“institution” means a department, constitutional institution, public entity and government business enterprise listed in Schedules 2 and 3 to the PFMA;

“Institutional Travel Policy” means the internal travel policy developed by each Institution and approved by the AO/AA or delegated official which is in compliance with the minimum requirements of the NTF;

“liquid refreshments” means any drink and includes, inter alia, coffee, tea, sodas, bottled water, and fruit juices, but excludes any alcohol or spirits, malt or related substances;

“meals” means breakfast, lunch and dinner and include any Liquid Refreshments;

“official business” means the authorised performance of the institution’s functions in terms of its mandate and strategic, operational and performance plans;

“official” means any person employed by, or seconded to an institution, unless specified otherwise in this policy;

“place of duty” means the place, other than the place of work, where the official performs official business or is otherwise on duty, e.g. an external meeting venue, conference venue or workshop;

“place of work” means the place of work identified in the official’s contract of employment;

“reasonable actual expenses” means essential and inevitable expenses which are inexpensive, moderate and agreeable;

“Shuttle service” means the service offered by a shuttle service company to transport a traveler from one point to another;

“subsistence allowance” means any allowance paid by the institution to the official for expenses incurred or to be incurred in respect of personal subsistence and incidental expenses;

“traveller”⁶ means a person travelling at the behest of the Institution on official business;

“travel advance” means a sum of money paid to an official prior to an official business trip. An advance would typically cover reimbursable expenses such as meals, transportation, lodging, and incidental items;

“travel allowance” is any allowance paid or advance granted by the Institution to the official for the use of his or her private motor vehicle for the Institution’s business purposes;

“travel authorisation Form” means the official form (manual or electronic) used by the Institution reflecting the detail and order number or unique authority number of the official business trip that the relevant authorising official approves;

“travel Booker” means the person coordinating travel reservations on behalf of the traveler directly, or through the TMC consultant on behalf of the traveler;

⁵ The location, town, city, or country, as the case may be, where the Official in the normal course reports for work.

⁶ Institutions may include other categories of Travellers, e.g. executives, other policy beneficiaries in line with applicable employment conditions (e.g. Institution bereavement, wellness and recruitment policies); Research collaboration support such as researchers and postgraduate students utilising shared

“travel expenses” means expenses incurred by a traveler while he/she is on an Official Business trip.

Examples of travel expenses may include expenses on accommodation, transportation and meals;

“Travel Management Company” means the service provider contracted to provide travel management services, which is inclusive of the procurement of travel related services; and

“travel voucher” means a document issued by the TMC to confirm the reservation or payment, or both, of specific travel arrangements.

5. SCOPE OF WORK

The travel management services will include but will not be limited to the following:

5.1 General

5.1.1 The contracted services will be provided to all travelers travelling on behalf of COGTA in which COGTA is responsible for arrangement and costs of such travelling.

5.1.2 The appointed service provider must comply with the Travel Management Framework and Departmental Travel Management Policy.

5.1.3 The Travel Management Company (TMC) will make all reservations in line with the Travel Management Policy / Framework.

5.1.4 The TMC must ensure that the final selection of flights, hotels and other services is authorized prior to the issuing of air tickets, vouchers and other travel documentation.

5.1.5 Penalties incurred as a result of the inefficiency or fault of a travel consultant will be for the Travel Management Company's account.

5.1.6 The TMC will manage the third party service providers by addressing service failures and complaints against these service providers.

5.1.7 The TMC is expected to pay for any other official travel related expenses reasonably incurred by the traveler.

5.2 Reservations

5.2.1 The TMC will always endeavour to make the most cost effective travel arrangements while taking the convenience and requirements of the Traveller into consideration.

5.2.2 The TMC must have a full understanding of all the destinations and routings to be able to advise the Traveller of alternative plans that are more cost effective and more convenient where necessary.

5.2.3 A minimum of three (3) price comparisons/quotations must be obtained for all travel requests, unless it is not possible in which case written reasons for not adhering to this requirement must be submitted by the TMC.

