PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE LIMPOPO PROVINCIAL GOVERNMENT					
BID NUMBER:	**TC/LP 24/2025**	CLOSING DATE:	**11 SEPTEMBER 2026**	CLOSING TIME:	**11H00**
DESCRIPTION	**APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE PROVISION OF AUCTIONEERING SERVICES TO LIMPOPO PROVINCIAL GOVERNMENT FOR A PERIOD OF THIRTY-SIX (36) MONTHS**				
BID RESPONSE DOCUMENTS MUST BE SUBMITTED ONLINE THROUGH THE E-TENDER PORTAL:					
LIMPOPO PROVINCIAL TREASURY					
THE ONLINE E-TENDER PUBLICATION PORTAL CAN BE ACCESSED ON THE FOLLOWING LINK: https://www.etenders.gov.za/					
TUTORIAL LINK ON UPLOADING BID DOCUMENTS ON E-TENDER PORTAL: https://youtu.be/B7pNseNJYHM					
PLEASE REFER TO PARAGRAPH 11 OF THE TERMS OF REFERENCE (TOR) FOR FURTHER INSTRUCTIONS					

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	LETSOALO TH	CONTACT PERSON	NERAHOO YA
TELEPHONE NUMBER	**N/A**	TELEPHONE NUMBER	**N/A**
FACSIMILE NUMBER	**N/A**	FACSIMILE NUMBER	**N/A**
E-MAIL ADDRESS	**Letsoaloth@treasury.limpopo.gov.za**	E-MAIL ADDRESS	**Nerahooy@treasury.limpopo.gov.za**

SUPPLIER INFORMATION						
NAME OF BIDDER						
POSTAL ADDRESS						
STREET ADDRESS						
TELEPHONE NUMBER	CODE		NUMBER			
CELLPHONE NUMBER						
FACSIMILE NUMBER	CODE		NUMBER			
E-MAIL ADDRESS						
VAT REGISTRATION NUMBER						
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		**OR**	CENTRAL SUPPLIER DATABASE No:	MAAA	
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐Yes ☐No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		☐Yes ☐No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS	
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	☐ YES ☐ NO
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	☐ YES ☐ NO
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	☐ YES ☐ NO
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	☐ YES ☐ NO
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.	

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE SUBMITTED ONLINE BY THE STIPULATED TIME VIA THE E-TENDER PORTAL. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER: ……………………………………………

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

DATE: ……………………………………………

SBD 3.1

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: TC/LP 24/2025
Closing Time: **11:00**	Closing date: 11 September 2026

OFFER TO BE VALID FOR __**180**__ DAYS FROM THE CLOSING DATE OF BID.

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

As per request for quotation

- Required by: Limpopo Provincial Government
- At: Various Client Departments

  …………………………………

- Brand and model …N/A…………………………
- Country of origin ………………………………….
- Does the offer comply with the specification(s)? *YES/NO
- If not to specification, indicate deviation(s) ………………………………….
- Period required for delivery …N/A……………………………….

  *Delivery: Firm/not firm

Delivery basis: As per the Service Level Agreement

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

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

*Delete if not applicable

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

N.B. From item 2.1 to 2.3 below, circle the selected choice

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

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

Full Name	Identity Number	Name of State institution

1 the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:
…………………………………………………………………………………………
…………………………………………………………………………………………

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

2.3.1 If so, furnish particulars:
……………………………………………………………………………………
……………………………………………………………………………………

3 DECLARATION

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

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

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2 Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

……………………………… ..…………………………………………

Signature Date

……………………………… ……………………………………………

Position Name of bidder

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

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1. GENERAL CONDITIONS

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

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

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

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

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

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

(a) Price; and

(b) Specific Goals.

