



RAND WEST CITY
LOCAL MUNICIPALITY

RAND WEST CITY LOCAL MUNICIPALITY

TENDER DOCUMENT

Bid No: RWCLM-2/002/2025-2026

Appointment of a panel of one-two service providers for management of smart credit control cut-off services, revenue protection & enhancement and administration of related field action for a period of three years.

Name of Tenderer : _____

Address : _____

Tel. Number : _____

Cell number : _____

Fax number : _____

E-mail : _____

Total Bid Amount (for 36 months): _____

Tender box is situated at corner Second and Fedler Street, Randfontein, Stores Department.



Special conditions of contract and required documentation

1. The following administrative documents must be submitted with the tender document and failure to submit either may lead to your submission being declared non-responsive:

- Valid Quotation for at least ninety (90) days from the closing date and must be inclusive of VAT if the bidder is a VAT vendor.
- A tax pin compliance certificate
- CSD registration summary report.
- Original BBBEE certificate, certified copy or a EME or QSE verified affidavit in the case of EMEs and QSEs. Failure to submit either will lead in the bidder scoring no points for BBBE or Specific Goals. Must be a consolidated certificate for Joint Ventures.
- To claim 20 points of specific goals:
 - bidders must demonstrate to have at least 51% black ownership and at least 51% female ownership either on the BBB-EE certificate, Sworn Affidavit-BBB-EE qualifying Small Enterprise-General, or CSD Registration Summary Report.
- Copies of Company Registration and certified ID copies of company managing directors.
- Completed MBD FORMS.
- A current municipal account statement reflecting the bidder is not in arrears for more than 3 months, or a valid lease agreement signed by both parties the lessee and lessor or SAPS affidavit stating that the bidder not obliged to pay municipal rates. Should a company have more than one director, all directors are required to submit their municipal accounts or lease agreements.
- The Rand West City Local Municipality has approved the authorisation of a 2% Corporate Social Responsibility (CSR) Levy inclusive of vat, to be deducted from all successful service providers that are doing business with RWCLM. The Rand West City Local Municipality Corporate Social Responsibility will cover initiatives such as
 1. Education
 2. Socio-economic development
 3. Sport, Arts, Culture and Recreation
 4. Differently abled persons, previously disadvantaged grouping and marginalised communities amongst others
 5. Other Corporate Social Responsibility Initiatives

NB: No bids will be considered from persons in the service of the state.

2. BIDDERS SHOULD ALSO TAKE NOTE OF THE FOLLOWING BID CONDITIONS:

- The Rand West City Local Municipality Supply Chain Management Policy will apply.
- The Rand West City Local Municipality does not bind itself to accept the lowest bid or any other bid and reserves the right to accept the bid in whole or in part.
- Bids, which are late, incomplete, unsigned, faxed or sent electronically, will not be accepted.
- The latest General Conditions of Contract and any Special Conditions of Contract will apply.
- Where applicable the bid will be evaluated on local production content the minimum threshold as stipulated by the DTI in each designated sector will apply.
- For all procurement that exceed 10 million, (all application taxes included) bidders must submit the audited annual financial statements for the past three years.
- The municipality reserve the right for appoint more than one service provider.
- CIDB Grading: NOT APPLICABLE

COMPULSORY BRIEFING SESSION: N/A

Acknowledgement

Signature



**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)					
BID NUMBER:	Bid No: RWCLM-2/002/2025-2026	CLOSING DATE:	19 June 2026	CLOSING TIME:	11H:00
DESCRIPTION	Appointment of a panel of one-two service providers for management of smart credit control cut-off services, revenue protection & enhancement and administration of related field action for a period of three years.				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT					
CORNER SECOND AND FEDLER STREET					
RANDFONTEIN, 1760					
STORES DEPARTMENT					
OPPOSITE ELEGANT GARAGE					
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No (IF YES ENCLOSE PROOF)		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No (IF YES, ANSWER PART B:3]	
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE	R	
SIGNATURE OF BIDDER		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:			TECHNICAL INFORMATION MAY BE DIRECTED TO:		
DEPARTMENT	Finance		CONTACT PERSON	M Manyisa	
CONTACT PERSON	Edward Nkoana		TELEPHONE NUMBER	010 496 7126	
TELEPHONE NUMBER	+27 10 496 5566		FACSIMILE NUMBER		
FACSIMILE NUMBER			E-MAIL ADDRESS	mosimanegape.manyisa@randwestcity.gov.za	
E-MAIL ADDRESS	edward.nkoana@randwestcity.gov.za				