5.2.4 The TMC will book the negotiated discounted fares and rates where possible.

5.2.5 The TMC will respond timely and process all requests, changes and cancellations timeously and accurately.

5.2.6 The TMC will advise the Traveller of all visa and inoculation requirements well in advance.

- 5.2.7 The TMC/s will assist with the arrangement of foreign currency and the issuing of travel insurance for international trips where required.
- 5.2.8 The TMC must also facilitate any reservations that are not bookable on the Global Distribution System (GDS).
- 5.2.9 Should future development require the utilisation of a particular GDS, the TMC should utilise the Government's selected GDS, even if it means a different GDS that the TMC is currently using
- 5.2.10 The TMC will facilitate the bookings that are generated through their own or third party Online Booking Tool (OBT) where it can be implemented.
- 5.2.11 The TMC will also facilitate the bookings that are generated through the online request and approval system to be implemented in the near future.

5.3 **Air Travel**

- 5.3.1 The TMC must be able to book full service airlines as well as low cost carriers.
- 5.3.2 The TMC should obtain three or more price comparisons/quotations where applicable to present the most cost effective and practical routing to the Traveller.
- 5.3.3 The airline ticket/electronic air ticket should include the applicable agreement number and the individual loyalty program number of the Traveller (if applicable). The following information should be displayed on the ticket: ticket number, name of traveler, depart and destination and the costs there of.
- 5.3.4 The airline ticket should include the applicable agreement number and the individual loyalty program number of the Traveller (if applicable).
- 5.3.5 The TMC will also assist with the booking of charters on an ad hoc basis. This will include the booking of charter services for VIPs where applicable as well as the sourcing of alternative service providers for other charter requirements.
- 5.3.6 The TMC will be responsible for the tracking and management of unused e-tickets.
- 5.3.7 Ensure that travellers are always informed of any travel news regarding airlines (like baggage policies, checking in arrangements, etc).
- 5.3.8 The TMC must during their report period provide proof that bookings were made against the discounted rates on the published fares where applicable.
- 5.3.9 Airline tickets must be delivered electronically (SMS and/or email format) to the traveller(s) and travel bookers promptly after booking before the departure times.

5.4 **Accommodation**

- 5.4.1 The TMC will obtain price comparisons within the maximum allowable rate matrix as per the instruction of the National Treasury.
- 5.4.2 The TMC will obtain three price comparisons from accommodation establishments taking the maximum allowable rate and within allowable graded establishment, the proximity of the establishment in relation to the place of business and the convenience of the traveller into account.
- 5.4.3 This includes planning, booking, confirming and amending of accommodation with any establishment (hotel group, private hotel, guest house or Bed & Breakfast) in accordance with the Department's travel policy.
- 5.4.4 Accommodation vouchers must be issued to all departmental travellers for accommodation bookings and must be invoiced to the relevant supply chain office as per arrangement. Such invoices must be supported by a copy of the original hotel accommodation charges (third party invoice).

5.4.5 The TMC should during their report period provide proof that accommodation rates were booked within the maximum allowable rates as per the cost containment instruction of the National Treasury.

5.4.6 Cancellation of accommodation bookings must be done promptly to guard against no show and late cancellation fees.

5.5 **Car Rental and Shuttle Services**

5.5.1 The TMC will book the approved category vehicle in accordance with the Travel Policy with the appointed car rental service provider from the closest rental location.

5.5.2 The travel consultant should advise the Traveller on the best time and location for collection and return considering the Traveller's specific requirements.

5.5.3 For international travel the TMC will offer alternative transportation to the Traveller that include rail, buses, shuttle, and other travel related services.

5.5.4 The TMC will book transfers in line with the Travel Policy with the appointed and/or alternative service providers. Transfers can also include bus and coach services.

5.5.5 The TMC should during their report period provide proof that negotiated rates were booked.

5.6 **After Hours and Emergency Services**

5.6.1 A consultant or team of consultants should be available to assist Travellers with after hours and emergency reservations and changes to travel plans.

5.6.2 A dedicated consultant/s must be available to assist VIP Travellers with after hour or emergency reservations.

5.6.3 After hours' services must be provided from Monday to Friday outside the official hours and twenty-four (24) hours on weekends and Public Holidays.

5.6.4 A call centre facility or after hours contact number should be available to all travellers so that when required, unexpected changes to travel plans can be made and emergency bookings attended to.

5.6.5 The TMC must have a standard operating procedure for managing after hours and emergency services. This must include purchase order generation of the request within 24 hours.

5.7 **Communication**

5.7.1 The TMC must establish communication with all the stakeholders that include the Travellers, Travel Bookers and third party service providers at all times.

5.7.2 The TMC can be requested to conduct workshops and training sessions for Travellers and Travel Bookers.

5.7.3 All complaints must be investigated and prompt feedback be provided in accordance with the Service Level Agreement agreed to by COGTA and the appointed TMC.