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

The maximum points for this tender are allocated as follows:

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

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

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

2. DEFINITIONS

(a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

(b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

(c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

(d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and

(e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20 **or** **90/10**

$$\boldsymbol{Ps = 80\left(1 - \frac{Pt - P\,min}{P\,min}\right)} \quad \text{or} \quad \boldsymbol{Ps = 90\left(1 - \frac{Pt - P\,min}{P\,min}\right)}$$

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

80/20 **or** **90/10**

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

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Black People Ownership ≥51% ownership (CSD and/or a copy of the company registration document)	**8**	
Women Ownership ≥51% ownership (CSD Report)	**5**	
Youth Ownership ≥51% ownership (CSD Report)	**3**	
Person with disabilities Ownership ≥51% ownership (CSD Report and medical certificate from a registered medical practitioner)	**2**	
Locality – Business/company based within Limpopo Province (Proof of local address (Municipal account or letter from tribal authority or lease agreement))	**2**	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number: ……………………………………………………...

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company

- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

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

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;

iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

(a) disqualify the person from the tendering process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution, if deemed necessary.

……………………………………….

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME: ……………………………………………………….

DATE: ……………………………………………………….

ADDRESS: ……………………………………………………….

LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

TC/LP 24/2025

TERMS OF REFERENCE (TOR)

FOR
APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE PROVISION OF AUCTIONEERING SERVICES TO LIMPOPO PROVINCIAL GOVERNMENT FOR A PERIOD OF THIRTY-SIX (36) MONTHS

Table of Contents

LIST OF ABBREVIATIONS

CSD	Central Supplier Database
CSI	Corporate Social Investment
GCC	General Conditions of Contract
LPG	Limpopo Provincial Government
PFMA	Public Finance Management Act
PSIRA	Private Security Industry Regulatory Authority
RFQ	Request for Quotation
SAIA	South African Institute of Auctioneers
SAPAA	South African Professional Auctioneers Association
SBD	Standard Bidding Document
SMME	Small Medium & Macro Enterprise

LIST OF TABLES

1. DEFINITIONS AND TERMS

"Auctioneer" means the person professionally registered with SAIA or SAPAA conducting an auction, irrespective of whether he or she is doing so for his or her own account or as employee of or agent for an auction house or other person.

“Bidder(s)” means person(s), partnership, company or firm who submits a bona fide tender for the provision of Auctioneering Services for the Limpopo Institutions.

“Buyer’” A natural person who wishes to register as a bidder to purchase on an auction sale.

“Buyer’s Premium” A buyer’s fee percentage added by the Auctioneer to the hammer price, payable to the auctioneer by the Buyer.

“Limpopo Institutions” means a Limpopo provincial department as defined in the schedule 1 and Participating Public Entities as defined in schedule 2 of the Public Service Act, 1994, and participating Provincial Public Entities and Legislature.

“**Contract”** means an agreement entered between the Bidder and the Limpopo Provincial Government where the Bidder has agreed to render auctioneering services as specified in the agreement, including all appendices.

“Employee” means any person in the employ of the Limpopo Institution.

“Financial Year” means a period of twelve (12) months commencing on the 1st of April to 31st of March.

“Hammer Price” The hammer price is the final bid amount when the auctioneer’s hammer falls, signifying the sale of the item. The hammer price should be exclusive of VAT for Limpopo Provincial Departments and inclusive of VAT for Public Entities that are VAT registered.

“Lot” The item / asset or group of items / assets that are offered for sale.

“Principal” means the Limpopo Provincial Treasury acting on behalf of all the Limpopo Institutions.

SP

"Seller's Commission" A percentage fee of the sale price, payable to the auctioneer by the Limpopo Institution.

"Specific Goals" means Specific Goals as contemplated in section 2(1)(d) of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994;

2. INTRODUCTION AND BACKGROUND

2.1. The Limpopo Institutions have movable assets across their institutions including District Offices and Head Offices. These assets comprise, amongst others, vehicles, office furniture, information technology equipment such as laptops, computer hardware, and printers, as well as workshop tools. During physical asset verification processes, redundant, obsolete, and unserviceable assets are identified for disposal. The relevant Limpopo Institution must then determine the appropriate method of disposal and also ensure that the process is conducted in a manner that is fair, competitive, and cost-effective.