**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 ONLINE
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2022 AND THE PREFERENTIAL PROCUREMENT REGULATIONS THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
2. TAX COMPLIANCE REQUIREMENTS	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
2.4	FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.
2.5	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.6	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.7	WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
3.1.	IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.2.	DOES THE ENTITY HAVE A BRANCH IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.3.	DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.4.	DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <input type="checkbox"/> YES <input type="checkbox"/> NO
3.5.	IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <input type="checkbox"/> YES <input type="checkbox"/> NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.	

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.
NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE.**

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

DATE:

**APPOINTMENT OF A PANEL OF ONE-TWO SERVICE PROVIDERS FOR
MANAGEMENT OF SMART CREDIT CONTROL CUT OFF SERVICES, REVENUE
PROTECTION & ENHANCEMENT AND ADMINISTRATION OF RELATED FIELD ACTION
FOR A PERIOD OF THREE (3) YEARS**



1. INTRODUCTION & BACKGROUND

Rand West City Local Municipality seeks to procure a comprehensive and integrated **Credit Control Cut-Off & Restriction Service provider** for electricity and water accounts **with capability to execute Remote Credit Control Management Solution** over a **36-month period**.

This tender consolidates requirements from the **Remote Cut-Off Specification**, the **Project Plan – Remote Disconnections**, and the **Credit Control Cut-Offs & Restrictions Tender Specification** into one unified specification.

2. PURPOSE OF THE TENDER

The purpose of this tender is to appoint two qualified service providers to:

1. Supply, install, integrate, and maintain **Remote Credit Control Devices (CCRMD)** for electricity disconnections/reconnections.
2. Provide **end-to-end Credit Control operational services**, including electricity cut-offs, reconnections, water restrictions, water closures, account notifications, workflow management, and field technician management.
3. Implement and maintain a fully functional **Workflow Management System (WFMS)** integrated with RWCLM's Financial Management System (FMS).
4. Support the Municipality's Credit Control & Debt Collection Policy by reducing arrears, improving revenue protection, and enhancing data integrity.

3. SCOPE OF WORK

The appointed bidder shall deliver an integrated service consisting of:

3.1 Remote Credit Control Management Solution (Hardware + Software)

3.1.1 Supply, Installation & Commissioning of CCRMD Devices

- Minimum switching capacity: **60A**
- Operating voltage: **230V AC**, compatible with **230V and 400V** supply
- Network: **3G / 4G / 5G**
- Remote global control capability
- Tamper-proof mechanisms
- Must retain last known status during outages

- Cloud-based management platform
- Support overhead & underground installation
- Device sizes: 10mm²–16mm² cables
- Multiple user logins.

3.1.2 Software Integration

- Cloud-hosted platform
- Desktop/laptop interface
- Must integrate with RWCLM billing, CRM, prepayment and debtor systems
- Real-time reporting and automated alerts
- API(Application Programming Interface) for bidirectional data transfer

3.1.3 Functional Requirements

- Remote disconnection and reconnection
- SMS notifications to consumers
- Logging of all actions for audit
- Visual indicators of device status
- Report extractions of activities
- Workflow management in line with Credit Control and Debt Collection Policy of council.
- Vetting of sequential actions

3.2 Credit Control Cut-Off & Restrictions Operational Services

3.2.1 Electricity Cut-Off Levels

- Level 1: Disconnect at DU (ground/aerial)
- Level 2: Remove breaker, tag and store
- RIP: Permanent removal (full supply infrastructure)

3.2.2 Water Restrictions

- Flow reduction (residential)
- Water closure & securing devices (business)

