



APPOINTMENT OF A SERVICE PROVIDER TO UPDATE AND MAINTAIN GRAP COMPLIANT FIXED ASSETS REGISTER AND THE PROVISION OF AN ASSET MANAGEMENT SYSTEM FOR A PERIOD OF THREE (3) FINANCIAL YEARS (ELM 23/03/01)



## EMAKHAZENI LOCAL MUNICIPALITY

**TENDER DOCUMENT:**  
**APPOINTMENT OF A SERVICE PROVIDER TO UPDATE AND MAINTAIN GRAP COMPLIANT FIXED ASSETS REGISTER AND THE PROVISION OF AN ASSET MANAGEMENT SYSTEM FOR A PERIOD OF THREE (3) FINANCIAL YEARS**

**CONTRACT NUMBER: ELM 23/03/02**

**CLOSING DATE: 12 APRIL 2023 12:00PM**

**EMPLOYER:**

**EMAKHAZENI LOCAL MUNICIPALITY**  
25 SCHEEPERS STREE  
BELFAST  
1100

**Represented by:**

SHABANGU J.W  
Municipal Manager  
**Tel:** 013 253 7600  
**Email:** wonder.shabangu@emakhazeni.gov.za

**FOR ENQUIRES:**

**Technical Enquiries:**  
**Financial Services**

Kanyane M  
Manager: Asset Management  
**Tel:** 013 253 7601  
**Email:** mapule.kanyane@emakhazeni.gov.za

**Administrative Enquiries:**  
**Supply Chain Management**

Madiope J  
Manager: Supply Chain Management  
**Tel:** 013 253 7600  
**Email:** joas.madiope@emakhazeni.gov.za

**Name of Tenderer** : .....

**CSD Registration Number** : .....



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**SUMMARY FOR TENDERER DETAILS**

NAME OF TENDERER \_\_\_\_\_

ADDRESS : \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

CELLPHONE NUMBER: \_\_\_\_\_

TELEPHONE NUMBER \_\_\_\_\_

FAX NUMBER \_\_\_\_\_

E-MAIL ADDRESS \_\_\_\_\_

CLOSING DATE \_\_\_\_\_

Signed by authorised representative of the TENDERER: \_\_\_\_\_

DATE: \_\_\_\_\_



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Number	Heading
<b>The Tender</b>	
<b>Part T1:</b>	<b>Tendering Procedures</b>
T1.1	Tender notice and invitation to tender
T1.2	Tender Data
T1.3	General Conditions of the bid proposal:Definitions
<b>Part T2</b>	<b>Returnable Documents</b>
T2.1	List of Returnable Documents
T2.2	Returnable Schedules
<b>The Contract</b>	
<b>Part C1:</b>	<b>Agreement and Contract Data</b>
C1.2	Contract Data
<b>Part C2</b>	<b>Scope of work and Bills of quantity</b>
<b>C2.1</b>	Scope of work
<b>C2.2</b>	Bills of quantity
<b>Part C3</b>	<b>PRICING DATA</b>
<b>C3.1</b>	Pricing instruction



## **TENDERING PROCEDURES**

### **THE TENDER**

#### **Part T1: Tendering Procedures**

- T1.1 Tender notice and invitation to tender
- T1.2 Tender Data
- T1.3 General Conditions of the bid proposal: Definitions



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## **T1.1 TENDER NOTICE AND INVITATION TO TENDER**

Bid documents will be obtainable on payment of cash non-refundable document fee of **R350.00** per document from the offices of the Emakhazeni Local Municipality, 25 Scheepers Street, Belfast during office hours from 07H45 to 12h30 and 13h00 to 15h00 weekdays, or on supply of proof of EFT payment made into the following bank account: **FNB Current Account Number 62028195510 Branch Code 270351, Tender Reference number (Project Number and Company Name)**, the document can also be obtained on the municipality's website or **on the e-Tender Website at <http://www.etenders.gov.za/content/advertised-tenders>** at no cost.

Tenders are to be completed in black ink and completed in accordance with the conditions and rules contained in the tender documents. The tenders and relevant documents must be sealed in a envelope and externally endorsed with **Project No; and Description**; and be deposited in the Tender Box, Ground Floor, Emakhazeni Local Municipality, 25 Scheepers Street, Belfast, Mpumalanga. **The Tenders shall remain valid for a period of 90 days from the closing date.** Telegraphic, telephonic, fax, telex e-mail or late tenders will not be accepted.

Project number	Description	Availability of Tender document	Briefing session	Closing Date	Functionality %	Contact person
ELM 23/03/02	<b>APPOINTMENT OF A SERVICE PROVIDER TO UPDATE AND MAINTAIN GRAP COMPLIANT FIXED ASSETS REGISTER AND THE PROVISION OF AN ASSET MANAGEMENT SYSTEM FOR A PERIOD OF THREE (3) FINANCIAL YEARS</b>	Wednesday, the 15 <sup>th</sup> of March 2023	None	Wednesday the 12 <sup>th</sup> of April 2023 at 12h00	75%	Procurement enquiries: Joas Madiope at 013 253 7601 <a href="mailto:joas.madiope@emakhazeni.gov.za">joas.madiope@emakhazeni.gov.za</a>  Technical enquiries: Mapule Kanyane at 013 253 7600 <a href="mailto:mapule.kanyane@emakhazeni.gov.za">mapule.kanyane@emakhazeni.gov.za</a>

Tenders will be evaluated in terms of the Supply Chain Management policy of the Emakhazeni Local Municipality aligned to preferential procurement policy framework (PPPFA) (Act 5 of 2000). The Method for evaluation of Consortium and professional service providers is based on functionality (minimum 70%), price and preferential points (80/20 preference). Master Registration Number and tax compliance status PIN to enable the municipality to verify the bidder's tax compliance status must be attached. Service providers must be registered at central supplier database (CSD).

**MR. J.W. SHABANGU**  
**MUNICIPAL MANAGER**  
**EMAKHAZENI LOCAL MUNICIPALITY**



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**[MBD1] PART A  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE EMAKHAZENI LOCAL MUNICIPALITY</b>					
BID NUMBER:	ELM 23/03/01	CLOSING DATE:	12 APRIL 2023	CLOSING TIME:	12H00
DESCRIPTION	<b>APPOINTMENT OF A SERVICE PROVIDER TO UPDATE AND MAINTAIN GRAP COMPLIANT FIXED ASSETS REGISTER AND THE PROVISION OF AN ASSET MANAGEMENT SYSTEM FOR A PERIOD OF THREE (3) FINANCIAL YEARS</b>				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).</b>					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
<b>Emakhazeni Local Municipality</b>					
<b>25 Scheepers Street</b>					
<b>Belfast, 1100</b>					
<b>Mpumalanga</b>					
<b>SUPPLIER INFORMATION</b>					
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:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes  <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT <input type="checkbox"/> Yes  <input type="checkbox"/> No		
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes  <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes  <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]	
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE	R	
SIGNATURE OF BIDDER	.....		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>			<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>		
DEPARTMENT	SUPPLY CHAIN		CONTACT PERSON	Mapule Kanyane	
CONTACT PERSON	Joas Madiope		TELEPHONE NUMBER	013 253 7600	
TELEPHONE NUMBER	013 253 7601		FACSIMILE NUMBER	013 253 1889	
FACSIMILE NUMBER	013 253 1889		E-MAIL ADDRESS	mapule.kanyane@emakhazeni.gov.za	
E-MAIL ADDRESS	joas.madiope@emakhazeni.gov.za				



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**PART B**  
**TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>	
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.	
1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE</b>	
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.	
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
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.	
<b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>	
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
<b>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.</b>	

**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: .....



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**3. MANDATORY RETURNABLES, TENDER RULES AND INSTRUCTIONS (FAILURE TO COMPLY WITH THE PRE-SET REQUIREMENTS,**

4.1 DULY COMPLETED AND SIGNED MBD 1 FORM BY SERVICE PROVIDER AND FORMAL WRITTEN PRICE QUOTATION BY THE BIDDER

4.2 COMPLETION AND SIGNING OF ALL DECLARATION FORMS (MBD)

4.3 SUBMISSION OF A VALID SARS TCS PIN

4.4 PROOF AND DECLARATION THAT THE BIDDER IS NOT IN ARREARS OF MUNICIPAL RATES MORE THAN 90 DAYS

4.5 PROOF OF REGISTRATION WITH RECOGNIZED PROFESSIONAL BODIES

4.6 BIDDER MUST PROVIDE CERTIFIED ID COPIES OF ALL DIRECTORS, SHAREHOLDERS, AND PARTNERS

4.7 ALL CERTIFIED COPIES MUST NOT BE OLDER THAN THREE (03) MONTHS FROM CLOSING DATE.

4.8 CERTIFIED COPY OF COMPANY REGISTRATION CERTIFICATE TO BE ATTACHED WITH THE BID DOCUMENT

4.9 CENTRAL SUPPLIER DATABASE (CSD) REGISTRATION NUMBER, AND

4.10 DECLARATION THAT BIDDER IS NOT IN ARREARS OF ANY MUNICIPAL RATES, MUNICIPAL RATES OF EACH COMPANY DIRECTOR, VALID LEASE AGREEMENT AND LEASE DECLARATION BY LESSOR, OR PROOF OF RESIDENCE FROM THE MUNICIPAL COUNCIL (IF OPERATING BUSINESSES FROM AN INFORMAL NON-BILLED RESIDENTIAL AREA)

*NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE. ALL CERTIFIED COPIES MUST NOT BE OLDER THAN THREE MONTHS FROM TENDER CLOSING DATE. COPIES OF CERTIFIED COPIES WILL NOT BE CONSIDERED AS VALID COPIES.*