2.2. Most of the movable assets (excluding biological assets) will be disposed of through the auction method. It is against this background that the Principal invites potential bidders to submit bids for the provision of auctioneering services to the Limpopo Provincial Government.

2.3. The Limpopo Provincial Government intends to appoint a panel of service providers to render auctioneering services for the disposal of the movable assets.

2.4. The following Limpopo Institutions will be participating in the contract for TC/LP 24/2025:

Table 1: Participating Limpopo Institutions

Participating Limpopo Institutions
1. Department of Public Works and Roads Infrastructure 2. Department of Social Development 3. Limpopo Provincial Treasury 4. Department of Education 5. Department of Transport and Community Safety

Participating Limpopo Institutions
6. Office of the Premier 7. Department of Health 8. Department of Economic Development, Environment, and Tourism 9. Department of Sports, Arts and Culture 10. Department of Agriculture and Rural Development 11. Department of Cooperative Governance, Human Settlements, and Traditional Affairs 12. Limpopo Tourism Agency

2.5. The above listed Limpopo Institutions are Organs of State / Procuring Institutions referred to on SBD 4 and bidders declaration on SBD 4 must be inclusive of all the above Limpopo Institutions.

2.6. Other Provincial Public entities and Legislature may participate in the contract post-award and may send an application to Limpopo Provincial Treasury to request participation in the transversal contract.

3. DURATION OF THE CONTRACT

The successful bidders will be appointed for a period of **thirty-six (36) months**.

4. LEGISLATIVE FRAMEWORK

4.1 Public Finance Management Act 1 of 1999 (as amended)

In terms of the Public Finance Management Act, 1999, as amended, the following provisions are applicable:

a) Section 38(1)(d) provides that the accounting officer for a department, trading entity, or constitutional institution is responsible for the management, including the safeguarding and maintenance of the assets, and for the management of the liabilities, of the department, trading entity, or constitutional institution.

b) Section 76(1)(k) provides that the National Treasury must make regulations or issue instructions applicable to departments, concerning the alienation, letting, or other disposal of state assets.

4.2 Treasury Regulations, 2005, issued in terms of the PFMA

In terms of the Regulation 10.2 - Disposal and Letting of Assets: –

a) Disposal of movable assets must be at market-related value or by tender or auction, whichever is most advantageous to the state, unless determined otherwise by the relevant treasury.

b) Any sale of immovable state property must be at market-related value unless the relevant treasury approves otherwise.

4.3 Consumer Protection Act 68 of 2008

In terms of Section 45 (1)-6) of the Consumer Protection Act (CPA), together with the Regulations thereof, states as follows -

a) In this section, ‘‘auction’’ includes a sale in execution of or pursuant to a court order, to the extent that the order contemplates that the sale is to be conducted by an auction.

b) When goods are put up for sale by auction in lots, each lot is, unless there is evidence to the contrary, regarded as the subject of a separate transaction.

c) A sale by auction is complete when the auctioneer announces its completion by the fall of the hammer, or in any other customary manner, and until that announcement is made, a bid may be retracted.

d) Notice must be given in advance that a sale by auction is subject to:—

   i. a reserved or upset price; or

   ii. a right to bid by or on behalf of the Limpopo Institution or auctioneer, in which case the Limpopo Institution or auctioneer, or any one person on behalf of the Limpopo Institution or auctioneer, as the case may be, may bid at the auction.

e) Unless notice is given in advance that a sale by auction is subject to a right to bid by or on behalf of the Limpopo Institution or auctioneer:—

i. the Limpopo Institution or auctioneer must not bid or employ any person to bid at the sale;
ii. the auctioneer must not knowingly accept any bid from a person contemplated in paragraph (i); and
iii. the consumer may approach a court to declare the transaction fraudulent, if this subsection has been violated.

f) The Minister may prescribe requirements to be complied with by an auctioneer, or different categories of auctioneer, in respect of:—

i. the conduct of an auction;
ii. the records to be maintained with respect to property placed for auction; and
iii. the sale of any such property by auction.

