

SASSA:02-26-FIN-EC

INVITATION TO BID

APPOINTMENT OF A SERVICE PROVIDER FOR DEBT COLLECTION SERVICES INCLUSIVE OF ATTORNEYS FOR LEGAL ACTION ON BEHALF OF SOUTH AFRICAN SOCIAL SECURITY AGENCY [SASSA] FOR EC REGION FOR A PERIOD OF 36 MONTHS

COMPULSORY BRIEFING SESSION ON 24 July 2026 at 10:00 AT THE FOLLOWING ADDRESS:

**SASSA REGIONAL OFFICE
2nd Floor
BKB BUILDING,
CONR FITZPATRICK & MERINO ROAD
QUIGNEY
EAST LONDON
5201**

PROPOSALS MUST BE DEPOSITED IN THE BID BOX SITUATED AT:

**SASSA REGIONAL OFFICE
BKB BUILDING,
CONR FITZPATRICK & MERINO ROAD
QUIGNEY
EAST LONDON
5201**

CLOSING DATE: 11 August 2026

TIME: 11:00

ENQUIRIES CAN BE DIRECTED TO: tenderqueriesec@sassa.gov.za for attention to the following SASSA officials:

Name and Surname	Designation	Email	Contact
Vukile Njengele	SM: Financial Accounting	tenderqueriesec@sassa.gov.za	043 707 6441
Tanduxolo Tyaliti	Assistant Manager: SCM	tenderqueriesec@sassa.gov.za	043 707 6328

BID DOCUMENTS CAN BE OBTAINED FROM:

www.etenders.gov.za

<https://www.sassa.gov.za>

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APPOINTMENT OF A SERVICE PROVIDER FOR DEBT COLLECTION SERVICES INCLUSIVE OF ATTORNEYS FOR LEGAL ACTION ON BEHALF OF SOUTH AFRICAN SOCIAL SECURITY AGENCY [SASSA] FOR EC REGION FOR A PERIOD OF 36 MONTHS

NO	DESCRIPTION OF DOCUMENT
1	SBD 1
2	SBD 4
3	SBD 6.1
4	GENERAL CONDITIONS OF CONTRACT
5	TERMS OF REFERENCE
6	ANNEXURE A – CURRENT AND PAST CONTRACTS (CLIENT BASE)
7	ANNEXURE B – INFRASTRUCTURE OF SERVICE PROVIDER
8	BRIEFING ATTENDANCE CERTIFICATE

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	SASSA:02-26-FIN-EC	CLOSING DATE	11 August 2026	CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER FOR DEBT COLLECTION SERVICES INCLUSIVE OF ATTORNEYS FOR LEGAL ACTION ON BEHALF OF SOUTH AFRICAN SOCIAL SECURITY AGENCY [SASSA] FOR EC REGION FOR A PERIOD OF 36 MONTHS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
SASSA, BKB BUILDING, CNR FITZPATIRCK & MERINO ROAD, QUIGNEY, EAST LONDON, 5201					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr V Njengele		CONTACT PERSON	Mr T. Tyaliti	
TELEPHONE NUMBER	043- 707 6441		TELEPHONE NUMBER	043-707 6328	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	TenderQueriesEC@sassa.gov.za		E-MAIL ADDRESS	TenderQueriesEC@sassa.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
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐ Yes ☐ No <i>[IF YES ENCLOSE PROOF]</i>		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		☐ Yes ☐ No <i>[IF YES, ANSWER THE QUESTIONNAIRE BELOW]</i>
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				☐ YES ☐ 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 – 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 SASSA:02-26-FIN-EC
Closing Time 11:00	Closing date 11 August 2026

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
			R
-	Required by:		SASSA EASTERN CAPE
-	At:		SASSA EASTERN CAPE
-	Brand and model		Not Applicable
-	Country of origin		Not Applicable
-	Does the offer comply with the specification(s)?		*YES/NO
-	If not to specification, indicate deviation(s)		
-	Period required for delivery		*Delivery: 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**

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state?

YES/NO

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

Full Name	Identity Number	Name of institution	State

- 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

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.

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

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.

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
- **To be completed by the organ of state**
 - (a) The applicable preference point system for this tender is the 90/10 preference point system.

1.2 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.