5.7.4 All enquiries must be attended to by the.

5.8 **Financial Management**

5.8.1 The TMC must implement the rates negotiated by National Treasury with travel service providers or the discounted airfares or the maximum allowable rates established by the National Treasury, where applicable.

5.8.2 The TMC will be responsible to manage the service provider accounts. This will include the timely receipt of invoices to be presented to Government for payment within the agreed time period.

5.8.3 Cost savings must be achieved and this must be reported and proof provided during reporting period.

5.8.4 The TMC will be required to offer a 30-day bill-back account facility to accommodation establishments and ground transportation service providers that are utilised by the Travellers.

5.8.5 In certain instances where COGTA have a travel lodge card in place, the payment of air, accommodation and ground transportation is consolidated through a corporate card vendor.

5.8.6 The pre-payments required by certain establishments will be processed by the TMC.

5.8.7 The TMC is responsible for the reconciliation of invoices and supporting documentation to be provided supply chain management office on the agreed time period (e.g. weekly). This includes attaching the Travel Authorisation or Purchase Order and other supporting documentation to the invoices reflected on the Service provider bill-back report or the credit card statement.

5.8.8 The TMC will settle the Travel service providers' accounts within the agreed payment terms.

5.8.9 For any other official travel related expenses incurred by the traveller, the travel management is expected to pay such expenses and reasonably provide third party invoices. The TMC will in case be compensated for such invoices as follows for management fee:

Up to R 10 000 = 5 %

Above R 10 000 = 3 %

5.9 **Account Management**

5.9.1 The TMC must ideally appoint an Account or Business Manager that is ultimately responsible for the management of the account.

5.9.2 The necessary processes should be implemented to ensure good quality management and ensuring Traveller satisfaction at all times.

5.9.3 A complaint handling procedure must be implemented to manage and record the compliments and complaints of the TMC and other travel service providers.

5.9.4 The Service Level Agreement (SLA) will be managed and customer satisfaction surveys will be conducted to measure the performance of the TMC.

5.9.5 Ensure that workshops/training is provided to Travellers and/or Travel Bookers

5.10 **Cost Management**

5.10.1 The Travel Policy is establishing a basis for a cost savings culture for the Department of COGTA.

5.10.2 It is the obligation of the Traveller and the Authorising Official to ensure that the most cost effective option is selected at all times.

5.10.3 The TMC plays a pivotal role to provide high quality travel related services that are designed to strike a balance between effective cost management and flexibility.

5.10.4 The TMC should have in-depth knowledge of the service provider products, to be able to provide the best option and alternatives that are in accordance with the Travel Policy to ensure that the Traveller reaches his/her destination safely, in reasonable comfort, with minimum disruption, cost effectively and in time to carry out his/her business.

5.11 **Payment of Services Rendered**

5.11.1 A service fee will be paid to the TMC for services rendered.

5.11.2 Service fee must be a fixed percentage per service.

6. **Duration of the Contract**

6.1 The Travel Management Company (s) will be appointed to provide travel management services from the appointment date for a period of 36 months.

7. **Bid information session**

8. Briefing session will be held on the *01 March 2024 ,O.R TAMBO HOUSE, ROOM 729 @ 10H00, or alternatively the following link may be accessed online:*

Join the meeting now

The meeting link will also be available on Departmental Website, e-tender portal and tender-bulletin

9. **OUTCOMES AND DELIVERABLES**

9.1 COGTA require that accommodation, road and air travel including charter flights in respect of its officials be made by a Travel Agency, with due consideration to the following:

9.1.1 The travel, accommodation will only be for official reasons and in the interest of COGTA.

- 9.1.2 All air tickets and travel documentation including vouchers/ shall be timeously delivered, faxed and/or emailed to the correct Booking Officer of COGTA who issued an order, as well as the service provider (e.g. hotel/B&B who will be providing the service required by the COGTA)
- 9.2 The Travel Agency must plan, arrange and change accommodation bookings on instructions from the Booking Officer. Each accommodation voucher/ proof of payment handed to the Booking Officer must contain but not limited to the personal details of the official and the booking details
- 9.3 The Agency/s must ensure that no adverse effect on service delivery is experienced by COGTA.
- 9.4 The Travel Agency must negotiate its own terms of settlement with service providers.
- 9.5 The Travel Agency will be required to accept that payment will be made within 30 calendar days of the receipt of the correct invoice. Payment will not be made against invoices that do not have an order number or which are under dispute until such time that the matters under dispute have been resolved.
- 9.6 With regards to accommodation, the COGTA's liability will be limited to what has been booked per order.
- 9.7 The Travel Agency must provide details of the Car Hire Company contracted with in order to ensure that super cover insurance is provided. The Travel Agency must ensure that proper arrangements are made to have a car available and COGTA is not found to be arranging a separate contract with the car hiring company. The Travel Agency must also ensure that no separate invoice is issued by the car hiring company to COGTA. It is preferable for the Travel Agency to be contracted to more than one Car Hire Company.
- 9.8 The successful Travel Agency (s) will be required to negotiate supplier discounts on behalf of COGTA and pass any discounts received from the third party to the participating department.
- 9.9 The Travel Agency will be required to familiarize themselves with internal departmental procedures relating to the service and provide free training to the Booking Officers nominated by COGTA on the booking procedure to be followed.
- 9.10 Personnel from the Travel Agency(s) must be available on a 24 hour basis, as and when required, so that enquiries and unexpected changes to a travel plan or accommodation can be facilitate.
- 9.11 The Travel Agency must have a dedicated Strategic Relationship Manager who will be responsible for this account and be available 24 hours a day and seven days a week for the duration of this contract.
- 9.12 The bidder must have a Complaints and Compliments Channel easily accessible to the end users. Such a channel must have an ability to track all the complaints and feed back to COGTA. Monthly reports of incidents must be generated setting out the incidents reported and action taken

10. FEE STRUCTURES/SERVICE FEES (Price pages for bid purposes SBD 3.2)

10.1 In order to evaluate all bids on the same basis, bidders are to fully complete SBD 3.2.

11. COSTING

11.1 Prices must be inclusive of all costs i.e. VAT, transport, etc.

11.2 **Copies of price comparisons/quotations and third party detailed invoices for car rental and accommodation should be obtained and submitted together with invoice/s per individual. In the cases of Air Transport, service providers are required to provide copy/ies of an Electronic Ticket Receipt or 3rd party invoice as proof of bookings. If it was not possible to obtain price comparisons/quotations for travel requests, reasons must be provided.**

12. PRICE ADJUSTMENTS

12.1 Price adjustments will be allowed annually in line with SBD3.2.

13. EVALUATION PROCESS

13.1 **The evaluation process comprises the following phases:**

Phase I	Phase II	Phase III	Phase IV
Administration and bid Mandatory requirements	Functionality	Price and Specific Goals	Recommendation and Appointment
Compliance with administration and mandatory requirements For Mandatory requirements, bidders who did not comply will not be considered for further evaluation	Bids will be evaluated in terms of functionality	Bids evaluated in terms of the 80/20 preference system subject to the lowest bid received	Recommendation and appointment of service provider/s

13.2 **Phase I: Mandatory Requirements**

During this phase Bidders' response will be evaluated based on the mandatory requirements indicated in this bid document. This phase is not scored and Bidders who do not submit acceptable tenders by failing to comply with all the mandatory criteria and conditions will be disqualified.

13.2.1 **Registration on Central Supplier Database (CSD)**

The Bidders must be registered as a service provider on the Central Supplier Database (CSD). If you are not registered proceed to complete the registration of your company prior to submitting your proposal. Refer to <https://secure.csd.gov.za/> to register your company. Ensure that all documentation on the database are updated and valid.

Are you a registered supplier on the Government's Central Supplier Database (CSD)? (Yes/No)
Complete your registered CSD vendor number on the checklist.

You may also provide a copy of the CSD Registration "Summary Report".

13.2.2 Tax Compliance

Where the recommended bidder is not tax compliant, the bidder will be informed in writing of their non-compliant status and the bidder will be requested to submit written proof from SARS of their tax compliance status or proof that they have made an arrangement with SARS of their tax compliance obligations within 7 working days. The bidder should thereafter provide the Department with proof of their tax compliance status which should be verified via the central supplier database or e-filing.

Should the recommended bidder fail to provide written proof of tax compliance status in terms of the paragraph above, the department will reject such a bid.

The Tax Compliance status requirements are also applicable to foreign bidders/individuals who wish to submit bids.