4.4 Tax Legislation

In terms of the Tax Legislation –

a. Bidder(s) must be tax compliant and remain compliant for the entire contract term and lease agreement term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962), Value Added Tax Act, 1991 (Act No. 89 of 1991).
b. It is a condition of this bid that the tax matters of the successful bidder(s) must be in order.
c. The Tax Compliance status requirements are also applicable to foreign bidders / individuals who wish to submit bids.
d. Bidders are required to be registered on the Central Supplier Database (CSD), and the Principal shall verify the bidder's tax compliance status through the CSD.
e. Where Consortia / Joint Ventures are involved, each party must be registered on the CSD, and their tax compliance status will be verified through the CSD.

4.5 Procurement Legislation and SCM Prescripts

The Principal has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance

Management Act, 1999 (Act, No. 1 of 1999), the Preferential Procurement Policy Framework Act 2000 (Act, No.5 of 2000), PPPFA Regulations of 2022.

4.6 Data Privacy Legislation and/ or Standards

Bidders should safeguard security measures on the integrity, confidentiality, and sensitivity of information by complying with Legislation and Standards such as Protection of Personal Information Act (POPIA), 4 of 2013, the Telecommunications Act, 103 of 1996, and Minimum Information Security Standards (MISS).

4.7 Limpopo Provincial Asset Management Policy

The Limpopo Provincial Asset Management Policy provides a framework for the effective, efficient, and economic management of movable assets within Limpopo Provincial Government and serves as a reference and an aid in the management of these movable assets.

5. TIMELINE OF THE BID PROCESS

The validity period of the bid and the withdrawal of offers after the closing date and time is **180 days.**

6. CONTACT AND ENQUIRIES

6.1. A nominated official of the bidder(s) can make enquiries in writing to the Principal's specified person(s), who are Letsoalo T.H and Nerahoo Y.A via email **Letsoalo th@treasury.limpopo.gov.za** **and** **nerahooy@treasury.limpopo.gov.za**.

6.2. Any communication by the bidder(s) to an official or a person acting in an advisory capacity for the Principal in respect of the bid between the closing date and the award of the bid is not allowed.

6.3. The Principal and nominated officials will not be liable with respect to any information communicated from any other sources which may not be accurate, current or complete, other than the nominated officials as indicated in 6.1. above.

6.4. If Bidder(s) finds or reasonably believes it has found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the Principal (other than minor clerical matters), the Bidder(s) must promptly notify the Principal in writing of such discrepancy, ambiguity, error or inconsistency to allow the Principal to consider what corrective action is necessary (if any) but it must be before the closing date. Any actual discrepancy, ambiguity, error or inconsistency in the bid Terms of Reference or any other information provided by the Principal will, if possible, be corrected and provided to all Bidder(s) without attribution to the Bidder(s) who provided the written notice.

6.5. All persons (including Bidder(s)) obtaining or receiving the bid and any other information in connection with the bid, or the bidding process must keep the contents of the bid and other such information confidential, and not disclose or use the information except as required for developing a proposal in response to this bid.

7. LATE BIDS

Bids received after the stipulated closing date and time, on the National Treasury E-Tender Publication Portal as indicated in the Standard Bidding Document (SBD1 form), will not be accepted.

8. COUNTER CONDITIONS

Bidders' attention is drawn to the fact that amendments during any stage of the bidding process to any of the bid Conditions or setting of conditions that are in contradiction of the bid, will be superseded by the bid conditions.

9. SUPPLIER DUE DILIGENCE

The Principal reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include verification and requests for additional information, i.e., Tax Compliance Status. (Tax verification will be done in line with SCM Instruction Note 9 of 2017/18 and/or the latest relevant prescript).

10. VETTING OF RECOMMENDED BIDDERS

All recommended bidders or any of their directors/shareholders/trustees/members / partners, or any person having a controlling interest in the enterprise will be subjected to security screening and vetting by the relevant security clearance bodies/authorities. Limpopo Provincial Government reserves the right not to appoint the bidder with a negative screening result.