1.3 **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

1.4 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.

1.5 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:

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

80/20

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

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{max} = 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 allocated (80/20 system) (To be completed by the tenderer)
B-BBEE Status Level 1 - 2 contributor with at least 51% black women ownership	20	
B-BBEE Status Level 3 - 4 contributor with at least 51% women ownership	18	
B-BBEE Status Level 1 - 2 contributor with at least 51% black youth or disabled ownership	16	
B-BBEE Status Level 1 - 2 contributor	14	
B-BBEE Status Level 3 - 8 contributor with at least 51% youth or disabled ownership	12	
B-BBEE Status Level 3 - 4 contributor	8	
B-BBEE Status Level 5 - 8 contributor	4	
Non-compliant	0	

Returnable document to claim points	Please tick below for the attached document
1. B-BBEE Certificate	
2. Sworn Affidavit (EME or QSE)	
3. CSD registration number	

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:	
	
	
	

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 complied 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**

GENERAL CONDITIONS OF CONTRACT

A. TABLE OF CLAUSES

1. Definitions
2. Application
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GENERAL CONDITIONS OF CONTRACT

1. Definitions

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 provider, 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 provider 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 the 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 provider 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 provider and not involving the provider’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 provider 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 provider or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as land 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 provider covered under the contract.
- 1.25 **“Written”** or **“in writing”** means hand-written 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 (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise 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 X 85, Pretoria 001, 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 provider 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 provider'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 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 success 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 provider'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 clause 8.2 & 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 analysed 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 provider who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do not comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the providers cost and risk. Should the provider fail to provide the substitute supplies forthwith, the purchaser may, without giving the provider 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. Packaging

- 9.1 The supplier shall provide such packaging of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packaging shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packaging, case size and weights shall take into consideration, where appropriate, the remoteness of the good's final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packaging, 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, 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 the 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 the 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 provider of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the provider'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 provider 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:

- 14.2 such spare parts as the purchaser may elect to purchase from the provider, provided that this election shall not relieve the provider of any warranty obligations under the contract, and
- 14.3 in the event of termination of production of the spare parts:
- 14.4 Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
- 14.5 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 provider 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 provider, 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 the 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 provider's risk and expense and without prejudice to any other rights which the purchaser may have against the provider under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the provider 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 fulfilment 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 provider in his bid, with the exception of any price adjustments authorized 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 provider 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 provider from any liability or obligation under the contract.

21. Delays in the provider'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 any emergency arises, the provider's point of supply is not situated at or near the place where the supplies are required, or the provider's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the provider in the performance of its delivery obligations shall render the provider 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 provider'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 good 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 judgement 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 provider 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 art, 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 person prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offense as contemplated in section 12 or 13 of the Prevention and Combatting 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 Counter-Vailing 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 provider to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the provider 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 provider 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 provider shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the provider 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 provider if the provider becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the provider, 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 provider 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 provider any monies due to the provider for goods delivered and / or services rendered according to the prescripts of the contract.

28. Limitation Of Liability

28.1 Except in cases of criminal negligence or wilful 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 provider to pay penalties and / or damages to the purchaser; and
- (b) the aggregate liability of the provider 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.

31. Notices

- 31.1 Every written acceptance of a bid shall be posted to the provider 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 provider 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 provider shall be entirely responsible for all taxes, duties, and 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.



**THE APPOINTMENT OF A SERVICE PROVIDER FOR DEBT COLLECTION SERVICES
INCLUSIVE OF ATTORNEYS FOR LEGAL ACTION ON BEHALF OF SOUTH AFRICAN
SOCIAL SECURITY AGENCY [SASSA] FOR EC REGION FOR A PERIOD OF 36
MONTHS**

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ACRONYMS

1. B-BBEE	:	Broad Based Black Economic Empowerment
2. CSD	:	Central Suppliers Database
3. CIPC	:	Companies and Intellectual Property Commission
4. EME	:	Emerging Micro Enterprise
5. GCC	:	General Conditions of Contract
6. EC	:	Eastern Cape
7. SAA	:	Social Assistance Act
8. SABS	:	South African Bureau of Standards
9. SANAS	:	South African National Accreditation System
10. SANS	:	South African National Standards
11. SAPS	:	South African Police Services
12. SASSA	:	South African Social Security Agency
13. SBD	:	Standard Bidding Documents
14. SCC	:	Special Conditions of Contract
15. SSA	:	State Security Agency
16. VAT	:	Value Added Tax

1. INTRODUCTION

1.1. The South African Social Security Agency (SASSA/Agency) has been established in terms of the South African Social Security Agency Act, 2004 (Act No.9 of 2004). The Agency is responsible for the management, administration and payment of social assistance (social grant).