3.2.3 Field Operations

- Using handheld devices for every action
- GPS & photographic evidence
- Daily real-time uploads to FMS

- Printing & delivering Final Notices
- Illegal Consumption Inspections (ICI)

3.2.4 Operational Office Requirements

- Bidder must establish an **off-site Operations Centre** within 30 days
- Stock & stores management
- Vehicles, PPE, tools, handheld devices, printers, scanners

3.3 Workflow Management System (WFMS) Requirements

System must be:

- Web-based, cloud-enabled
- Integrated with RWCLM debtor system (.csv compatible)
- Capable of scheduling actions (SMS, notices, cut-offs, restrictions)
- Support 40+ simultaneous users
- Maintain full audit trail with GPS, photos & timestamps
- Provide dashboards, exception reports, real-time monitoring
- Two-way SMS, MMS and email communication with consumers
- Manage stock and materials
- Allow printing of notices
- Provide secure data storage

3.4 Revenue Enhancement

Intermittent provision of a quotation basis an on-site team to:-

- Extract Financial Management System consumer and billing information, and analyze according to agreed-upon criteria;
- Identify anomalies relating to completeness of revenue information such as rates, valuations, refuse, water and electricity meter consumption usage and accuracy of readings;
- Produce exception reports detailing anomalies for adjustment and correction;
- Ensure exceptions reports (adjustments and corrections) are accurately and timeously executed;
- Monitoring and reporting thereon in the form of a dashboard and spatially;

- Allow for an auditable record of all recommended adjustments and corrections;
- Reviewing of revenue management policies and procedures;
- Assess current billing methods and procedures and recommend standard operating procedures where necessary;
- Review processes within Technical and Town Planning sections to report on flow of information to Finance regarding new developments and property transfers, i.e. completeness and accuracy thereof;
- Reconciliation of the Valuation roll and all subsequent Supplementary rolls against the Financial Management System and recommending adjustments;
- Comparison of Financial Management System consumer information against external data sources such as Deeds for example to reconcile values, land usage and consumer details;
- Review of tariffs;
- Identification of revenue enhancement opportunities;
- Training and skills transfer; and
- Quality assurance of the general and supplementary roll valuation processes.
- Supply and maintain a query and workflow management system compatible to the municipality' FMS

3.5. Maintenance and repair of metered services installations

3.5.1. Tamper detection and solutions

- Supply water restriction and adjustment securing devices
- Solutions for secure enclosures for electricity installations
- Procurement of infrastructure related meters & material based on the specifications of the municipality on an as when required basis

3.6. Estimated Volume of work

Property counts as per Valuation Roll

Property Categories	Number of Properties
Agricultural	2,199
Business and Commercial	1,738
Government	5,721

Residential	41,567
Vacant Land	1,655
Grand Total	52,880

Metering Data Extracts

Detail	Electricity	Water	Grand Total
LPU	1,136		1,031
Residential	26,180	32,072	58,252
Business	3,336	3,123	6,459
Municipal	622	253	875
Government	141	136	277
Grand Total	31,415	35,584	66,894

IMPORTANT NOTICE:

- Bidders to note that the annual price escalations will be effected every year on 1 July at the applicable CPI rate of end June.
- Bidders are to attach their SABS approval certification of the devices to be utilized in the project in terms of the OHS act.
- The successful bidder/s will be expected to give training and support to Municipal employees for the system used and o install such system on approved users workstations.

4. MAINTENANCE & SUPPORT

The service provider will provide:

- Routine maintenance
- Replacement of faulty CCRMD units (SLA based)
- Firmware/software updates
- Maintenance of water restriction and securing devices
- Monitoring, inspection and audit of prepaid meters
- 24 hours support for all handheld and operational technologies

Municipality retains ownership of devices and equipment.