11. SUBMISSION OF BID OFFERS

Bid documents must be submitted on the National Treasury E-Tender Publication Portal (E-Submission) indicated in the SBD1 form on or before the stipulated closing date and time. Manual submissions of hardcopy bids are not acceptable.

11.1. Bid documents will only be considered if received by the Principal on or before the closing date and time.

11.2. The online E-Tender publication portal can be accessed on the following link: https://www.etenders.gov.za

11.3. The guide for online bid submission from National Treasury is attached as: E-Submission User Manual for Suppliers.

11.4. Bidder's may contact Mr. Letsoalo T.H and Mr. Nerahoo Y.A via email Letsoalo th@treasury.limpopo.gov.za and nerahooy@treasury.limpopo.gov.za for any assistance regarding online bid submission. The above emails are for enquiries only and no bid submission should be submitted to the enquiry email addresses.

11.5. Bidders may further contact the e-tender call centre for any assistance regarding Online bid submission at (012) 406 9222 or email eTenders@treasury.gov.za only during working Hours: 08:00–16:00 and working days only, Monday to Friday. The above emails are for enquiries only and no bid submission should be submitted to the enquiry email addresses.

11.6. Bidders are required to submit their bids as follows:

Table 2: Bidder's submission

(All Requirements for Gate 0, Gate 1, Gate 2 must be included in the Bidder's submission
Gate 0: Mandatory Requirements – Refer to paragraph 17.1.1 and attach all required documents
Gate 1: Administrative Requirements – Refer to paragraph 17.1.2 and attach all required documents
Gate 2: Technical Requirements - Refer to paragraph 17.1.3 and attach Annexure A and all required documents
General Conditions of Contract (GCC)

11.7. N.B FAILURE TO COMPLY WITH THE REQUIREMENTS IN GATE 0 AND GATE 1 MAY RESULT IN THE DISQUALIFICATION OF THE BID.

11.8. N.B FAILURE TO COMPLY WITH THE REQUIREMENTS IN GATE 2 WILL RESULT IN THE DISQUALIFICATION OF THE BID.

12. APPOINTMENT OF PANEL AND WORK ALLOCATION (RFQ)

The Principal intends to appoint a minimum panel of two (2) bidders for a period of 36 months using a two-stage bid process. The following framework governs the appointment and the subsequent allocation of work:

12.1. Stage 1 – Appointment of Panel

i. Bidders compete for appointment to the Panel through evaluation on the following Gates:
   - Gate 0 – Mandatory Requirements,
   - Gate 1 – Administrative Requirements and;
   - Gate 2 – Technical Requirements.

ii. Bidders who do not meet the requirements in Gate 0 and 1 will be disqualified.

iii. Bidders who do not meet the minimum technical threshold of 70 points in Gate 2 will be disqualified, and therefore not qualify for appointment into the Panel of Auctioneers.

iv. Only bidders who meet the minimum threshold of 70 points will be appointed to the Panel.

v. There will be no further evaluation of bids on price and preference points at this Stage 1. No price (commission rates) will be considered at this stage, as this will be administered by procuring Limpopo Institutions when they issue a Request for Quotation (RFQ) to the Panel of Auctioneers. However, bidders should still complete and duly sign SBD 6.1 to claim preference points at this Stage 1 as the points claimed will be used in Stage 2 and added to the points for price in terms of regulation 4 of the Preferential Procurement Regulations 2022, pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000). Failure to complete SBD 6.1 will be construed to mean no preference points are claimed.

vi. Appointment to the panel does not guarantee any minimum volume of work. Appointment to the panel is subject to the bidder's written acceptance of the appointment letter and the panel's Request for Quotation Process.