1.2. The Agency is a national Agency of government (comprised of Head Office located in Gauteng Province [Pretoria], and 9 Regional offices, Eastern Cape Region located in East London, statutorily mandated to administer and pay the following social grants:

- a) Old Age Grant;
- b) Grant in Aid;
- c) War Veteran Grant;
- d) Disability Grant;
- e) Child Support Grant
- f) Care Dependency Grant;
- g) Foster Child Grant
- h) Social Relief of Distress and
- i) Child Support Grant Top-up

1.3. SASSA EC Region is responsible for its social grant debt emanating from the portfolio of social grants mentioned here above and the staff debt portfolio. The management and collection of both these portfolios including third party debt book resides under Branch Finance.

1.4. The staff debt book and third-party debt book portfolios are, *inter alia*, made up of the following:

- a) Supplier overpayments;
- b) Motor accident;

- c) Salary overpayment;
- d) Contravention of bursary or study aid policy or contracts;
- e) Private telephone and Cell phone;
- f) Theft & losses;
- g) Third party claims;

2. PURPOSE

To appoint a service provider (firm with attorneys) to constantly manage, collect or recover all outstanding debts due to the Agency and assist with legal action in accordance with, *inter alia*, the terms incorporated herein as well as applicable prescripts for a duration of 36 months (3yrs).

3. BACKGROUND

- 3.1. In the execution of its mandate, the Agency encounters operational situations that give rise to debts owed to the Agency by either social grant beneficiaries, undeserving and fraudulent recipients of social grants, or both current and former employees, of the Agency.
- 3.2. These challenges relate to, among others, instances where a beneficiary's financial status that made him/her eligible to receive social grant, changes or improves thereby rendering him or her no longer eligible to receive a social grant.
- 3.3. Irrespective of any such change in the beneficiary's financial status and through failure to inform SASSA of such a change, he or she irregularly continues to receive a social grant resulting, in such a payment of social grant to that beneficiary being regarded as an overpayment.
- 3.4. It is upon such instances that the beneficiary will become liable to repay the social grant amount (overpayment) received and therefore be classified as a social grant debtor.
- 3.5. There are also instances where, due to various circumstances such as;
 - 3.5.1. Non-compliance with terms and conditions of SASSA study aid (bursary) contracts as contained in the SASSA Study Aid policy,

- 3.5.2. Damage and loss of state assets,
- 3.5.3. Overpayment of salaries,
- 3.5.4. Third party related infringements and so forth, that SASSA is, in terms of the Public Finance Management Act of 1999 as amended and its accompanying National Treasury Regulation, required to recover such monies.
- 3.6. The exponential increase of the Agency's debt book as well as the audit findings in relation to the social assistance (social grants) funds have necessitated the need for this action to curb the situation.
- 3.7. This action will ensure the effective and efficient management of social assistance debts and staff (employees) debts and therefore eliminate any further adverse audit findings for both the Department of Social Development (DSD) and the Agency.
- 3.8. The Agency has, in terms of the Public Finance Management Act, (Act No. 1 of 1999 as amended), Social Assistance Debt Policy, the South African Social Security Agency Staff Debt Policy, and other applicable prescripts, a responsibility to manage and collect recover all amounts owed to the State.
- 3.9. In pursuance of this legislated mandate, the Agency has identified two major challenges, namely, wrong and outdated debtor's addresses as well as the incorrect financial status of the debtor.
- 3.10. These major challenges disadvantage SASSA in effective and efficient management as well as the collection or recovery of the debts. Therefore, SASSA seeks to appoint a service provider that will constantly collect or recover all identified outstanding debts due.
- 3.11. The Agency's total debt book for social assistance debts as of 30 April 2026 stands at **R20,320,359 million** whilst the staff debt book stands at **R1, 411,693 million**.
- 3.12. Hereunder is a table depicting the debt book per category:

REGION	GRANTS	STAFF	TOTAL
EC	20,320,359.32	1,411,693.00	21,732,052.32

4.DELIVERABLES

- 4.1.1. Letter of demand
- 4.1.2. Preparation of summonses
- 4.1.3. Trace (soft and hard tracing), collect or recover any outstanding amounts from the debtors contained in the SASSA Debt Book)
- 4.1.4. Telephonic and SMS interaction with debtor
- 4.1.5. Negotiating acceptable payment agreements in accordance with Debt Collection Policy
- 4.1.6. Follow up on negotiated agreements
- 4.1.7. Identification of defaults on negotiated agreements
- 4.1.8. Obtaining judgements
- 4.1.9. Record settlement arrangements made by the debtor for monthly reporting to the Agency
- 4.1.10. Blacklist contacted defaulting debtors who have failed to adhere to agreed repayment arrangements with any registered credit bureau using the applicable and legally correct processes after notifying them of such steps.
- 4.1.11. Ensure debtors that are to be blacklisted are notified of such pending action either via SMS, email or a letter before it is implemented
- 4.1.12. Adhere and comply with all applicable legislation, including the SASSA policies and DSD Policies when collecting or recovering the debts.
- 4.1.13. In the monthly reporting, provide the Agency with the updated debtor particulars such as the physical address, postal address and contact details including alternative contact number);

- 4.1.14. Inform the Agency of any relevant information relating to the debtor that has come the attention of the service provider, such as latest place of work
- 4.1.15. Obtain such information for no other purpose whatsoever except to collect, any outstanding monies on behalf of SASSA.
- 4.1.16. Follow up and collect from the targeted groups, namely;
 - 4.1.16.1. Public servants;
 - 4.1.16.2. Municipality debtors,
 - 4.1.16.3. Transnet debtors,
 - 4.1.16.4. Social grant recipients or beneficiaries,
 - 4.1.16.5. Current staff debtors,
 - 4.1.16.6. Ex-employees,
 - 4.1.16.7. Third party claims or other debtors as per SASSA`s instructions issued from time to time.

5.SCOPE OF WORK

- 5.1. Recover monies owed to the State
- 5.2. Prepare letter of demand with following information:
 - 5.2.1 SASSA Debtor Number
 - 5.2.2 SASSA Bank Account and
 - 5.2.3 Proof of payment to be emailed to debt collector
- 5.3. Telephone and SMS interaction with debtor
- 5.4. Negotiating acceptable payment agreements in accordance with Social Assistance and Debt policies follow up on negotiated agreements
- 5.5. Follow up on negotiated agreements
- 5.6. Identification of defaults on negotiated agreements
- 5.7. Preparation of summons and obtain judgements
- 5.8. Take legal action against those that refuse or fail to honour their payment agreement

- 5.9. Issue a notification via either SMS, email or written letter to a traced debtor with a detail reply period and the reply telephone number as well as reply email address, to inform him/her that the Agency has handed over their debt to them for collection.
- 5.10. The notification should state what category is the amount owed (grant debtor, staff debtor or 3rd party claim), the amount owed and SASSA EC Deposit Account details and seek payment arrangement.
- 5.11. Use feedback received from the notification letters as a first screening and categorization of the cases, that is, recoverable or unrecoverable.
- 5.12. Use other legal data collection sources e.g SARS, to add any additional information or economic activities of the debtor. This should include but not limited to any business and/or spouses' activities.
- 5.13. Allocate the debtor to your call centre and start engaging the debtor(s)
- 5.14. Capture all interactions with debtor(s) once contacted and the monthly report to the Agency should include but not limited to the following:
- 5.14.1. Number of Calls made to the debtor
 - 5.14.2. Number of emails / SMS / faxes / letters sent
 - 5.14.3. Number of one-on-one meetings, if any
 - 5.14.4. Payment arrangements
- 5.15. Queries Refer to the Agency all untraceable or uncollected debtors with reasons why a debtor is deemed untraceable or uncollectable.