5. RISK MANAGEMENT

Service provider must implement:

- Disaster recovery & business continuity plans
- Insurance coverage (equipment, liability)
- Data protection & cybersecurity
- Mitigation for network outages
- Regular risk reporting

7. SUBMISSION REQUIREMENTS

Bidders must submit:

1. Minimum **6 years' experience** with similar physical cut off actions municipal projects.
2. Minimum of **one piloted proof of concept document** recommendation within local, provincial and national government
3. Project appointment and reference letters (Only Physical executions)
4. CV of project lead with ≥ 3 years experience.
5. Demonstrate WFMS capability and functionality through a brochure/catalogue.
 1. One for WFMS on cut offs
 2. One for remote termination
6. Proof of vehicles (ownership/lease).
7. Office space ≥ 250 sqm + equipment list.
8. Staff organogram + relevant trade certifications (electricians, plumbers).
9. Certified company registration & tax clearance.
10. Pricing schedule completed in full (all sections).
11. SABS accreditation/certification



FUNCTIONALITY EVALUATION:



APPOINTMENT OF A PANEL OF ONE-TWO SERVICE PROVIDERS FOR MANAGEMENT OF SMART CREDIT CONTROL CUT OFF SERVICES, REVENUE PROTECTION & ENHANCEMENT AND ADMINISTRATION OF RELATED FIELD ACTION FOR A PERIOD OF THREE (3) YEARS

NAME OF THE EVALUATOR:..... NAME OF BIDDER:.....

Standard	Item Description	Minimum Requirements	Maximum Points	Value	Comment
Relevant Previous Experience	<p>Physical Cut Off actions 15 points</p> <p>Certified copies of appointment letters from Municipalities and/or Government entities.</p> <p>All attached letters must be certified.</p> <ul style="list-style-type: none"> • 1 – 3 Appointment letters = 5 points • 4 – 6 Appointment letters = 10 points • Seven (7) or more appointment letters = 15 points <p>Remote Cut Off actions 30 points</p> <p>Minimum of 1(one) piloted proof of concept Letter from Municipalities and/or Government entities</p>	30	45		
Project leader/manager with experience in similar projects for Government institutions	<p>3-5 Years' experience (5 Points)</p> <p>6-7 Years' experience (10 Points)</p> <p>8 or more Years' experience (15 Points)</p> <p>(Attach 2-page CV with NQF L6 certified qualifications in related field)</p>	5	15		
Vehicles	<p>LDV</p> <ul style="list-style-type: none"> ➢ 1 – 3 = 5 Points ➢ 4 – 7 = 10 Points ➢ >7 = 15 Points <p>Bidders to attached proof of ownership(eNatis) and/or Lease Agreement (Proforma or Existing)</p>	10	15		
Office Space and Resources	<p>Office Space (min 250 square meter) - 5 Points</p> <ul style="list-style-type: none"> - Attach Lease agreement and/or Municipal Account - 5 Office Automation & Equipment - 5 	10	10		

	(Attach Asset Register)				
Support Staff Compliment /Approved Organogram	1 to 6 employees (5 Points) 7 to 10 employees (7 Points) More than 10 employees (10 Points) Attach 2 Page CVs for support Personnel with minimum NQF L4 Relevant Certifications in related fields.	5	10		
Field Personnel	Artisans with relevant trade licences and accreditation - Minimum of 5 Electricians - 3 Points - Minimum of 2 Plumbers - 2 Points Attach for each a 2-page CV with certified accreditation.	5	5		
Company Profile	Number of years in operation (Date of Company Registration) ➢ 1 - 3 years = 5 points ➢ 4 - 6 years = 10 points ➢ 7 years or more = 15 points	10	15		
Contactable References	References on similar work done: ➢ 1-3 references = 3 points ➢ 4-6 references = 5 points ➢ 7 references or greater = 10 points Bidder to attach certified copies of Reference letters to support above, all reference letters must be in relation to the appointment letters as above.	5	10		
Credit Control and Debt Collection Management System (WFMS)	Relevant Credit control system (Compatible with RWCLM Finance Management System) Bidders to attach system description booklet/catalogue detailing system functionalities, capabilities, and process flows.	10	10		
Remote executions Work Flow Management System – WFMS	Relevant Credit control system (Compatible with RWCLM Finance Management System) Bidders to attach system description booklet/catalogue detailing system functionalities, capabilities, and process flows.	10	10		
Maximum possible score for quality		100	145		

In order to be accepted for further evaluation, Bidders must meet minimum requirements in respect of EACH of the sub-criteria as above AND MUST receive a minimum of 100 POINTS.