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**Tender Data**

<b>Clause</b>	<b>Wording (Data)</b>
	The employer is the EMAKHAZENI LOCAL MUNICIPALITY.
	<p>The tender documents issued by the employer comprise:</p> <p><b>PART T1 : TENDERING PROCEDURES</b></p> <p>T1.1: Tender Notice and Invitation to Tender</p> <p>T1.2: Tender Data</p> <p><b>PART T2 : RETURNABLE DOCUMENTS</b></p> <p>T2.1: List of Returnable Documents</p> <p><b>PART C1: AGREEMENTS AND CONTRACT DATA</b></p> <p>C1.1: Form of Offer and Acceptance</p> <p><b>PART C2 : PRICING DATA</b></p> <p>C2.2: Bill of Quantities</p> <p><b>PART C3 : SCOPE OF WORKS</b></p> <p>C3 Terms of Reference</p> <p><b>APPENDICES</b></p> <p><b>C3.5 Annexures</b></p>
	<p>The Employer's agent is:</p> <p>The Municipal Manager</p> <p>SHABANGU J.W</p> <p>Emakhazeni Local Municipality</p> <p>25 Scheepers Street</p> <p>Belfast</p> <p>1100</p>
	<p>Only those tenderers who satisfy the following eligibility criteria are eligible to submit tenders :</p> <p>a) CSD Registered service providers.</p> <p>b) Bidders not listed on National Treasury's Tender Defaulters Database and Restricted suppliers.</p>
	The arrangements for a compulsory clarification meeting are as per the invitation to bid Invitation / advert.
	<p>The Employer's address for delivery of tender offers and identification details to be shown on each tender offer package are:</p> <p>Location of tender box: EMAKHAZENI LOCAL MUNICIPALITY OFFICES</p> <p>Physical address:</p> <p>25 Scheepers Street</p> <p>Belfast</p> <p>1100</p>
	A two-envelope procedure will not be followed.
	<b>The closing time for submission of tender offers is 12H00 hours on Wednesday, 12 April 2023</b>



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Clause	Wording (Data)
	Telephonic, telegraphic, telex, facsimile or e-mailed tender offers will NOT be accepted.
	<b>The tender offer validity period is 90 days.</b>
	The tender shall, when requested by the Employer to do so, submit the names of all management and supervisory staff that will be employed to supervise the labour-intensive portion of the works together with satisfactory evidence that such staff members satisfy the eligibility requirements
	The tenderer is required to submit the following certificates with his tender: 1) Particulars of any contracts awarded by an organ of state during the last five years including particulars of any material non-compliance or dispute concerning their execution over this period (if >R10 000 incl. VAT); and
	The time and location for opening of the tender offers are in accordance with regulation 23 of the MFMA
	Functionality / Quality Scorecard: Offers that score less than 75% will be disqualified from further evaluation.
	Preference points will be allocated as follows: <u>Pricing: 80</u> <u>Specific goals: 20</u> Tender offers will only be accepted on condition that: the tenderer has in <u>his or her possession</u> an original Tax Clearance Certificate / valid and compliant SARS TCS Pin issued by the South African Revenue Services;
	a) the tenderer is registered with the Central Supplier Database of National Treasury; b) the tenderer or any of its directors is not listed in the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector.
	the tenderer has not: c) abused the Employer's Supply Chain Management System; or i) failed to perform on any previous contract and has been given a written notice to this effect; and ii) has completed the Compulsory Enterprise Questionnaire and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially comprise the tender process.
	d) The number of paper copies of the signed contract to be provided by the Employer is ONE (1).
	The council reserves the right to appoint more than one service providers. The Council reserves the right to cancel or withdraw the tender, or not to award



**Part T2.1 LISTS OF RETURNABLE DOCUMENTS** (*Bidder Must comply with the set out Schedules below, tender rules and Instructions, failure to comply will result in tender being non-responsive*)

- Record of addenda (if any)
- Certificate of Authority of Signatory
- Registration certificate / Agreement / Identity Documents
- Duly Completed and Signed MBD 1 Form by Bidder
- Tax Clearance Requirements – valid SARS Tax Compliance Status (TCS) Pin – MBD 2
- Pricing Schedule – Firm Prices MBD 3.1
- Declaration by Bidder MBD 4 (Declaration of Interest)
- Declaration by Bidder MBD 6.1 (Preference Claim Points)
- Contract Form – Purchase of Goods and Services – MBD 7.2
- Declaration by Bidder MBD 8 (Bidder's Past Supply Chain Management Practices)
- Declaration by Bidder MB 9 (Certificate of Independent Bid Determination)
- Proof of CSD Registration / CSD registration number,
- Compulsory Enterprise Questionnaire
- Company Information

**Note:** *In Addition: Bidders who fail to comply with the underneath pre-set Tender Instructions and Rules will not be accepted (will be rejected as non-responsive):*

*Bidders are NOT allowed to dismantle the tender document originally issued by the employer, All certified documents must not be older than three months from tender closing date, all alterations and cancellations to tender document must be signed by the authorised signatory, employer reserves the right to disqualify tenderers for infringing any of the Standard Tender Conditions, rules and issued instructions. ALL pages of the tender document must be initialled by authorised signatory. Copies of certified copies will not be accepted as valid copies. Bidder's whose names appear on the National Treasury list of Restricted Suppliers and Defaulters will not be accepted.*



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**RECORD OF ADDENDA TO TENDER DOCUMENTS**

We confirm that the following communications received from the Employer before the submission of this tender offer, amending the tender documents, have been taken into account in this tender offer:

	Date	Title or Details
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		

Attach additional pages if more space is required.

Signed

Date

Name

Position

Tenderer



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**CERTIFICATE OF AUTHORITY FOR SIGNATORY**

Indicate the status of the tenderer by ticking the appropriate box hereunder. The tenderer must complete the certificate set out below for the relevant category, and attach their **Registration Certificates for Companies, Close Corporations and Partnerships, or Agreements and Powers of Attorney for Joint Ventures, or ID documents. Bidders MUST attach valid Proof of Authority to sign the bid to this form.**

(I) COMPANY	(II) CLOSE CORPORATION	(III) PARTNERSHIP	(IV) JOINT VENTURE	(V) SOLE PROPRIETOR

**(I) CERTIFICATE FOR COMPANY**

I, .....chairperson of the Board of Directors of

.....hereby confirm that by resolution of the Board (copy attached) taken

on.....20.....Mr/Ms .....acting in the capacity of

..... was authorized to sign all documents in connection with the

tender for Contract No .....and any contract resulting from it, on behalf of the company.

**Chairman** : .....

**As Witnesses** : 1. ....

2. ....

**Date.** : .....



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**(ii) CERTIFICATE FOR CLOSE CORPORATION**

We, the undersigned, being the key members in the business trading as

.....

.....hereby authorise Mr/Ms..... acting in the capacity of

.....to sign all documents in connection with the tender for

Contract No .....and any contract resulting from it, on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

**Note: This certificate is to be completed and signed by all of the key members upon whom rests the direction of the affairs of the Close Corporation as a whole.**



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**(III). CERTIFICATE FOR PARTNERSHIP**

We, the undersigned, being the key partners in the business trading as,.....

.....hereby authorize Mr/Ms .....

.....acting in the capacity of.....to sign all documents in connection with the

tender for Contract No .....and any contract resulting from it, on our behalf.

NAME	ADDRESS	SIGNATURE	DATE

***Note: This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole.***



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**(IV) CERTIFICATE FOR JOINT VENTURE**

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorize

Mr/Ms.....authorized signatory of the company,.....

acting in the capacity of lead partner, to sign all documents in connection with the tender offer for Contract No

.....and any contract resulting from it, on our behalf.

This authorization is evidenced by the attached power of attorney signed by legally authorized signatories of all the partners to the Joint Venture.

NAME OF FIRM	ADDRESS	AUTHORIZING SIGNATURE NAME AND CAPACITY
Lead Partner		

***Note: This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole.***

**(V) CERTIFICATE FOR SOLE PROPRIETOR**

I, .....hereby confirm that I am the sole owner of the business trading as

.....

Signature of Sole owner .....

1. ....

2. .... Date .....





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**CERTIFIED COPIES OF REGISTRATION CERTIFICATE / AGREEMENT/ ID DOCUMENT**

*(Important note to Tenderer: certified copies of Registration Certificates for Companies, Close Corporations and Partnerships, or Agreements and Powers of Attorney for Joint Ventures, or ID documents for Sole Proprietors, all as referred to in the foregoing forms and must be inserted here)*



## **TAX CLEARANCE CERTIFICATE REQUIREMENTS**

1. The taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with the Receiver of Revenue to meet his / her tax obligations.
2. Bidder must attach a valid SARS TCS Tax Compliance Status Pin / SARS Valid Tax Certificate. Failure to comply with the instruction WILL invalidate the bid or result in the bid being rejected.
3. In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate SARS Tax Compliance Status Pin.



MBD3.1

### 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:  | .....<br>.....                    |
| - | 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                     | .....<br>*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



**APPOINTMENT OF A SERVICE PROVIDER TO UPDATE AND MAINTAIN GRAP COMPLIANT FIXED ASSETS REGISTER AND THE PROVISION OF AN ASSET MANAGEMENT SYSTEM FOR A PERIOD OF THREE (3) FINANCIAL YEARS (ELM 23/03/01)**

**DECLARATION OF BIDDERS - MBD4**

1. No bid will be accepted from persons in the service of the state. \*
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 favoritism, 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 authorized representative declare their position in relation to the evaluating/adjudicating authority and/or take oath declaring his/her interest.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid:

Full Name: .....

Identity Number: .....

Company Registration Number: .....

VAT Registration Number: .....