13.3 Phase I: Administration Responsive Bids

Bidders must ensure their bids are responsive by completing and signing, where applicable, all relevant bid documents. Non-compliance with this condition may invalidate the bid for such services offered.

13.4 Phase II: Functionality Evaluation as per the Terms of Reference

Functionality will be evaluated on the basis of the responses on the Functionality Questionnaire and supporting documentation supplied by the Bidders as follows:

CRITERIA FOR FUNCTIONALITY	DOCUMENTS TO BE ATTACHED	MAXIMUM POINTS
<p>Criteria 1: Bidder's relevant experience in the travel management services. Successful completion of similar service : Value of the previous services rendered: Up to R300 000 = 15 Above R 300 000 up to the value of R750 000= 20 Above R 750 000 up to the value of R1 000 000 = 25 Above the value of R1 000 000 = 30 Non submission of letters with corresponding figures = 0</p>	<p>Cumulative figures (letters/ purchasing orders) Appointment letters on the letterhead of the institution signed by the Head of SCM/ delegated official showing the amount of appointment or purchasing orders. (Appointment letters/order amounts will be added cumulatively to determine amount to be scored) on the service rendered. Any order/ appointment must have a corresponding verifiable proof of payment (payment stub, proof of payment from the bank) from the institution, i.e. bank, department, etc. Annual Financial Statement are not acceptable as proof of payment. (Only services rendered from January 2017 to date will be considered).</p>	<p>30</p>

CRITERIA FOR FUNCTIONALITY	DOCUMENTS TO BE ATTACHED	MAXIMUM POINTS
<p>Criteria 2: Reference letters related to Travel Management services. Number of reference letters (Reference letters must include the element of performance, e.g. excellent, good, satisfactory/ bad): up to 3 letters = 5 points 4 to 6 letters including an excellent, good or satisfactory element of performance = 10 points 4 to 6 letters including an excellent, good or satisfactory element of performance = 15 points 7 and above letters including an excellent, good or satisfactory element of performance = 30 points 0 letter = 0 point letters including a bad or not including any element of performance = 0 point</p>	<p>Reference letters for services rendered bearing the institution's letterhead and with traceable contact details. The reference letters must relate to evidence submitted for criteria 1 above. Reference letters must be signed by the head of SCM/ delegated official. The Department reserves the right to call and verify references. (Only services rendered from January 2017 to date will be considered).</p>	<p>30</p>
<p>Criteria 3: Professional body registration with ASATA: Registration with professional body(ASATA)</p> <p>ASATA registration name provided and verified successfully by the Department = 10 Non – submission = 0</p>	<p>NB. Bidders are required to provide ASATA registration name on page 1 of 53 or registration certificate that provides such information, The Department will not be able to verify the information if either of the two requirements are not provided for by the bidder.</p>	<p>10</p>
<p>Criteria 3: Professional body registration with IATA: Registration with professional body(IATA)</p> <p>IATA numeric code provided and verified successfully by the Department = 10 Non – submission = 0</p>	<p>NB. Bidders are required to provide the IATA numeric code on page 1 of 53 or registration certificate that provides such information, The Department will not be able to verify the information if either of the two requirements are not provided for by the bidder.</p>	<p>10</p>
<p>Criteria 4: Financial Capacity Bank rating letter Letter with rating A/B = 20 Letter with rating C = 10 Non submission or other ratings less than C = 0</p>	<p>The bank rating letter must issue on / after the bid advertisement date (certified copy).</p>	<p>20</p>
<p>TOTAL FOR FUNCTIONALITY:</p>		<p>100</p>

- 13.5 Bids will be evaluated in terms of the **Preferential Procurement Regulation, 2022** and the bid evaluation criteria stipulated in this section.
- 13.6 Bidders must, as part of their bid documents, submit supportive documentation for all functionality requirements as indicated in the Terms of Reference. The panel responsible for scoring the respective bids will evaluate and score all bids based on their submissions and the information provided.
- 13.7 Functionality scores per criterion will be added. Only Bidders that have met or exceeded the minimum threshold of **70 percent** for functionality will be evaluated and scored in terms of the pricing and specific goals.
- 13.8 Any proposal not meeting the minimum score of **70 percent** on the technical/functionality evaluation will be disqualified.
- 13.9 **Phase III: Preference Point System**

In terms of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated on the 80/20-preference point system in terms of which points are awarded to Bidders on the basis of:

- The bid price (maximum 80 points)
- RDP and specific goals (maximum 20 points)