SIGNATURE OF THE EVALUATOR:..... DATE:.....

9. PRICING SCHEDULE

The pricing schedule shall include, but is not limited to:

9.1 Credit Control – Monthly Management Fee

Credit Control Management Fee Structure	
Description	Monthly Management Fees (Excl. VAT)
Management of Main Operations Centre (Including WFMS) <ul style="list-style-type: none"> <input type="checkbox"/> Importing and exporting of daily information for field related actions <input type="checkbox"/> Processing of daily field work <input type="checkbox"/> Capturing of field related data <input type="checkbox"/> Integrity check and analysis of data <input type="checkbox"/> Provision of information regarding meter installations to be updated on billing system <input type="checkbox"/> Reporting on daily, weekly & monthly project progress <input type="checkbox"/> Management of consumption monitoring process on pre-paid meter installations 	R
Fee per user of WFMS	R
Establishment and Management of Stock and Stores	R
Handheld Units per unit once off	R

1.2 SMS Communication

Action Type	Description	Rate (Excl. VAT)
Short message (SMS) – One Way	Account balance notification	R
Short message (SMS) – One Way	Any other Credit Control and other related communication to consumers	R
Short Code (SMS functionality)	Ability for consumers to query predefined information via SMS notification enquiries	R

1.3 Notice Delivery

Credit Control tariff Structure: Final Demand		
Action Type	Description	Rate (Excl. VAT)
Final Demand Notice	Urban/Residential	R
	Rural(Small Holdings and Farms)	R
	Business	R

**1.4 Electricity –
Urban (Residential)**

Credit Control tariff Structure: Urban – Residential Accounts			
Action Type	Description DU – Distribution Unit	Rate (Excl. VAT)	Rate (Excl. vat) of work after hours
Disconnection – Level 1	Disconnection of service with credit type meter in ground mounted DU	R	R
Disconnection – Level 1	Disconnection of service with credit type meter in aerial mounted DU	R	R
Disconnection – Level 2	Disconnection of service with credit type meter in ground mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in ground mounted DU	R	R
Disconnection – Level 2	Disconnection of service with credit type meter in aerial mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in ground mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in aerial mounted DU	R	R
Removal of Installation Permanently (RIP)	Overhead cable to premises	R	R
	Underground cable to premises	R	R
	Underground reticulation	R	R
Restoration of Supply	Overhead to premises (labour only)	R	R

	Underground cable to premises (labour only)	R	R
	Underground reticulation (labour only)	R	R
	Underground reticulation 3 phase (labour only)	R	R
Illegal Consumption Inspection (ICI) Ground Mounted DU	Electricity only	R	R
Illegal Consumption Inspection (ICI) Aerial Mounted DU	Electricity only	R	R
Visits	Task not completed with reason	Zero Rated	Zero Rated
Ad Hoc Client Investigation Request		R	R

1.5 Electricity – Rural (Small Holdings/Farms)

Credit Control tariff Structure: Urban – Small Holdings/Farms Accounts			
Action Type	Description DU – Distribution Unit	Rate (Excl. VAT)	Rate (Excl. vat) of work after hours
Disconnection – Level 1	Disconnection of service with credit type meter in ground mounted DU	R	R
Disconnection – Level 1	Disconnection of service with credit type meter in aerial mounted DU	R	R
Disconnection – Level 2	Disconnection of service with credit type meter in ground mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in ground mounted DU	R	R