Are you presently in the service of the state? **Yes / No**

If so furnish particulars: .....

.....

Have you been in the service of the state in the last twelve months? **Yes / No**

If so furnish particulars .....

---

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

- (a) a member of
- (1) any municipal council;
- (2) any provincial legislature; or
- (3) 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
- (e) constitutional institution within the meaning of the Public Finance Management Act, 1999 (act no 1 of 1999);
- (f) a member of the accounting authority of any national or provincial



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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**

If so, furnish particulars.....  
.....

Are *you*, aware of any relationship (family, friendly, other) between a bidder and persons in the service of the state who may be involved with the evaluation and adjudication of this bid.

**Yes**

**/ No**

If so, furnish particulars.....  
.....

Are any of the company's directors, managers, principle Shareholders or stakeholders in the service of the State? **Yes / No**

If so, furnish particulars.....  
.....

Is any spouse, child, or parent of the company's directors, managers, principle shareholders or stakeholders in service of the state?

**Yes / No**

If so, furnish particulars.....  
.....

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME)**

.....  
**CERTIFY THAT THE INFORMATION FURNISHED ON THE DECLARATION FORM IS TRUE AND CORRECT. I ACCEPT THAT, IN ADDITION TO CANCELLATION OF CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE**

.....  
**SIGNATURE**

.....  
**DATE**

.....  
**POSITION**



**APPOINTMENT OF A SERVICE PROVIDER TO UPDATE AND MAINTAIN GRAP COMPLIANT FIXED ASSETS REGISTER AND THE PROVISION OF AN ASSET MANAGEMENT SYSTEM FOR A PERIOD OF THREE (3) FINANCIAL YEARS (ELM 23/03/01)**

**MBD 6.1**

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

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

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

**1. GENERAL CONDITIONS**

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

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

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

*(delete whichever is not applicable for this tender).*

a) The applicable preference point system for this tender is the 80/20 preference point system.

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

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

**1.4 To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

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

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

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

**2. DEFINITIONS**

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable



## APPOINTMENT OF A SERVICE PROVIDER TO UPDATE AND MAINTAIN GRAP COMPLIANT FIXED ASSETS REGISTER AND THE PROVISION OF AN ASSET MANAGEMENT SYSTEM FOR A PERIOD OF THREE (3) FINANCIAL YEARS (ELM 23/03/01)

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:

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \mathbf{Ps = 80 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left( 1 - \frac{Pt - P_{min}}{P_{min}} \right)} \end{array}$$

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:

$$\begin{array}{ccc} \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\ \mathbf{Ps = 80 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)} & \mathbf{or} & \mathbf{Ps = 90 \left( 1 + \frac{Pt - P_{max}}{P_{max}} \right)} \end{array}$$

Where

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



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#### **4. POINTS AWARDED FOR SPECIFIC GOALS**

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

**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.)***

<b>The specific goals allocated points in terms of this tender</b>	<b>Number of points claimed (80/20 system) (To be completed by the tenderer)</b>	<b>Means of verification</b>
2,5 points for 100% black person or people owned enterprise;		Certified Identity Documents of the owners and CSD Report
2,5 points for more than 30% woman or women shareholding or owned enterprise;		Certified Identity Documents of the owners and CSD Report
2,5 points for more than 30% youth shareholding or owned enterprise;		Certified Identity Documents of the owners and CSD Report
2,5 points for more than 30% people living with disability shareholding or owned enterprise.		CSD Report
2,5 points for enterprise regarded as EMEs located within the local area of jurisdiction;		B-BBEE Sown Affidavit and Municipal rates from ELM, together with proof of residence
5 points for Corporate Social Investment (CSI) or Social Labour Plan proposition;		Corporate Social Investment (CSI) or Social Labour Plan
2,5 points for valid B-BBEE level 1 contribution		B-BBEE Certificate or equivalent





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**DECLARATION WITH REGARD TO COMPANY/FIRM**

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

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

- ☐ 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;



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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:** .....  
.....  
.....



## CONTRACT FORM – PURCHASE OF GOODS / SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SUCCESSFUL BIDDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SUCCESSFUL BIDDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

### PART 1 (TO BE FILLED IN BY THE BIDDER)

1. I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to (name of **Emakhazeni Local Municipality** in accordance with the requirements and specifications stipulated in bid number **ELM 23/03/01** at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz
    - Invitation to bid;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Technical Specification(s);
    - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2022;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - Special Conditions of Contract;
  - (ii) General Conditions of Contract; and
  - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT) .....

CAPACITY .....

SIGNATURE .....

NAME OF FIRM .....

DATE .....

#### WITNESSES

1 .....

2. ....

DATE: .....



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**MBD 7.2**

**CONTRACT FORM – PURCHASE OF GOODS / SERVICES**

**PART 2 (TO BE FILLED IN BY THE PURCHASER)**

1. I..... in my capacity  
as..... accept your bid under reference  
number .....dated.....for the supply of goods/works indicated  
hereunder and/or further specified in the annexure(s).
2. An official order indicating delivery instructions is forthcoming.
3. I undertake to make payment for the goods/works delivered in accordance with the terms  
and conditions of the contract, within 30 (thirty) days after receipt of an invoice  
accompanied by the delivery note.
4. I confirm that I am duly authorized to sign this contract.

SIGNED AT .....ON.....

NAME (PRINT) .....

SIGNATURE .....

OFFICIAL STAMP

--

WITNESSES

1. ....

2. ....

DATE .....



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**PART C1: AGREEMENTS AND CONTRACT DATA**

**C1.1: Form of Offer and Acceptance**

**A. OFFER**

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract in respect of the following works:

**CONTRACT No.: ELM 23/03/01**

**APPOINTMENT OF A SERVICE PROVIDER TO UPDATE AND MAINTAIN GRAP  
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The Tenderer, identified in the Offer Signature block below, has examined the documents listed in the Tender Data and addenda thereto as listed in the Tender Schedules, and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the Tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance, the Tenderer offers to perform all of the obligations and liabilities of the Contractor under the Contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the Conditions of Contract identified in the Contract Data.

**The offered total of the prices inclusive of Value Added Tax is:**

R ..... (In words) .....  
.....

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document to the Tenderer before the end of the period of validity stated in the Tender Data, whereupon the Tenderer becomes the party named as the Contractor in the Conditions of Contract identified in the Contract Data.

**Signature:** (of person authorized to sign the tender): .....

**Name:** (of signatory in capitals): .....

**Capacity:** (of Signatory): .....

**Name of Tenderer:** (organisation): .....

**Address:** .....  
.....

**Telephone number:** ..... **Email:** .....

**Witness:**

**Signature:** .....

**Name:** (in capitals): .....

**Date:** .....

**[Failure of a Tenderer to sign this form will invalidate the tender]**



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## **B. ACCEPTANCE**

By signing this part of the Form of Offer and Acceptance, the Employer identified below accepts the Tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the Conditions of Contract identified in the Contract Data. Acceptance of the Tenderer's Offer shall form an agreement between the Employer and the Tenderer upon the terms and conditions contained in this Agreement and in the Contract that is the subject of this Agreement.

The terms of the contract are contained in

Agreement, and Contract Data, (which include this Agreement)  
Pricing Data, including the Bill of Quantities  
Scope of Work  
Site Information

and the schedules, forms, drawings and documents or parts thereof, which may be incorporated by reference into Parts above.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender Schedules as well as any changes to the terms of the Offer agreed by the Tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Agreement. No amendments to or deviations from said documents are valid unless contained in this Schedule, which must be duly signed by the authorised representatives of both parties.

The Tenderer shall within two weeks after receiving a completed copy of this Agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any other bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the Conditions of Contract identified in the Contract Data at, or just after, the date on which this Agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this Agreement

Notwithstanding anything contained herein, this Agreement comes into effect on the date when the Tenderer receives one fully completed original copy of this document, including the Schedule of Deviations (if any). Unless the Tenderer (now Contractor) within five days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this Agreement, this Agreement shall constitute a binding contract between the parties.

**Signature:** .....

**Name:** (*in capitals*) .....

**Capacity:** .....

**Name of Employer** (*organisation*) .....

**Address:** .....

.....

**Witness:**

**Signature:** ..... **Name:** .....

**Date:** .....



---

### C. SCHEDULE OF DEVIATIONS

The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Tender Data and the Conditions of Tender.

A Tenderer's covering letter will not necessarily be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid becomes the subject of agreements reached during the process of offer and acceptance; the outcome of such agreement shall be recorded here.

Any other matter arising from the process of offer and acceptance either as a confirmation, clarification or change to the tender documents and which it is agreed by the Parties becomes an obligation of the contract shall also be recorded here.

Any change or addition to the tender documents arising from the above agreements and recorded here shall also be incorporated into the final draft of the Contract.

1. **Subject:**.....  
**Details:**.....
2. **Subject:**.....  
**Details:**.....
3. **Subject:**.....  
**Details:**.....
4. **Subject:**.....  
**Details:**.....
5. **Subject:**.....  
**Details:**.....

By the duly authorised representatives signing this Schedule of Deviations, the Employer and the Tenderer agree to and accept the foregoing Schedule of Deviations as the only deviations from and amendments to the documents listed in the Tender Data and addenda thereto as listed in the Tender Schedules, as well as any confirmation, clarification or change to the terms of the offer agreed by the Tenderer and the Employer during this process of offer and acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the Tenderer of a completed signed copy of this Agreement shall have any meaning or effect in the contract between the parties arising from this Agreement.



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---

**FOR THE TENDERER:**

**Signature:** .....

**Name:** .....

**Capacity:** .....

**Tenderer:** *(Name and address of organisation)* .....

.....