The following formula will be used to calculate the points for price:

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

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

A maximum of 20 points will be allocated to a Bidder for attaining their RDP and specific goals in accordance with the table below:

CATEGORIES OF PEOPLE HISTORICALLY DISADVANTAGED INDIVIDUALS	Requirements	Number of points(80/20 system)	Please claim points
Blacks and people who had no franchise on national elections before 1994 constitution (more than 50% ownership)	CIPC registration/sworn affidavit in DTIC format/ BBBEE certificate from an agency accredited with SANAS	2	
Women (more than 30% ownership)	CIPC registration/sworn affidavit in DTIC format/ BBBEE certificate from an agency accredited with SANAS	5	
Youth (more than 30% ownership)	CIPC registration/sworn affidavit in DTIC format/ BBBEE certificate from an agency accredited with SANAS	5	
People with disability (more than 30% ownership)	Medical report sanctioned by qualified professional and CIPC registration/ CSD report	3	
CATEGORIES OF RDP GOALS			
promotion of local economy in terms of province, region, municipal area or rural area (within each district quoted for within the Free State)	Municipal account in the name of the company / Director. <p style="text-align: center;">Or</p> Where the bidder is a lessee, Municipal account of the lessor/landlord together with a valid lease agreement. <p style="text-align: center;">Or</p> Where the bidder owns a unit under a body corporate, Municipal account of the body corporate together with the agreement from both parties. NB-points will only be awarded if proof of locality is for the same district quoted for.	5	

CATEGORIES OF PEOPLE HISTORICALLY DISADVANTAGED INDIVIDUALS	Requirements	Number of points(80/20 system)	Please claim points
	Municipal account must not be older than 3 months		

14. OVERALL CRITERIA

CRITERIA	MAXIMUM POINTS
Price	80
RDP and Specific Goals	20
Grand Total	100

15. LATE BIDS

15.1 Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where practical, be returned unopened to the Bidders.

16. COUNTER CONDITIONS

16.1 Bidders' attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by Bidders will result in the disqualification of such bids.

17. FINANCIAL MANAGEMENT

17.1 The TMC must implement the rates negotiated by COGTA.

17.2 The TMC will be responsible to manage the service provider accounts. This will include the timely receipt of invoices to be presented to COGTA for payment within the agreed time period.

17.3 The TMC is responsible for the consolidation of invoices and supporting documentation to be provided to COGTA's Financial Department on the agreed time period (e.g. weekly).

17.4 COGTA will settle the service providers' accounts within the agreed payment terms.

18. NEGOTIATIONS AND APPOINTMENT

18.1 COGTA reserves the right to negotiate with the shortlisted Bidder/s a flat rate prior to awarding of the bid. COGTA also reserve the right to negotiate with the successful Bidder/s for more cost-effective rates post awarding of the bid based on market conditions.

18.2 The Department reserves the right to appoint one or more a maximum of five (5) service providers.

19. FRONTING

19.1 COGTA supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background COGTA condemn any form of fronting.

19.2 COGTA, in ensuring that Bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade, Industry and Competition be established during such enquiry / investigation, the onus will be on the Bidder / contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from date of notification may invalidate the bid / contract and may also result in the restriction of the Bidder /contractor to conduct business with the public sector for a period not exceeding ten years, in addition to any other remedies the Free State Provincial Treasury may have against the Bidder / contractor concerned

23.1 Notwithstanding clauses 27 of the GCC, mediation proceedings will not be applicable to this contract.

24. ACCEPTANCE OF THE TERMS OF REFERENCE AND GENERAL CONDITIONS OF CONTRACT

24.1 Failure to accept the Terms of Reference, the General Conditions of Contract and Special Conditions of a Contract, will result in the bid not being considered. Bidders may not amend any of the Special Conditions or include their own conditions, as such amendments or inclusions will result in disqualification of the bid.

25. THE BIDDER MUST COMPLETE THE FOLLOWING

I _____ in my capacity as _____ of the
Company, hereby certifies that I take note and accept the above-mentioned Special Conditions and General Conditions of the Contract.

SIGNATURE **CAPACITY**

Contact person of company: _____

Tel. of company: (____) _____ Fax of company: (____) _____

The bid Document together with the terms of reference are hereby approved for advertisement using competitive bidding system:

Approved by:



MR STR RAMAKARANE
HEAD OF DEPARTMENT: COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

Date: 19/02/2024