Disconnection – Level 2	Disconnection of service with credit type meter in aerial mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in ground mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in aerial mounted DU	R	R
Removal of Installation Permanently (RIP)	Overhead cable to premises	R	R
Restoration of Supply	Underground cable to premises	R	R
	Underground reticulation	R	R
	Overhead to premises (labour only)	R	R
	Underground cable to premises (labour only)	R	R
	Underground reticulation (labour only)	R	R
	Underground reticulation 3 phase (labour only)	R	R
Illegal Consumption Inspection (ICI) Ground Mounted DU	Electricity only	R	R
Illegal Consumption Inspection (ICI) Aerial Mounted DU	Electricity only	R	R
Visits	Task not completed with reason	Zero Rated	Zero Rated
Ad Hoc Client Investigation Request		R	R

Credit Control tariff Structure: Urban – Business Accounts			
Action Type	Description DU – Distribution Unit	Rate (Excl. VAT)	Rate (Excl. vat) of work after hours
Disconnection – Level 1	Disconnection of service with credit type meter in ground mounted DU	R	R
Disconnection – Level 1	Disconnection of service with credit type meter in aerial mounted DU	R	R
Disconnection – Level 2	Disconnection of service with credit type meter in ground mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in ground mounted DU	R	R
Disconnection – Level 2	Disconnection of service with credit type meter in aerial mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in ground mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in aerial mounted DU	R	R
Removal of Installation Permanently (RIP)	Overhead cable to premises	R	R
Removal of Installation Permanently (RIP)	Underground cable to premises	R	R
	Underground reticulation	R	R
Restoration of Supply	Overhead to premises (labour only)	R	R
Restoration of Supply Illegal Consumption Inspection (ICI)	Underground cable to premises (labour only)	R	R
	Underground reticulation (labour only)	R	R
	Underground reticulation 3 phase (labour only)	R	R
	Electricity only	R	R
Ground Mounted DU			

Illegal Consumption Inspection (ICI)	Electricity only	R	R
Aerial Mounted DU Visits	Task not completed with reason	Zero Rated	Zero Rated
Ad Hoc Client Investigation Request		R	R
Ad Hoc Client Investigation Request			

1.7 Water – Residential Accounts

Action Type	Description	Rate (Excl. VAT)	Rate (Excl. vat) of work after hours
Flow reduction (15-20mm)	Install restrictive device (labour only)	R	R
Normalise flow	Remove restrictive device (labour only)	R	R
Illegal consumption Inspection (ICI)	Water only	R	R
Visits	Task not completed with reason	Zero Rated	Zero Rated
Ad Hoc Client Investigation Request		R	R

1.8 Rural – Small Holdings/farms

Action Type	Description	Rate (Excl. VAT)	Rate (Excl. vat) of work after hours
Flow reduction (15-20mm)	Install restrictive device (labour only)	R	R
Normalise flow (15-20mm)	Remove restrictive device (labour only)	R	R
Illegal Consumption Inspection (ICI)	Water only	R	R

Visits	Task not completed with reason	Zero Rated	Zero Rated
Ad Hoc Client Investigation Request		R	R

1.9 Business

Action Type	Description	Rate (Excl. VAT)	Rate (Excl. vat) of work after hours
Closure of Water (15 -40mm)	Install restrictive/securing device (labour only)	R	R
Normalise flow (15 - 40mm)	Remove restrictive/securing device (labour only)	R	R
Closure of Water (50 -100mm)	Install restrictive/securing device (labour only)	R	R
Normalise flow (50 - 100mm)	Remove restrictive/securing device (labour only)	R	R
Illegal consumption Inspection (ICI)	Water only	R	R
Visits	Task not completed with reason	Zero Rated	Zero Rated
Ad Hoc Client Investigation Request		R	R

1.10 Management of Unsuccessful Actions: Non-Technical and Technical Actions

Action Type	Rate (Excl. VAT)	Rate (Excl. vat) of work after hours
Non-Technical Intervention-per action (address-, meter detail incorrect, address not found etc.)	R	R
Technical Intervention-per action (Field Visit and report)	R	R
Restoration and/or normalization of meters and installations	R	R
Ad Hoc Client Investigation Request	R	R