6. REPORTING REQUIREMENTS

- 6.1.1.1. Arrangements made with debtors
- 6.1.1.2. Final demand letters issued, delivered and posted
- 6.1.1.3. Matters handed in terms of statistics (number of debtors)
- 6.1.1.4. The appointed bidder utilizes the existing Debt reference number for each debtor
- 6.1.1.5. Debtors with arrangements as per the SASSA and DSD policies.

- 6.1.1.6. Debtors requesting arrangements outside the approved policies.
- 6.1.1.7. Debtors with once-off payment arrangement.
- 6.1.1.8. Debtors not found/untraceable.
- 6.1.1.9. Debtors who are deceased.
- 6.1.1.10. Debtors not active economically (not working)
- 6.1.1.11. Monthly detailed reconciliation of a debt book
- 6.1.1.12. Any other information that is relevant and available.

7. SPECIFIC SYSTEM REQUIREMENTS

The system should cater for all debt collection functions e.g.:

- 7.1 Telephone and SMS
- 7.2 Final demands
- 7.3 Arrangements
- 7.4 Summons
- 7.5 Acknowledgement of debt
- 7.6 Emoluments attachment orders
- 7.7 Judgements
- 7.8 Management reports

8. SKILLS AND EXPERIENCE

- 8.1 The bidder must have extensive experience in rendering services of a similar nature.
- 8.2 The bidder must demonstrate the availability of the skilled resources (experience, qualifications and professional registration). In this regard, the bidder must cover the following aspects:
 - 8.2.1 Trained staff with knowledge and experience in debt collection management and litigation (indicate years of experience in the required field).

- 8.2.2 Understanding of applicable legislation (debt collection related) and government policies (in particular DSD and SASSA debt policies);
- 8.2.3 Accounts and project management abilities,
- 8.2.4 Accessible customer service facility that will be managed by professionally trained staff.
- 8.3 Project Manager or a dedicated Team Leader of the Project
 - 8.3.1 The winning bidder shall be expected to assign this debt collection bid to a dedicated Team Leader who shall be known as the Project Manager
 - 8.3.2 Only this dedicated Team Leader / Project Manager shall be the main liaison individual between SASSA and the winning bidder
 - 8.3.3 The Project Manager should possess knowledge and understanding of debt management and collection strategies.
 - 8.3.4 The Agency expects the Project Manager to be an individual with a knowledge and understanding of accounting principles.
- 8.4 Project Plan / Methodology
 - 8.4.1 Detailed Project plan with final outputs and identified timeframes.
 - 8.4.2 Understanding of the project at hand and submission of the project plan based on the methodology.
 - 8.4.3 Identify the risks or possible challenges and provide mitigating factors

9. RESPONSIBILITIES

9.1 SASSA shall:

- 9.1.1 Provide EC debt book database, that is, Social Grant Debtors, Staff Debtors, both current and ex, as well as third party debtors
- 9.1.2 Provide the bidder with monthly paid debtors (bank statement)
- 9.1.3 Pay a commission fee on monthly basis as per reconciliations and proof of payment from debtors
- 9.1.4. Reconcile the debtors listing from the service provider on monthly basis in order to access recoverability of debt

9.2. BIDDER shall:

- 9.2.1. Pursue the debtors to recover State owed amounts

9.2.2. Provide with recovery report and reconciliation monthly

9.2.3. Issue an invoice monthly, based on debts recovered per month

NB: Both parties, namely SASSA EC Region and the winning bidder, upon the award of contract, will sign a formal service level agreement (SLA).

10. BID CONDITIONS

10.1 Any misrepresentation of information will lead to disqualification of the bid.

10.2 Certified copies must not be more than three (3) months old. Copy of a certified copy will not be acceptable

10.3 The Agency reserves the right to award a bid based on the best value for money, even if such a bid is not the lowest price.

10.4 The Agency reserves the right to appoint one (1) or more service providers or not to appoint any service provider at all.

10.5 The Agency reserves the right to award the bid in whole or only partially.

10.6 The Agency reserves the right to cancel this bid at any time with no cost implications.

10.7 The Agency will not be held responsible for any costs incurred by the bidder in the preparation, presentation and submission of the bid.

10.8 In accordance with the POPI Act (Protection of Personal Information Act), the winning bidder shall treat all available data provided by the Agency and collected on debtors as strictly confidential. Such data remains the property of the Agency and it shall not be for any other purpose without the written consent from the SASSA EC Region delegated authority.