**Witness:**

**Signature:** .....

**Name:** .....

**Date:** .....

**FOR THE EMPLOYER**

**Signature:** .....

**Name:** .....

**Capacity:** .....

**Employer:** *(Name and address of organisation)* .....

.....

**Witness:**

**Signature:** .....

**Name:** .....

**Date:** .....





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**D: CONFIRMATION OF RECEIPT**

The Tenderer, identified in the Offer part of this Agreement hereby confirms receipt from the Employer, identified in the Acceptance part of this Agreement, of one fully completed original copy of this Agreement, including the Schedule of Deviations (if any) today:

The .....(day) of .....(month)  
20.....(year) at .....(place)

**For the Service Provider:**

.....  
Signature

.....  
Name

.....  
Capacity

**Signature and Name of Witness:**

.....  
Signature

.....  
Name



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**DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT  
PRACTICES – MBD 8**

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions 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 disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
- 5

Item	Question	Yes	No
1.1	Is the Tenderer or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? <b>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
1.1.1	If so, furnish particulars:		
1.2	Is the Tenderer 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)? <b>(To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a>, click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number 012 3265445).</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
1.2.1	If so, furnish particulars:		
1.3	Was the Tenderer 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?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
1.3.1	If so, furnish particulars:		
1.4	Does the Tenderer 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"/>
1.4.1	If so, furnish particulars:		
1.5	Was any contract between the Tenderer 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"/>
1.5.1	If so, furnish particulars:		

**\*where the entity tendering is a joint venture, each party to the joint venture must sign a declaration in terms of the Municipal Finance Management Act and attach it to this schedule**



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---

**CERTIFICATION**

I, THE UNDERSIGNED (FULL NAME).....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS 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.

Signed ..... Date .....

Name ..... Position .....

***Bidder*** .....



## CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> 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).<sup>2</sup> 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:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> 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 consortium<sup>3</sup> will not be construed as collusive bidding.



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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.
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



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**PROOF OF CSD REGISTRATION**

Bidders MUST attach Proof of CSD registration hereto or provide CSD Supplier Number:

MAAA\_\_\_\_\_

**CERTIFICATION**

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

I FURTHER UNDERTAKE FULL RESPONSIBILITY FOR ANY INCORRECT INFORMATION PROVIDED AND  
THAT THE EMPLOYER (EMAKHAZENI LOCAL MUNICIPALITY) MAY NOT BE HELD ACCOUNTABLE FOR  
INCORRECT INFORMATION PROVIDED.

Signed \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_ Position \_\_\_\_\_

*Bidder* \_\_\_\_\_



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<p><b>MUNICIPAL UTILITY ACCOUNT / LEASE AGREEMENT / PROOF OF RESIDENCE</b></p>
--

**Important: Note the following**

- List Account(s) registered either in the name(s) of the Director(s) or the Company on the declaration form attached hereto.
- Attach Municipal Utility account of the director(s) (if applicable) and in case of leased premises, attach lease agreement and the services account of leased premises. (issued in the name of the bidding company or Lessor)
- Attach Municipal Utility account of Company's registered office (if applicable) and in case of leased premises, attach lease agreement and the services account of leased premises. (issued in the name of the bidding company or Lessor)
- In the event payment of Municipal services is incorporated into the lease agreement, the bidder is required to attach the municipal account in the name of the Lessor.
- Bidders that are based in areas that are non-rated, a letter from the municipality to confirming that must be attached.





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**DECLARATION BY THE TENDERER**

I the undersigned \_\_\_\_\_, has been duly

authorized to sign all documents with the Tender for Contract Number \_\_\_\_\_ on behalf of

\_\_\_\_\_ hereby make a declaration as follows:  
(referred to herein as "the Bidder")

1. I declare that the bidder and /or any of its director(s) / member(s) does not owe the municipality, or any other municipality and/or municipal entity any amount which is in arrears in respect of any municipal rates and taxes or municipal service charges.
2. I understand and accept that in the event that this declaration is proved to be false, the bid shall be rejected forthwith. All other rights of the municipality (including but not limited to the right to claim damages where applicable) shall remain reserved in full.

SIGNED ON BEHALF OF THE COMPANY

\_\_\_\_\_

IN HIS CAPACITY AS

\_\_\_\_\_

DATE

\_\_\_\_\_

FULL NAMES OF SIGNATORY

\_\_\_\_\_



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**PART B: Names of all directors, their ID numbers and municipal account number.**

Director / Shareholder / partner	ID Number of Director / Shareholder / Partner	Physical residential address of the Director / shareholder / partner	Municipal Account number(s)	Municipality where the account is held

Attach certified copies of municipal accounts mentioned of each Director, Shareholder, and partner listed above (Not older than 3 months).

**CERTIFICATION**

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

I FURTHER UNDERTAKE FULL RESPONSIBILITY FOR ANY INCORRECT INFORMATION PROVIDED AND  
THAT THE EMPLOYER (EMAKHAZENI LOCAL MUNICIPALITY) MAY NOT BE HELD ACCOUNTABLE FOR  
INCORRECT INFORMATION PROVIDED.

Signed ..... Date .....

Name ..... Position .....

**Bidder** .....



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**COMPULSORY ENTERPRISE QUESTIONNAIRE**

The following particulars must be furnished. In the case of a joint venture, separate enterprise questionnaire in respect of each partner must be completed and submitted.

**Section1: Name enterprise:** .....

**Section2: VAT registration number, if any:** .....

**Section3: CSD registration number:** .....

**Section4: Particulars of sole proprietor and partners in partnerships**

Name*	Identity number*	Personal income tax number*

\*complete only if sole proprietor or partnership and attach separate page if more than three partners

**Section5: particulars of companies and close corporations**

Company registration number.....

Close corporation number.....

Tax reference number.....

**Section6: record of service of the state**

Indicate by marking the relevant boxes with a cross, if any sole proprietor, partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- A member of any provincial legislature
- A member of the national assembly or the National Council of Province
- A member of the board of directors of any Municipal entity
- An official of any municipality or municipal entity
- A member of any municipal council
- An employee of any provincial department national or provincial public entity or constitutional institution within the meaning of public finance management Act, 1999 (act 1 of 1999)
- A member of an accounting authority of any national or provincial public entity
- An employee of parliament or a provincial legislature

**If any of the above boxes are marked, disclose the following:** (insert separate page if necessary)



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Name of sole proprietor, partner, director, manager, principal shareholder or stakeholder	Name of institution, public office, board or organ of state and position held	Status of service (tick appropriate column)	
		Current	Within last 12 months

\*insert separate page if necessary

**Section7:** Indicate by marking the relevant boxes with a cross, if any sole proprietor, partnership or director, manager, principal shareholder or stakeholder in a company or close corporation is currently or has been within the last 12 months in the service of any of the following:

- A member of any provincial legislature
- A member of the national assembly or the National Council of Province
- A member of the board of directors of any Municipal entity
- An official of any municipality or municipal entity
- A member of any municipal council
- An employee of any provincial department national or provincial public entity or constitutional institution within the meaning of public finance management Act, 1999 (act 1 of 1999)
- A member of an accounting authority of any national or provincial public entity
- An employee of parliament or a provincial legislature

Name of spouse, child or parent	Name of institution, public offices, board or organ of state and position held	Status of service (tick appropriate column)	
		current	Within last 12 months

\*insert separate page if necessary

The undersigned, who warrants that he/she is duly authorised to do so on behalf of the enterprise:

- (i) Authorise the employer to obtain a tax clearance certificate from the South African Revenue services that my/our tax matters are in order;
- (ii) Confirms that the neither the name of the enterprise or the name of any partner, manage, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears on the register on the tender defaulters established in terms of the prevention and combating of corrupt activities Act of 2004;
- (iii) Confirms that no partner, member, director or other person, who wholly or partly exercises, or may exercise, control over the enterprise appears, has within the last five years been convicted of fraud or corruption;



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(iv) Confirms that I / we are not associated, linked or involved with any other tendering entities submitting tender offers and have no other relationship with any of the tenderers or those responsible for compiling the scope of work that could cause or be interpreted as a conflict of interest;

(v) Confirms that the contents of this questionnaire are within my personal knowledge and are to be the best of my belief both true and correct.

Signed ..... Date .....

Name..... Position.....

Tendered.....



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**COMPANY INFORMATION:**

HEAD OFFICE	
<b>Physical address</b> Building: Street: Suburb: City/Town: Province: District/Metropolitan Council: Local Municipality:	
<b>Postal address</b>	
<b>Telephone no.</b>	
<b>Fax no.</b>	
<b>E-mail</b>	
If subsidiary company- state name of holding company	

**DETAILS OF BRANCH OFFICES:**

BRANCH OFFICE	
<b>Physical address</b> Building: Street: Suburb: City/Town: Province: District/Metropolitan Council: Local Municipality:	
<b>Postal address</b>	
<b>Telephone no.</b>	
<b>Fax no.</b>	
<b>E-mail</b>	
If subsidiary company- state name of holding company	



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## EVALUATION CRITERIA

Proposals documents will be evaluated in three phases. The evaluation criteria for the assessment of the proposals will be on mandatory returnable documents, functionality and financial aspects.

### In the first phase:

Bids will be evaluated on mandatory returnable documents as listed and required in the document.