1.11 Management of the By-Law process where Illegal Consumption is detected

Table 11 : Tariff structure for By-Law Process			
Action Type	Description	Rate (Excl. VAT)	Rate (Excl. VAT) Work After Hours
<i>Site Visit</i>	Verify information and establish condition status of the network installation and meter	R	R
<i>Visits</i>	Fruitless site visit (electricity) : Residential	Zero Rated	Zero Rated
	Fruitless site visit (electricity): Small Holdings	Zero Rated	Zero Rated
	Fruitless site visit (electricity) : Business	Zero Rated	Zero Rated
	Fruitless site visit (Water) : Residential	Zero Rated	Zero Rated
	Fruitless site visit (Water) : Small Holdings	Zero Rated	Zero Rated
	Fruitless site visit (Water) : Business	Zero Rated	Zero Rated
	<i>Illegal Consumption Inspection</i>	Residential: Electricity only	R
Residential: Water Only		R	R
Residential Water and Electricity		R	R
Small Holdings : Electricity only		R	R
Business: Electricity only		R	R
Business: Water only		R	R
Business: Electricity and Water		R	R

1.12

Management of Final Readings and New Services Agreements

Action Type	Description	Rate (Excl. VAT)	Rate (Excl. vat) of work after hours
Electricity & Water meter readings	Take final/new water meter readings and attach notice	R	R
Electricity: Urban/Residential Accounts			
Disconnection – Level 2	Disconnection of service with credit type meter in ground mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in ground mounted DU	R	R
Disconnection – Level 2	Disconnection of service with credit type meter in aerial mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in aerial mounted DU	R	R
Electricity: Rural - Small Holdings/Farm Accounts			
Disconnection – Level 2	Disconnection of service with credit type meter in ground mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in ground mounted DU	R	R
Disconnection – Level 2	Disconnection of service with credit type meter in aerial mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in aerial mounted DU	R	R
Electricity: Business Accounts			
Disconnection – Level 2	Disconnection of service with credit type meter in ground mounted DU	R	R
Reconnection – Level 2	Reconnection of service with credit type meter in ground mounted DU	R	R
Disconnection – Level 2	Disconnection of service with credit type meter in aerial mounted DU	R	R

Reconnection – Level 2	Reconnection of service with credit type meter in aerial mounted DU	R	R
(Water) Urban /Residential accounts			
Shut off Isolation Valve	Install restrictive device (Labour only)	R	R
Normalise flow	Remove restrictive device	R	R
(Water) Rural Areas, Small Holdings and Farms			
Shut off Isolation Valve	Install restrictive device (Labour only)	R	R
Normalise flow	Remove restrictive device	R	R
(Water) Business accounts			
Shut off Isolation Valve (15 - 40mm)	Install restrictive/securing device (Labour only)	R	R
Normalise flow	Remove restrictive/securing device	R	R
Shut off Isolation Valve (50 - 100mm)	Install restrictive/securing device (Labour only)	R	R
Normalise flow	Remove restrictive/securing device	R	R

1.13 Professional Service

Item Description	Rate (Excl. VAT)	Comments
Revenue Enhancement Specialist	R	
IT Specialist (Software)	R	
IT Specialist (Hardware)	R	
Admin/Data Capturer	R	

1.14 Develop a Communication and Capacity Building Program (Adhoc)

Description	Rate (Excl. VAT)
Develop a comprehensive Communication Strategy and Roll-out Plan in conjunction with the Municipality – Per Hour	R
Print Material	R
Planning, Facilitate and Execute Campaigns (hiring of equipment, distribution of pamphlets etc.)	R

1.15 Maintenance and Repair of Metered Service Installations (Adhoc)

Item Description	Rate (Excl. VAT)	Rate (Excl. VAT) of work after hours
Replacement of water meters	R	R
Repair of meters i.e. water leaks & burnt CB,s	R	R
Cleaning of meter boxes where the latter cannot be read due to foreign matter covering the meter	R	R

1.16 Tamper Detection and Solutions

Description	Rate (Excl. VAT)
Procure and Supply Secure Electricity Enclosures	R
Procure and Supply Water Restriction and Securing Devices, Per device	R
Monitoring of pre-paid water and electricity meters	R
Procure and supply all meter installation material, components and meters	R