10.9 The Agency may conduct site visits and reference check to verify the information provided.

11. LATE SUBMISSION

No bid documents received at the address indicated here-under after the stipulated closing date and time shall be considered.

12. EVALUATION OF THE BID

The bid proposals will be evaluated in accordance with the 80/20 principle and shall be in terms of the following two (2) stages:

a) **STAGE 1: Mandatory, Administrative Compliance & Functionality Evaluation**

Phase One: Mandatory Compliance

Phase Two: Administrative Compliance

Phase Three: Functionality Criteria

b) **STAGE 2: Price & Specific goals**

Phase One: Price and Preference Points

12.1 STAGE 1: MANDATORY, ADMINISTRATIVE COMPLIANCE & FUNCTIONALITY EVALUATION

- **Phase One – Mandatory Compliance**

Mandatory Requirement
Compulsory site briefing attendance slip
Valid Legal Registration certificate
Valid Debt Council Registration certificate
Certificate of inhouse attorneys for legal action / Name of attorneys to be used for Legal action if outsourced

- **Phase Two – Administrative Compliance**

Administrative Requirement
Standard bidding documents SBD 1, SBD 3.1, SBD 4, & SBD 6.1 all fully completed and signed
Proof of registration with National Treasury Central Supplier Database
A signed and stamped original letter of good standing from the bank that is not older than 3 months should be attached to the bid documents.
Signed and stamped reference letter/s from companies with the company letterhead stating contract period, nature of services that includes the rate of recovery and the value of recovery

Administrative Requirement
Reference Letter /s must be submitted for all previous and current projects as listed in Annexure A
Detailed proposal (project plan, technical and financial)
Bidder to fully complete and submit Annexure A & Annexure B.
Curriculum Vitae (CV) of a Project Manager and minimum of three (3) contactable references.
Project Manager must have a Project Management Certificate or equivalent qualification (NQF Level 6)
Company Registration document (CIPRO)
Tax compliance status PIN.
BBBEE certificate or Sworn Affidavit
Proof of company address e.g Municipal account / lease agreement of company
NB: The validity period of all certified copies of documents must not exceed three (3) months.
Failure to submit the above documents may lead to disqualification of the bid.

• Phase Three – Functionality Compliance

Bidders will be evaluated in terms of the following values

- The bidder will be evaluated for functionality (listed in the table below) as stipulated in these Terms of Reference.
- A bidder that scores less than **70** points out of **100** in respect of functionality will be regarded as submitting a non-responsive proposal and will be disqualified.
- Only the bidder scoring a minimum of **70** points for functionality will proceed to be further evaluated on Price and Preferences.

FUNCTIONALITY CRITERIA	WEIGHT
Experience in the Debtor collection industry	100

FUNCTIONALITY CRITERIA			WEIGHT															
A. Capability, Experience, Infrastructure and Site Visits																		
Bidders must provide:		Score	20															
Company profile detailing their Organizational structure, national footprint and infrastructure to render services and the bidder’s background and expertise on the services.																		
a) Bidder to provide information that demonstrates																		
<table><tr><td colspan="2">Company Details</td><td>Score</td></tr><tr><td>i.</td><td>Existence of IT infrastructure. (Server room, storage facility, laptops/ computers & printers)</td><td>5</td></tr><tr><td>ii.</td><td>Type of the debt collection system in use with a Valid Licence</td><td>5</td></tr><tr><td>iii.</td><td>The type of the available debt management system, and the type and sample template of the system-generated report.</td><td>5</td></tr><tr><td>iv.</td><td>Verify existence of the premise/s /office in South Africa</td><td>5</td></tr></table>				Company Details		Score	i.	Existence of IT infrastructure. (Server room, storage facility, laptops/ computers & printers)	5	ii.	Type of the debt collection system in use with a Valid Licence	5	iii.	The type of the available debt management system, and the type and sample template of the system-generated report.	5	iv.	Verify existence of the premise/s /office in South Africa	5
Company Details				Score														
i.	Existence of IT infrastructure. (Server room, storage facility, laptops/ computers & printers)		5															
ii.	Type of the debt collection system in use with a Valid Licence	5																
iii.	The type of the available debt management system, and the type and sample template of the system-generated report.	5																
iv.	Verify existence of the premise/s /office in South Africa	5																
Bidder to have successfully completed accumulative contracts to the value not less than R1M in the field of debt collection within the last five (5) years of the closing date of the bid.																		
Value of Contracts		Score	30															
R1 - R1M		1																
Above R1M – R2M		2																
Above R2M – R3M		3																
Above R3M – R4M		4																
Above R4M		5																
Debt Book and Recovery rate																		
The information supplied on the reference letter must have rate of recovery and the value of recovery																		
Bidders must indicate the average recovery rate achieved		Score	30															
0%-20%		1																
Above 20% - 40%		2																
Above 40% - 60%		3																
Above 60% - 80%		4																
Above 80%		5																