### In the second phase:

Proposals will be evaluated according to the functionality criteria indicated apart from those laid down in the preferential procurement regulations, 2022 pertaining to the preferential procurement policy framework Act 5 of 2000. Bidders are expected to score a minimum of **75%** to be considered for further evaluation (Stage 3):

FUNCTIONALITY COMPARISON			
Functionality criteria	Sub criteria		Maximum number of points
Team leader - Asset Management specialist: registered with ECSA	Experience in years attach proof-CV: Experience should be in similar project. The CV should indicate the dates of earliest project and most recent one, no points will be awarded for experience less than 5 years	5 years	1
Team leader - asset accounting: registered with SAICA	Experience in years attach proof-CV: Experience should be in similar project. The CV should indicate the dates of earliest project and most recent one, no points will be awarded for experience less than 5 years	5 years	1
Leader of Electrical assets: registered engineer with ECSA (Electrical / Mechanical)	Experience in years attach proof-CV: Experience should be in similar project. The CV should indicate the dates of earliest project and most recent one, no points will be awarded for experience less than 5 years	5 years	1
Leader for roads and storm water assets: registered engineer with ECSA (Civil)	Experience in years attach proof-CV: Experience should be in similar project. The CV should indicate the dates of earliest project and most recent one, no points will be awarded for experience less than 5 years	5 years	1
Leader for water and sanitation assets: registered engineer with ECSA (Civil)	Experience in years attach proof-CV: Experience should be in similar project. The CV should indicate the dates of earliest project and most recent one, no points will be awarded for experience less than 5 years	5 years	1
Leader for land and buildings: including Investment properties: registered planner with SACPLAN or Qualified professional valuer	Experience in years attach proof-CV: Experience should be in similar project. The CV should indicate the dates of earliest project and most recent one, no points will be awarded for experience less than 5 years	5 years	1
GIS Specialist: registered with SAGC	Experience in years attach proof-CV: Experience should be in similar project. The CV should indicate the dates of earliest project and most recent one, no points will be awarded for experience less than 5 years	5 years	1
Team leader - Asset Management specialist: registered with ECSA	Qualification (attach certified proof – certificate)	B.Tech. in Engineering	1
		B.Eng. / B.Sc. in Engineering	3
Team leader - Asset Accounting: registered with SAICA	Qualification (attach certified proof – certificate)	B Com degree	1
		B Com Honours Degree	3



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Leader of Electrical assets: registered engineer with ECSA (Electrical / Mechanical)	Qualification (attach certified proof – certificate)	B.Tech. in Engineering	1	3
		B.Eng. / B.Sc. in Engineering	3	
Leader for roads and storm water assets: registered engineer with ECSA (Civil)	Qualification (attach certified proof – certificate)	B.Tech. in Engineering	1	3
		B.Eng. / B.Sc. in Engineering	3	
Leader for water and sanitation assets: registered engineer with ECSA (Civil)	Qualification (attach certified proof – certificate)	B.Tech. in Engineering	1	3
		B.Eng. / B.Sc. in Engineering	3	
Leader for land and buildings: including Investment properties: registered planner with SACPLAN or Qualified professional valuer	Qualification (attach certified proof – certificate)	Degree in urban planning	1	3
		Honours in urban planning	3	
GIS Specialist: registered with SAGC	Qualification (attach certified proof – certificate)	B.Sc. in Geo information	1	3
		Honours in Geo information	3	
Asset management Specialist (CASM)	The Asset Management Specialist is not a CASM		5	15
	The Asset Management Specialist is a CASM * <i>Certified Senior Practitioner in Asset Management (CASM) is a qualification awarded by the Southern African Asset Management Association (SAAMA)*</i>		15	
Company Profile:	Number of similar projects: Provide certified copies of appointment letters	3 projects	2	15
		5 projects	5	
		+6 projects	15	
	Experience with projects of a similar nature, achieved Unqualified Audit Opinion (A change in Opinion from Disclaimer to Qualified in the first or second year is to be regarded on the same level with an unqualified) (Attach signed and stamped reference letters and Audit Reports)	Unqualified Audit Opinions		10
		3-5	5	
		+6	10	
Proof of concept that the system will be able to integrate with municipality's core financial system (attach system profile)			10	19
GIS: Must be able to graphically represent assets on GIS for ease of location, spatial analysis and decision making (Attach system profile)			3	
Must comply with ICT requirements as stipulated under Terms of reference number 7 - Providing supporting document: (Attach system profile)			2	
Enable computer power users to generate strategic, tactical and operational reports including dashboard reporting with seamless integration/interfacing to municipality's financial system: provide supporting document			2	
The system must have been successfully implemented and functional in at least two medium capacity municipality's and two high-capacity municipalities: Provide certified copies of appointment letter and stamped reference letter of successful implementation of the system.			2	
Bank Rating	Certified copy of the Proof of Bank rating	A – B	3	3
		C and below	2	
Methodology	Project implementation methodology as per the various fields of activities – Not Detailed/Exhaustive		5	10
	Project implementation methodology as per the various fields of activities – Detailed/Exhaustive		10	
Maximum possible score for functionality				100





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NB: A bidder must score a minimum of 75 points to qualify for the next round of the evaluation (to be considered for pricing and preference points). If the bidder receives any points less than 75, the Bidder will be disqualified.

**In the third phase (Stage 3):**

Scoring financial offer:

- 80 where the financial value inclusive of VAT of one or more responsive tender offers equals or is above R30 000 and up to R50 000 000.

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:

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—

- (c) 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
- (d) 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 claimed (80/20 system)  (To be completed by the tenderer)	Means of verification
2,5 points for 100% black person or people owned enterprise;		Certified Identity Documents of the owners and CSD Report
2,5 points for more than 30% woman or women shareholding or owned enterprise;		Certified Identity Documents of the owners and CSD Report



**APPOINTMENT OF A SERVICE PROVIDER TO UPDATE AND MAINTAIN GRAP COMPLIANT FIXED ASSETS REGISTER AND THE PROVISION OF AN ASSET MANAGEMENT SYSTEM FOR A PERIOD OF THREE (3) FINANCIAL YEARS (ELM 23/03/01)**

The specific goals allocated points in terms of this tender	Number of points claimed (80/20 system)  (To be completed by the tenderer)	Means of verification
2,5 points for more than 30% youth shareholding or owned enterprise;		Certified Identity Documents of the owners and CSD Report
2,5 points for more than 30% people living with disability shareholding or owned enterprise.		CSD Report
2,5 points for enterprise regarded as EMEs located within the local area of jurisdiction;		B-BBEE Sown Affidavit and Municipal rates from ELM, together with proof of residence
5 points for Corporate Social Investment (CSI) or Social Labour Plan proposition;		Corporate Social Investment (CSI) or Social Labour Plan
2,5 points for valid B-BBEE level 1 contribution		B-BBEE Certificate or equivalent

A bidder who scores the highest overall points will be considered for tender award. The council reserves the right to appoint more than one service providers.



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**PART C2 PRICING DATA**

**C 2.2 PRICE PROPOSAL**

Preparation of fixed asset register services are generally based on hourly rates and project budgets can only be drawn up once the appointed service provider has been able to assess the likely extent of work that needs to be performed. The guide on hourly fee rates for consultants, was issued by the department of Public Service and Administration, as a cost containment measure. These have been considered to comply with Local Government: Municipal Finance Management Act, 2003 Municipal Cost Containment Regulations, 2019, which states that;

- (2) An accounting officer must adopt a fair and reasonable remuneration framework for consultants considering the rates –
- (a) Determined in the "Guideline on fees for audits undertaken on behalf of the Auditor – General of South Africa ", issued by the South African Institute of Chartered Accountants.
  - (b) Set out in the "Guide on Hourly Fee Rates for Consultants ", issued by the Department of Public Service and Administration; or
  - (c) As prescribed by the body regulating the profession of the consultant.

***After having considered the AGSA rate and the DPSA rates stated above, as Emakhazeni Local Municipality (ELM) in the Local sphere of Government and to comply with the cost containment measures issued by National Treasury, below is the maximum rates that we are offering. The ELM rates are derived from the Average of the AGSA and DPSA rates less 10%. Should the calculated ELM rates be above AGSA and DBSA rates we will limit the rates to the lowest reasonable rate. ELM rates will be adjusted annually based on the CPI headline year-on-year rates.***

Item	Hourly Rate AGSA	DPSA Rates	ELM Rates
Partner	3 201	3 264	2 909
Associate Director	3 104	2 838	2 674
Other Specialist – Engineers, Quantity Surveyors, water experts and ICT Specialists	3 104	2 220	2 396
Specialist - Forensic Polygraph Examiners Handwriting specialists Forensic Computer Analysts	2 240	2 220	2 007
Senior Manager	2 347	1 518	1 739 (Limited to 1 518)
Manager	2 347	1 262	1 624 (Limited to 1 262)
Assistant Manager / Supervisor	1 144	1 518	1 198
Senior Auditor	636	1079	772
Trainee Auditor	431	540	437
Subsistence Allowance ( <i>In terms of ELM policy on Subsistence &amp; Travel Allowances</i> )			
Travel Allowance ( <i>In terms of ELM policy on Subsistence &amp; Travel Allowances</i> )			
Accommodation expenses ( <i>In terms of ELM policy</i> )			



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*Note that if the quoted rate per kilometre on travel expenses is more than the Emakhazeni Local Municipality policy, then the policy will be applied, same applies to accommodation expenses.*

*The Bidder should provide a detailed estimate on the hours and number of resources per the rate quoted. This should be an all-inclusive time and resources it will take to execute this kind of appointment on an annual basis. The actual hours will be agreed with the Bidder upon appointment based on the hourly rates per resource as budgeted by the municipality.*

Is the Tenderer a Vat Vendor

Yes

☐☐

No

**DETAILS OF PERSON THAT HAS COMPLETED THE SCHEDULE OF QUANTITIES :**

---

NAME

---

RELATIONSHIP TO TENDERING COMPANY

---

SIGNATURE

---

CONTACT DETAILS



---

## **PART C3      TERMS OF REFERENCE**

The Emakhazeni Local Municipality aims to ensure that all assets are fully and correctly accounted for and are included in the asset register of the municipality at their correct values in accordance with the Generally Recognized Accounting Practices (GRAP). The service provider is also expected to provide an assets management system. The integrated assets management system must be able to umbrella the overall asset life cycle pillars which includes planning, acquisition, operations, maintenance and disposal.