1.17 Meter Reading – Final readings

Meter Reading Type	Price per meter read	
	Water	Electricity
Urban	R	R
Rural	R	R
Business	R	R
Special (Re-Reading)	R	R
Pre-Payment set on credit mode	R	R

1.18 CCRMD Device Pricing

Description	Rate (Excl. VAT)
Device price	R
Single-phase installation	R
Three-phase installation	R
Maintenance	R
Disconnection & reconnection tariffs	R

**Bidders must complete ALL pricing tables.
Failure = Non-Responsive.**

10. CONTRACT PERIOD

The contract period is **36 months** from the date of appointment.

11. DELIVERABLES & REPORTING

- Daily field action reports
- Weekly progress summaries
- Monthly performance dashboards
- Stock & inventory reports
- Exception & error reports
- Revenue enhancement impact reports
- Any other reporting requirements from the municipality.

12. CONDITIONS OF APPOINTMENT

- Payment only upon successful completion of actions (no claim for unsuccessful actions).
- Municipality may impose penalties for non-delivery.
- Municipality retains ownership of all installed devices and data.

**PRICING SCHEDULE – FIRM PRICES
(PURCHASES)**

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder.....	Bid Number.....
Closing Time	Closing Date

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

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

- Required by:
- At:
- Brand and Model
- Country of Origin
- Does the offer comply with the specification(s)? *YES/NO
- If not to specification, indicate deviation(s)
- Period required for delivery
- *Delivery: Firm/Not firm
- Delivery basis

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

*Delete if not applicable

MBD 4

DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state¹.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
- 3 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

3.1 Full Name of bidder or his or her representative:.....

3.2 Identity Number:

3.3 Position occupied in the Company (director, trustee, hareholder²):.....

3.4 Company Registration Number:

3.5 Tax Reference Number:.....

3.6 VAT Registration Number:

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

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars.

.....

¹MSCM Regulations: "in the service of the state" means to be –

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

² Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months? **YES / NO**

3.9.1 If yes, furnish particulars.....

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.10.1 If yes, furnish particulars.

.....
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

3.11.1 If yes, furnish particulars

.....
.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.12.1 If yes, furnish particulars.

.....
.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars.

.....
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. **YES / NO**

3.14.1 If yes, furnish particulars:

.....
.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number

.....
Signature

.....
Date

.....
Capacity

.....
Name of Bidder

DECLARATION FOR PROCUREMENT ABOVE R10 MILLION (ALL APPLICABLE TAXES INCLUDED)

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

1 Are you by law required to prepare annual financial statements for auditing?

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

***YES / NO**

.....
.....

2 Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days?

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

2.2 If yes, provide particulars.

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

3 Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract?

* Delete if not applicable

***YES / NO**

3.1 If yes, furnish particulars

.....
.....

***YES / NO**

4. Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic?

***YES / NO**

4.1 If yes, furnish particulars

.....
.....

CERTIFICATION

I, THE UNDERSIGNED (NAME)

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

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

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

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

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); or
 - 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

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the 80/20 preference point system.
- b) The applicable preference point system for this tender is the 90/10 preference point system.
- c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

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 or 90 points is allocated for price on the following basis:

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

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 (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
At least 51% black ownership	5	10		
At least 51% Women ownership	5	10		

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:

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

4.3.1	If so, furnish particulars:		
Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME)
CERTIFY THAT THE INFORMATION FURNISHED ON THIS
DECLARATION FORM TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT,
ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION
PROVE TO BE FALSE.**

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids¹ invited.

- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.

- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
 - a. take all reasonable steps to prevent such abuse;
 - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
 - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.

- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. 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 consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. 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 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.

10. 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.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js9141w 4

THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT:
GENERAL CONDITIONS OF CONTRACT**

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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34. Prohibition of restrictive practices

General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

- 23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction
 - (iii) the period of restriction; and
 - (iv) the reasons for the restriction.

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

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

**24. Anti-dumping
and countervailing
duties and rights**

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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