FUNCTIONALITY CRITERIA			WEIGHT
Project Manager The bidder must provide a dedicated Project Manager who will attend to regular contract review meetings with the Agency. The bidder to provide a CV of the Project Manager indicating the experience in debt collection:			
The bidder to provide a CV of the Project Manager indicating the work experience in debt collection:		Score	05
i.	0 to 1 years	1	
ii.	Above 2 year to 3 years	2	
iii.	Above 3 years to 4 years	3	
iv.	Above 4 years to 5 years	4	
v.	Above 5 years	5	
CV of Attorney to be used for litigation			
The bidder to provide a CV of the Attorney indicating the work experience in litigation matters:		Score	05
i.	0 to 1 years	1	
ii.	Above 2 year to 3 years	2	
iii.	Above 3 years to 4 years	3	
iv.	Above 4 years to 5 years	4	
v.	Above 5 years	5	
Collection Process:			10
	Expected Details	Score	
i.	Collection process plan	2	
ii.	Any value-added services	2	
iii.	Identify possible recovery challenges	2	
iv.	Mitigation plan of such challenges	2	
v	Strategies for debtor tracing, locating and debt collection	2	

NB: Failure to submit the above documentation will result in the disqualification of the bid.

12.2 **STAGE TWO: PRICE & SPECIFIC GOALS**

12.2.1 The 80/20 preference points system will apply in the evaluation of submitted bid proposals

Price and Specific Goals	100 Points
Price	80 points
Specific Goals	20points

12.2.2 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 bid.

12.2.3 The bidder/s 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 bid:

Table 1: Specific goals for the tender and points claimed	
SPECIFIC GOALS ALLOCATED POINTS	NUMBER OF POINTS (80/20 SYSTEM)
B-BBEE Status Level 1 - 2 contributor with at least 51% black women ownership	20
B-BBEE Status Level 3 – 4 contributor with at least 51% women ownership	18
B-BBEE Status Level 1 - 2 contributor with at least 51% black youth or disabled ownership	16
B-BBEE Status Level 1 - 2 contributor	14
B-BBEE Status Level 3 - 8 contributor with at least 51% youth or disabled ownership	12
B-BBEE Status Level 3 - 4 contributor	8
B-BBEE Status Level 5 - 8 contributor	4
Others	0

12.2.4 In the event of a bidder claiming more than one specific goal category, the Agency will allocate points based on specific goal with the highest points. The highest points will be confirmed with the BBEE Certificate/ Sworn Affidavit submitted by bidder/CIPC etc.

12.2.5 Bidders must submit original and valid or certified copies of B-BBEE status level Verification Certificates from a Verification Agency accredited by the South African Accreditation System (SANAS) (Certification must not be older than 3 months). Bidders

who qualify as EMEs can submit a sworn affidavit signed by the EME representative and attested by a Commissioner of Oaths.

13. PROJECT COST/PRICE

13.1 PRICING

- Commission fee is based on “**No Recovery, No Fee**”
- The bidder must provide a fixed price proposal for the duration of the contract based on the total value of the SASSA debt book.
- The fixed price proposal must be VAT inclusive and quoted in South African Rand for VAT registered companies.
- The fixed price proposal must be an **all-inclusive rate** (direct and indirect costs) that may be incurred by the bidder in rendering the required service.
- No other costs will be accepted after award.
- The fixed price proposal will be paid proportional to recovered debts

14. METHOD OF PAYMENT / REMUNERATION OF THE SUCCESSFUL BIDDER

- The monthly billing (commission) will be based on the fixed price proposal and be proportional to debt amount collected per month.
- Since collections will be deposited in the SASSA EC Deposit Account, Debt Management Unit of SASSA EC Region will perform a monthly reconciliation of the deposits using the unique Debt Reference Number the bidder will provide to each debtor and provide that reconciliation to the bidder with supporting documents to enable the monthly commission claim by the bidder.
- The invoice from the bidder for monthly commission must be all-inclusive of Value added tax, variable costs, including travelling and accommodation, legal fees and any other costs that are related to project.