### **C3.1    Description of the Service**

- The work comprises of updating and maintenance of GRAP compliant Fixed Asset Registers for three (3) financial years.

#### **1.    Updating and maintenance of GRAP Compliant Fixed Asset Register**

- a) Update and maintain the FAR
- b) Annually review and propose revisions and improvements to the Council's Asset Management Policy
- c) Update and maintain the work in progress (WIP) register with capital spending and any other movements that may arise within WIP.
- d) Fully componentize (unbundle) all completed capital projects in line with the approved municipal asset policy
- e) Capitalise all library assets transferred from department of culture, sport and recreation and also provide library asset solution that will maintain library assets.
- f) Capitalise all other donated assets from other spheres of government and private parties
- g) To conduct physical verification and inspection of the asset's portfolio (including servitudes) on a regular basis in order to:
  - Assess the condition of the assets
  - Review and determine the useful lives of the assets
  - Review and determine the residual value of the assets
  - GPS co-ordinates of the assets
  - Identify assets to be impaired
  - To determine at reporting date if an indicator for impairment was triggered for all assets.
  - If the indicator for impairment has been triggered, the service provider to determine the recoverable amount which will be the higher of fair value less costs to sell and value in use for the cash generating (GRAP 26) and non-cash generating (GRAP 21) assets at each reporting date in terms of the standards of General Recognized Accounting Practice
  - To assess for impairment on intangible assets (Servitudes) with indefinite useful lives.
  - Update and maintain the asset register (including servitudes) of the municipality with additions, disposals, de-recognitions and annual GRAP reviews for a period of two financial years.
- h) Calculate depreciation, provisions, impairments for all existing and new assets in line with GRAP standards
- i) Produce a GRAP compliant fixed asset register accurately reconciled to the general ledger accounts;
- j) Compile an asset book that contains pictures of assets (excluding land)
- k) In a case of land, buildings and investment properties (including vacant land) perform a full verification and ensure that the register is completely and accurately reconcile to the valuation roll and deeds registry.
- l) Compliance to the municipal Standard Chart of Accounts (mSCOA) regulations incorporating the seven (7) segments.
- m) Provide assistance during the audit process, including accompanying auditors on verification.



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- n) The successful bidder will be required to transfer skills on the project. The skills transfer plan should be compiled and progress reported thereon on monthly basis.

## **2. Financial Fixed Asset Register**

The integrated asset management system MUST:

- a) Seamlessly integrate/interface to the municipality's core financial system (Munsoft) and all other relevant subsystems including Geographical Information System (GIS) and Valuation Management system etc.
- b) Be able to seamlessly account for capital expenditure and/ or additions on a monthly basis.
- c) Provide the municipality with aluminium barcodes / tags & Scanning devices for better monitoring, controlling, verification, tracking and managing of assets.
- d) Not allow capitalization without specific approved bar code numbers or GPS coordinates in respect of infrastructure assets
- e) Management of the overall asset life cycle (impairment, revaluation, depreciation, determine residual values, adjustment of Remaining Useful Lives (RUL), determine Current Replacement Cost (CRC), disposals)
- f) Allocation and tracing of repairs and maintenance expenditure to a specific asset component.
- g) Be able to accommodate all assets leased out and/ or operated by third parties.
- h) Extract an asset register that complies with Generally Recognized Accounting Practice standards requirements for all asset classes.
- i) Extract a multi-dimensional asset register for all asset classes at any given point/ period.
- j) Incorporate the Infrastructure Delivery Management System classification and other acceptable asset hierarchy.
- k) Also Incorporate compliance of the entire asset lifecycle as per ISO55000
- l) Compliance to the municipal Standard Chart of Accounts (mSCOA) regulations incorporating the seven (7) segments and minimum system specifications requirements as contained in Annexure B of the Municipal Finance Management Act (MFMA) Circular 80

## **3. Immovable Assets**

- a) Immovable asset register
- b) Direct link to the budget & IDP module, carry budget details for each project as per the approved budget. Be able to build sub-projects and asset components
- c) Work in progress register, pulling directly from core financial system
- d) Have WIP capitalization function that is on a transaction level
- e) Have document management functionality and ability to load all supporting documents per project with adequate and easy search and indexing capability.
- f) Be able to upload unit rates for all asset components and unit rates be reviewed annually
- g) Must have GIS functionality:
- h) Spatial data representation
- i) Seamless integration onto the maintenance schedule
- j) Provision for landfill site valuation report and assessment of useful lives.

## **4. In case of properties (Land and buildings)**

- i. Register of all properties of the municipality
- ii. Linking/integration of municipality's properties to the Valuation Roll and perform separate fair value valuation for investment property at the end of each reporting period.
- iii. Be able to integrate with deeds property management system (additions, transfers and disposals)
- iv. Lease register
- v. Link to the GIS



## **5. Repairs and Maintenance Functionality**

The integrated asset management system MUST:

- a) Have an asset maintenance module which caters for maintenance plans and estimated costs and which must seamlessly integrate/ interface into the budget module/ sub system.
- b) Seamlessly integrate to the municipality's core financial system (MUNSOFT) and all other relevant subsystems including Geographical Information System and Valuation Management system etc.
- c) Have repairs and maintenance register per asset class and component.
- d) Update replacement of assets where applicable, trigger asset recognition and de-recognition process.
- e) Dynamic search functionality (by roads, suburb, ward, stands, asset etc.)
- f) Have document management functionality and capacity to load supporting documents per project.

## **6. GIS Requirements**

The asset management system must graphically represent assets on GIS maps for ease of location, spatial analysis and decision making. The following functionality must be available as a minimum:

- i. Integration with the municipal GIS system. The main objectives of such an integration would be:
  - 1. Integration between the asset management system and municipal GIS system
  - 2. Provision of display of base layers, aerial photography and feature layers within the municipal GIS system on the Asset Management system map display
- ii. Spatial data reference linkage; the asset management policy describes the asset hierarchy and related descriptors. For the purpose of accurate reporting, the agreed reference identification system needs to be implemented in all related sub-systems of the asset management systems.
- iii. The functionality of the GIS module should include but not limited to the following functions: Zoom, Pan, layer control, Feature properties, measure, selection tools, memo logged against a feature, document linkage, spatial analysis tools such as pipe isolate, add theoretical flow.
- iv. Seamless integration with a Geographical Information System (GIS) or alternative mapping enabled graphical user interphase.
- v. To achieve seamless integration with the GIS all fixed assets must be assigned a LPI key and GIS coordinates in WGS84 or Hartebeeshoek LO31 projection.





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## **7. Support**

Successful bidder MUST provide the following support services:

### **Technical support**

- a) Provide full on-site support for the first twelve months (12) of the contract to assist in ensuring complete implementation of the system including but not limited to the following:
  - 1) Update the existing asset register onto the system in the applicable format
  - 2) Uploading of all projects of the municipality as they appear in the IDP, SDBIP and budget book of the municipality to the project management module.
  - 3) Uploading of all documents and information applicable at initial stage for each project
  - 4) Assist in ensuring the integrity and sufficiency of data applicable to all projects as uploaded unto the project management module for the first-time implementation of the system.
- b) Provide the municipality with all applicable system upgrades taking place during the duration of the contract
- c) Provide technical and administrative support for the duration of the contract.

## **8. Skills transfer**

- a) Provide comprehensive trainings to ±10 users according to different user's needs
- b) Develop and document system procedures after the commissioning and deployment of the system and its upkeep on an ongoing basis.

### **C3.2 Delivery point**

The delivery point is situated at Emakhazeni Local Municipality offices.

### **C3.3 Duration**

Contract Maximum Duration is 36 months

#### **C3.3.1 Delivery Basis and Order Quantities**

As and when required by Employer

#### **C3.3.2 Bid Documents**

As far as practical, industrial standard documents should be used. Hence, bid documents should be Standardized as far as practical, inter alia in respect of layout, General and Special Conditions of Contract, Bid Form and Appendix, Contract Agreement and Deed of Surety ship and standard information to be provided on forms.

The following inter alia to be included in the bid notice:

- The point system to be used
- The procurement will be in terms of the Council's Supply Chain Management policy, which is in line with the Preference Procurement Framework Act and seeks to enhance Broad-based Black Economic Empowerment and Local Economic Development, to this end a point system will be utilized of which full details will be included in the bid document.
- The Council reserves the right not to award the lowest or any bid and to award more than one service provider. The Council reserves the right to accept the tender partly or wholly.





## PART C3.4: 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 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 anything 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.



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- 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](http://www.treasury.gov.za)

## **4. Standards**

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



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**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
- 5.3. except for purposes of performing the contract.
- 5.4. Any document, other than the contract itself mentioned in GCC clause
- 5.5. 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.
- 5.6. 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**

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:
  - 7.3.1. 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
  - 7.3.2. 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.



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- 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 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:
  - 13.1.1. performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - 13.1.2. furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - 13.1.3. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - 13.1.4. 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
  - 13.1.5. 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. The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.3. 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. 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 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 cancelling 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:

- ☐ 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;
- ☐ if the Supplier fails to perform any other obligation(s) under the contract; or
- ☐ 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 antidumping 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 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 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 (NIP) Programme**

- 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.

## C3.5 APPENDICES

### APPENDIX A Standard Conditions of Tender

Standard Conditions of Tender

(AS PER GOVERNMENT GAZETTE NO. 29138 OF 18 AUGUST 2006)

**(As contained in Annexure F of the Standard for Uniformity in Construction Procurement)**

#### F.1 General

##### F.1.1 Actions

The employer and each tenderer submitting a tender offer shall comply with these conditions of tender. In their dealings with each other, they shall discharge their duties and obligations as set out in F.2 and F.3, timeously and with integrity, and behave equitably, honestly and transparently.

##### F.1.2 Tender Documents

The documents issued by the employer for the purpose of a tender offer are listed in the tender data.

##### F.1.3 Interpretation

**F.1.3.1** The tender data and additional requirements contained in the tender schedules that are included in the returnable documents are deemed to be part of these conditions of tender.

**F.1.3.2** These conditions of tender, the tender data and tender schedules which are only required for tender evaluation purposes, shall not form part of any contract arising from the invitation to tender.

**F.1.3.3** For the purposes of these conditions for the calling for expressions of interest, the following definitions apply:

- a) **comparative offer** means the tenderer's financial offer after the factors of non-firm prices, all unconditional discounts and any other tendered parameters that will affect the value of the financial offer have been taken into consideration
- b) **corrupt practice** means the offering, giving, receiving or soliciting of anything of value to influence the action of the employer or his staff or agents in the tender process; and
- c) **fraudulent practice** means the misrepresentation of the facts in order to influence the tender process or the award of a contract arising from a tender offer to the detriment of the employer, including collusive practices intended to establish prices at artificial levels
- d) **quality (functionality)** means the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs.

#### **F.1.4 Communication and employer's agent**

Each communication between the employer and a tenderer shall be to or from the employer's agent only, and in a form that can be read, copied and recorded. Writing shall be in the English language. The employer shall not take any responsibility for non-receipt of communications from or by a tenderer. The name and contact details of the employer's agent are stated in the tender data.

#### **F.1.5 The employer's right to accept or reject any tender offer**

**F.1.5.1** The employer may accept or reject any variation, deviation, tender offer, or alternative tender offer, and may cancel the tender process and reject all tender offers at any time before the formation of a contract. The employer shall not accept or incur any liability to a tenderer for such cancellation and rejection, but will give written reasons for such action upon written request to do so.

**F.1.5.2** The employer may not subsequent to the cancellation or abandonment of a tender process or the rejection of all responsive tender offers re-issue a tender covering substantially the same scope of work within a period of six (6) months unless only one tender was received and such tender was returned unopened to the tenderer.

#### **F.2 Tenderer's obligations**

##### **F.2.1 Eligibility**

Submit a tender offer only if the tenderer satisfies with the criteria stated in the tender data and the tenderer, or any of his principals, is not under any restriction to do business with employer.

##### **F.2.2 Cost of tendering**

Accept that the employer will not compensate the tenderer for any costs incurred in the preparation and submission of a tender offer, including the costs of any testing necessary to demonstrate that aspects of the offer satisfy requirements.

##### **F.2.3 Check documents**

Check the tender documents on receipt for completeness and notify the employer of any discrepancy or omission.

##### **F.2.4 Confidentiality and copyright of documents**

Treat as confidential all matters arising in connection with the tender. Use and copy the documents issued by the employer only for the purpose of preparing and submitting a tender offer in response to the invitation.

##### **F.2.5 Reference documents**

Obtain, as necessary for submitting a tender offer, copies of the latest versions of standards, specifications, conditions of contract and other publications, which are not attached but which are incorporated into the tender documents by reference.

**F.2.6 Acknowledge addenda**

Acknowledge receipt of addenda to the tender documents, which the employer may issue, and if necessary apply for an extension to the closing time stated in the tender data, in order to take the addenda into account.

**F.2.7 Clarification meeting**

Attend, where required, a clarification meeting at which tenderers may familiarize themselves with aspects of the proposed work, services or supply and raise questions. Details of the meeting(s) are stated in the tender data.

**F.2.8 Seek clarification**

Request clarification of the tender documents, if necessary, by notifying the employer at least five working days before the closing time stated in the tender data.

**F.2.9 Insurance**

Be aware that the extent of insurance to be provided by the employer (if any) might not be for the full cover required in terms of the conditions of contract identified in the contract data. The tenderer is advised to seek qualified advice regarding insurance.

**F.2.10 Pricing the tender offer**

**F.2.10.1** Include in the rates, prices, and the tendered total of the prices (if any) all duties, taxes (except Value Added Tax (VAT), and other levies payable by the successful tenderer, such duties, taxes and levies being those applicable 14 days before the closing time stated in the tender data.

**F.2.10.2** Show VAT payable by the employer separately as an addition to the tendered total of the prices.

**F.2.10.3** Provide rates and prices that are fixed for the duration of the contract and not subject to adjustment except as provided for in the conditions of contract identified in the contract data.

**F.2.10.4** State the rates and prices in Rand unless instructed otherwise in the tender data. The conditions of contract identified in the contract data may provide for part payment in other currencies.

**F.2.11 Alterations to documents**

Not make any alterations or additions to the tender documents, except to comply with instructions issued by the employer, or necessary to correct errors made by the tenderer. All signatories to the tender offer shall initial all such alterations. Erasures and the use of masking fluid are prohibited.

**F.2.12 Alternative tender offers**

**F.2.12.1** Submit alternative tender offers only if a main tender offer, strictly in accordance with all the requirements of the tender documents, is also submitted. The alternative tender offer is to be submitted with the main tender offer together with a schedule that compares the requirements of the tender documents with the alternative requirements the tenderer proposes.

**F.2.12.2** Accept that an alternative tender offer may be based only on the criteria stated in the tender data or criteria otherwise acceptable to the employer.

**F.2.13 Submitting a tender offer**

**F.2.13.1** Submit a tender offer to provide the whole of the works, services or supply identified in the contract data, unless stated otherwise in the tender data.

**F.2.13.2** Return all returnable documents to the employer after completing them in their entirety, either electronically (if they were issued in electronic format) or by writing in black ink.

**F.2.13.3** Submit the parts of the tender offer communicated on paper as an original plus the number of copies stated in the tender data, with an English translation of any documentation in a language other than English, and the parts communicated electronically in the same format as they were issued by the employer.

**F.2.13.4** Sign the original and all copies of the tender offer where required in terms of the tender data. The employer will hold all authorized signatories liable on behalf of the tenderer. Signatories for tenderers proposing to contract as joint ventures shall state which of the signatories is the lead partner whom the employer shall hold liable for the purpose of the tender offer.

**F.2.13.5** Seal the original and each copy of the tender offer as separate packages marking the packages as "ORIGINAL" and "COPY". Each package shall state on the outside the employer's address and identification details stated in the tender data, as well as the tenderer's name and contact address.

**F.2.13.6** Where a two-envelope system is required in terms of the tender data, place and seal the returnable documents listed in the tender data in an envelope marked "financial proposal" and place the remaining returnable documents in an envelope marked "technical proposal". Each envelope shall state on the outside the employer's address and identification details stated in the tender data, as well as the tenderer's name and contact address.

**F.2.13.7** Seal the original tender offer and copy packages together in an outer package that states on the outside only the employer's address and identification details as stated in the tender data.

**F.2.13.8** Accept that the employer will not assume any responsibility for the misplacement or premature opening of the tender offer if the outer package is not sealed and marked as stated.

**F.2.14 Information and data to be completed in all respects**

Accept that tender offers, which do not provide all the data or information requested completely and in the form required, may be regarded by the employer as non-responsive.

**F.2.15 Closing time**

**F.2.15.1** Ensure that the employer receives the tender offer at the address specified in the tender data not later than the closing time stated in the tender data. Proof of posting shall not be accepted as proof of delivery. The employer shall not accept tender offers submitted by telegraph, telex, facsimile or e-mail, unless stated otherwise in the tender data.

**F.2.15.2** Accept that, if the employer extends the closing time stated in the tender data for any reason, the requirements of these conditions of tender apply equally to the extended deadline.

**F.2.16 Tender offer validity**

**F.2.16.1** Hold the tender offer(s) valid for acceptance by the employer at any time during the validity period stated in the tender data after the closing time stated in the tender data.

**F.2.16.2** If requested by the employer, consider extending the validity period stated in the tender data for an agreed additional period.

**F.2.17 Clarification of tender offer after submission**

Provide clarification of a tender offer in response to a request to do so from the employer during the evaluation of tender offers. This may include providing a breakdown of rates or prices and correction of arithmetical errors by the adjustment of certain rates or item prices (or both). No change in the competitive position of tenderers or substance of tender offer is sought, offered, or permitted.

**Note:**

Sub-clause F.2.17 does not preclude the negotiation of the final terms of the contract with a preferred tenderer following a competitive selection process, should the Employer elect to do so.

**F.2.18 Provide other material**

**F.2.18.1** Provide, on request by the employer, any other material that has a bearing on the tender offer, the tenderer's commercial position (including notarized joint venture agreements), preferencing arrangements, or samples of materials, considered necessary by the employer for the purpose of a full and fair risk assessment. Should the tenderer not provide the material, or a satisfactory reason as to why it cannot be provided, by the time for submission stated in the employer's request, the employer may regard the tender offer as non-responsive.

**F.2.18.2** Dispose of samples of materials provided for evaluation by the employer, where required.

**F.2.19 Inspections, tests and analysis**

Provide access during working hours to premises for inspections, tests and analysis as provided for in the tender data.

**F.2.20 Submit securities, bonds, policies, etc.**

If requested, submit for the employer's acceptance before formation of the contract, all securities, bonds, guarantees, policies and certificates of insurance required in terms of the conditions of contract identified in the contract data.

**F.2.21 Check final draft**

Check the final draft of the contract provided by the employer within the time available for the employer to issue the contract.