15. COMPULSORY BRIEFING SESSION

A Compulsory briefing session will be held on **Friday, 24 July 2026** as follows:

Venue: Eastern Cape SASSA Regional Office (East London).

**2nd Floor Boardroom,
Cnr Merino & Fitzpatrick Road
Quigney
East London**

Time: 10:00

16. SUBMISSION OF BIDS

Submission of bids must be submitted on the Bid box on **11 August 2026** at **11h00** at the following address:

**SASSA REGIONAL OFFICE
BKB BUILDING,
CONR FITZPATRICK & MERINO ROAD
QUIGNEY
EAST LONDON
5201**

Bids submitted after the closing date and time will not be accepted.

17. ENQUIRIES

The following officials can be contacted in respect of bid enquiries, from the date of advert until five (5) days before the bid closing date.

Name and Surname	Designation	Email	Contact
Vukile Njengele	SM: Financial Accounting	tenderqueriesec@sassa.gov.za	043 707 6441
Tanduxolo Tyaliti	Assistant Manager: SCM	tenderqueriesec@sassa.gov.za	043 707 6328

ANNEXURE A

NB: SASSA shall verify the contents of this list directly with the bidders' clients. Bidders are required to complete this table in full.

TABLE OF EXPERIENCE - CURRENT AND PREVIOUS CONTRACTS (CLIENT BASE)

A list of current and previous contracts not older than five (5) years, accompanied by referral letters, which are relevant to the service required in the bid specifications, must be attached to the bid proposal. This template must be used and must be completed in full. **Failure to complete the table correctly shall invalidate the bid.**

Indicate all the current and previous contracts accompanied by referral letters, which should be from the clients indicated in the table below and **ONLY** those relevant to services required in the bid specifications.

Name of client / organization where services of similar nature has been rendered/implemented	Contract period (indicate start and end dates) e.g. 1 April 2013 to 31 March 2016	Nature of services provided in terms of values and number of transactions. (e.g. debt collection and R500 000)	Contact person and telephone numbers of your client

ANNEXURE B – INFRASTRUCTURE OF SERVICE PROVIDER

Region / Province	No of offices and location	Communication tools (telephones and emails)		Debtors' management systems		Detail the type of the system and its availability, and the type and sample template of the report generated
		YES	NO	YES	NO	

NB: Bidders to submit proof of office ownership of business premises (Municipal Rates Account). In terms of leasing, the Bidder to submit the lease agreement signed by both the lessor and lessee.

COMPULSORY BRIEFING SESSION CERTIFICATE
BID NO: SASSA 02-26-FIN-EC

**APPOINTMENT OF A SERVICE PROVIDER FOR DEBT COLLECTION SERVICES
INCLUSIVE OF ATTORNEYS FOR LEGAL ACTION ON BEHALF OF SOUTH AFRICAN
SOCIAL SECURITY AGENCY [SASSA] FOR EC REGION FOR A PERIOD OF 36
MONTHS**

I/We have attended the briefing session for the above-mentioned bid at the date specified below.

I/We have thoroughly studied the bid documents, and I/We have brought myself/ourselves fully conversant with all aspects which could influence negatively its evaluation and adjudication by the relevant authorities.

I/We further certify that I/We am/are satisfied with the description of the bid and the explanation given to me/us by the SASSA Official/s at the briefing session and I/We fully understand the extent of the work to be done as specified and implied for the execution of this contract.

Date of Briefing Session: 24 July 2026

Time of Briefing: 10:00

Venue of Briefing: SASSA Regional Office East London

Name of the Bidding Company

Name and signature of the Company Representative

Name and signature of SASSA Representative

SASSA DATE STAMP