**F.2.22 Return of other tender documents**

If so instructed by the employer, return all retained tender documents within twenty eight (28) days after the expiry of the validity period stated in the tender data.

**F.2.23 Certificates**

Include in the tender submission or provide the employer with any certificates as stated in the tender data.

**F.3 The employer's undertakings**

**F.3.1 Respond to clarification**

Respond to a request for clarification received up to five working days before to the tender closing time stated in the tender data and notify all tenderers who drew procurement documents.

**F.3.2 Issue addenda**

If necessary, issue addenda that may amend or amplify the tender documents to each tenderer during the period from the date that tender documents are available until seven days before the tender closing time stated in the tender data. If, as a result a tenderer applies for an extension to the closing time stated in the tender data, the employer may grant such extension and, shall then notify all tenderers who drew documents.

**F.3.3 Return late tender offers**

**F.3.4** Return tender offers received after the closing time stated in the tender data, unopened, (unless it is necessary to open a tender submission to obtain a forwarding address), to the tenderer concerned.

**F.3.5 Opening of tender submissions**

**F.3.5.1** Unless the two-envelope system is to be followed, open valid tender submissions in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data. Tender submissions for which acceptable reasons for withdrawal have been submitted will not be opened.

**F.3.5.2** Announce at the meeting held immediately after the opening of tender submissions, at a venue indicated in the tender data, the name of each tenderer whose tender offer is opened, the total of his prices, preferences claimed and time for completion, if any, for the main tender offer only.

**F.3.5.3** Make available the record outlined in F.3.4.2 to all interested persons upon request.

### **F.3.6 Two-envelope system**

**F.3.6.1** Where stated in the tender data that a two-envelope system is to be followed, open only the technical proposal of valid tenders in the presence of tenderers' agents who choose to attend at the time and place stated in the tender data and announce the name of each tenderer whose technical proposal is opened.

**F.3.6.2** Evaluate the quality of the technical proposals offered by tenderers, then advise tenderers who remain in contention for the award of the contract of the time and place when the financial proposals will be opened. Open only the financial proposals of tenderers, who score in the quality evaluation more than the minimum number of points for quality stated in the tender data, and announce the score obtained for the technical proposals and the total price and any preferences claimed. Return unopened financial proposals to tenderers whose technical proposals failed to achieve the minimum number of points for quality.

### **F.3.7 Non-disclosure**

Not disclose to tenderers, or to any other person not officially concerned with such processes, information relating to the evaluation and comparison of tender offers, the final evaluation price and recommendations for the award of a contract, until after the award of the contract to the successful tenderer.

### **F.3.8 Grounds for rejection and disqualification**

Determine whether there has been any effort by a tenderer to influence the processing of tender offers and instantly disqualify a tenderer (and his tender offer) if it is established that he engaged in corrupt or fraudulent practices.

### **F.3.9 Test for responsiveness**

**F.3.9.1** Determine, on opening and before detailed evaluation, whether each tender offer properly received:

- a) complies with the requirements of these Conditions of Tender,
- b) has been properly and fully completed and signed, and
- c) is responsive to the other requirements of the tender documents.

**F.3.9.2** A responsive tender is one that conforms to all the terms, conditions, and specifications of the tender documents without material deviation or qualification. A material deviation or qualification is one which, in the Employer's opinion, would:

- a) detrimentally affect the scope, quality, or performance of the works, services or supply identified in the Scope of Work,
- b) change the Employer's or the tenderer's risks and responsibilities under the contract, or
- c) affect the competitive position of other tenderers presenting responsive tenders, if it were to be rectified.

Reject a non-responsive tender offer, and not allow it to be subsequently made responsive by correction or withdrawal of the non-conforming deviation or reservation.



**F.3.10      Arithmetical errors**

**F.3.10.1**      Check responsive tender offers for arithmetical errors, correcting them in the following manner:

- a)      Where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern.
- b)      If the bills of quantities (or schedule of quantities or schedule of rates) apply and there is an error in the line item total resulting from the product of the unit rate and the quantity, the line item total shall govern and the rate shall be corrected. Where there is an obviously gross misplacement of the decimal point in the unit rate, the line item total as quoted shall govern, and the unit rate shall be corrected.
- c)      Where there is an error in the total of the prices either as a result of other corrections required by this checking process or in the tenderer's addition of prices, the total of the prices shall govern and the tenderer will be asked to revise selected item prices (and their rates if bills of quantities apply) to achieve the tendered total of the prices.

**F.3.10.2**      Consider the rejection of a tender offer if the tenderer does not correct or accept the correction of his arithmetical errors in the manner described in F.3.9.1.

**F.3.11      Clarification of a tender offer**

Obtain clarification from a tenderer on any matter that could give rise to ambiguity in a contract arising from the tender offer.

## **F.3.12 Evaluation of tender offers**

### **F.3.12.1 General**

Appoint an evaluation panel of not less than three persons. Reduce each responsive tender offer to a comparative offer and evaluate it using the tender evaluation method that is indicated in the tender data and described below:

Method 1: Financial offer	<ol style="list-style-type: none"><li>1) Rank tender offers from the most favourable to the least favourable comparative offer.</li><li>2) Recommend highest ranked tenderer for the award of the contract, unless there are compelling and justifiable reasons not to do so.</li></ol>
Method 2: Financial offer and preferences	<ol style="list-style-type: none"><li>1) Score tender evaluation points for financial offer.</li><li>2) Confirm that tenderers are eligible for the preferences claimed and if so, score tender evaluation points for referencing.</li><li>3) Calculate total tender evaluation points.</li><li>4) Rank tender offers from the highest number of tender evaluation points to the lowest.</li><li>5) Recommend tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.</li></ol>
Method 3: Financial offer and quality	<ol style="list-style-type: none"><li>1) Score quality, rejecting all tender offers that fail to score the minimum number of points for quality stated in the Tender data.</li><li>2) Score tender evaluation points for financial offer.</li><li>3) Calculate total tender evaluation points.</li></ol>
Method 3: (Continue)	<ol style="list-style-type: none"><li>4) Rank tender offers from the highest number of tender evaluation points to the lowest.</li><li>5) Recommend tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.</li></ol>
Method 4: Financial offer, quality and preferences	<ol style="list-style-type: none"><li>1) Score quality, rejecting all tender offers that fail to score the minimum number of points for quality stated in the Tender data.</li><li>2) Score tender evaluation points for financial offer.</li><li>3) Confirm that tenderers are eligible for the preferences claimed, and if so, score tender evaluation points for referencing.</li><li>4) Calculate total tender evaluation points.</li><li>5) Rank tender offers from the highest number of tender evaluation points to the lowest.</li><li>6) Recommend tenderer with the highest number of tender evaluation points for the award of the contract, unless there are compelling and justifiable reasons not to do so.</li><li>7) Score financial offers, preferences and quality, as relevant, to two decimal places</li></ol>

### F.3.12.2 Scoring financial offers

Score the financial offers of remaining responsive tender offers using the following formula:

$$NFO = W_1 \times A$$

where:

$N_{FO}$  = the number of tender evaluation points awarded for the financial offer.

$W_1$  = the maximum possible number of tender evaluation points awarded for the financial offer as stated in the tender data.

$A$  = a number calculated using either formulas 1 or 2 below as stated in the tender data.

Formula	Basis for comparison	Option 1	Option 2
1.	Highest price or discount	$\left(1 + \left(\frac{P - P_m}{P_m}\right)\right)$	$P/P_m$
2.	Lowest price or percentage commission/fee	$\left(1 - \left(\frac{P - P_m}{P_m}\right)\right)$	$P_m/P$

where:

$P_m$  = the comparative offer of the most favourable tender offer.

$P$  = the comparative offer of tender offer under consideration.

### F.3.12.3 Scoring quality (functionality)

Score quality in each of the categories in accordance with the tender data and calculate total score for quality.

### F.3.13 Insurance provided by the employer

If requested by the proposed successful tenderer, submit for the tenderer's information the policies and / or certificates of insurance which the conditions of contract identified in the contract data, require the employer to provide.

### F.3.14 Acceptance of tender offer

**F.3.14.1** Accept tender offer only if the tenderer complies with the legal requirements stated in the tender data.

**F.3.14.2** Notify the successful tenderer of the employer's acceptance of his tender offer by completing and returning one copy of the form of offer and acceptance before the expiry of the validity period stated in the tender data, or agreed additional period. Providing the form of offer and acceptance does not contain any qualifying statements, it will constitute the formation of a contract between the employer and the successful tenderer as described in the form of offer and acceptance.

**F.3.15 Notice to unsuccessful tenderers**

After the successful tenderer has acknowledged the employer's notice of acceptance, notify other tenderers that their tender offers have not been accepted.

**F.3.16 Prepare contract documents**

If necessary, revise documents that shall form part of the contract and that were issued by the employer as part of the tender documents to take account of:

- a) addenda issued during the tender period,
- b) inclusion of some of the returnable documents,
- c) other revisions agreed between the employer and the successful tenderer, and
- d) the schedule of deviations attached to the form of offer and acceptance, if any.

**F.3.17 Issue final contract**

Prepare and issue the final draft of contract documents to the successful tenderer for acceptance as soon as possible after the date of the employer's signing of the form of offer and acceptance (including the schedule of deviations, if any). Only those documents that the conditions of tender require the tenderer to submit, after acceptance by the employer, shall be included.

**F.3.18 Complete adjudicator's contract**

Unless alternative arrangements have been agreed or otherwise provided for in the contract, arrange for both parties to complete formalities for appointing the selected adjudicator at the same time as the main contract is signed.

**F.3.19 Provide copies of the contracts**

Provide to the successful tenderer the number of copies stated in the tender data of the signed copy of the contract as soon as possible after completion and signing of the form of offer and acceptance.