12.2. Stage 2 - Work Allocation (Request for Quotation (RFQ) process)

i. This stage will be administered by procuring Limpopo Institutions after appointment of Panel of Auctioneers.

ii. At this stage, procuring Limpopo Institutions shall issue RFQs to the appointed Panel of Auctioneers for the purpose of actual allocation of work.

iii. Work will be allocated on an "as-and-when required" basis via a RFQ process.

iv. The RFQ will describe the specific scope of work, service location or venue, estimated value, and delivery requirements. It is only at this stage that service providers appointed to the panel will know exactly the amount of work the procuring Limpopo Institution requires service on.

v. Panel members must submit a quotation indicating their proposed Seller's Commission Percentage (%) on the estimated total proceeds of the auction.

vi. The RFQ will be in line with regulation 4 of the Preferential Procurement Regulations 2022, pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)

vii. The points for price (commission rate) quoted by panel members will be added to the points claimed on the SBD 6.1 to determine the highest scoring panel member for the specific work.

viii. All quotes submitted by panel members must be inclusive of all costs and applicable taxes (VAT).

ix. If two or more bidders score an equal total number of points, the contract should be awarded to the bidder that scored the highest points for specific goals.

x. If two or more bidders have equal points, including equal preference points, the successful bidder should be the one scoring the highest for functionality.

xi. If two or more bidders score equal total points in all respects, the award should be decided by the drawing of lots.

xii. Service providers must maintain an "Active" and "Tax Compliant" status on the Central Supplier Database (CSD). No RFQ or award will be issued to a non-tax compliant bidder.

xiii. The Principal reserves the right to consider a service provider's performance on previous allocations.

xiv. The Principal reserves the right not to allocate work to poor performing service providers as per the requirements of the Service Level Agreement (SLA) and may exclude service providers due to poor performance. Such action will only be taken following a formal Notice of Default and an administrative process where the service provider will be afforded an opportunity to respond to the poor performance.

13. SCOPE OF THE SERVICE AND SERVICE REQUIREMENT

The Auctioneer will be required to provide the following services: -

13.1. Auction

13.1.1. Auctions shall be conducted on dates, times, venues, and periods determined by the Limpopo Institutions. The appointed Auctioneer shall be notified in advance of such arrangements.

13.1.2. In the event of urgent circumstances, an Auctioneer may be required to conduct an auction at short notice. In such cases, the Auctioneer must be available to render the required services within a reasonable time frame from the date of notification.

13.2. Assets to be disposed

13.2.1. An Auctioneer shall conduct auction services only in respect of assets identified and approved by the Limpopo Institutions. Such assets will have been surveyed and authorised for disposal in accordance with the applicable asset management procedures. These assets **exclude biological assets** and include, but are not limited to:

a) Motor Vehicles
b) Office Furniture
c) Office Equipment
d) Computer Equipment
e) Medical Equipment
f) other machinery and equipment (Incl. Plant and Equipment)
g) Inventory items (spares, toners, etc)
h) Any other items to be disposed

13.3. Initial Assessment and reserve prices

13.3.1. Limpopo Institutions will determine if vehicles are runners and non-runners by performing a technical diagnosis.

13.3.2. The successful bidder is expected to consider the reserve prices of all items compiled by the Limpopo Institution by ensuring that no item is purchased for less than it is expected.

13.4. Auction Plan

13.4.1. An Auction Plan based on the initial assessment, will be developed by the Limpopo Institutions.

13.5. Verification and arrangements of lots

13.5.1. An Auctioneer or his/her representative shall inspect all goods at the auction site before the auction date at his/her own costs to ensure that the lot numbers and description of items are correct and to acquaint himself / herself with the condition of the goods.

13.6. Marketing and Advertising

13.6.1. The Auctioneer will be responsible for placing adequate advertisements for the auction sales in national and local print media as well as through optional media, i.e., radio adverts, banners, posters**, subject to prior approval by the Limpopo Institution**

13.6.2. Draft copies of the proposed advertisements are to be submitted to the Limpopo Institution for approval prior to publication on any media.

13.6.3. Advertising costs will be reimbursed only for the approved actual costs incurred,

13.6.4. The Auctioneer must obtain and submit quotations for any selected advertising media to the Limpopo Institution prior to placing an advertisement to ensure the Limpopo Institution approves the estimated advertising costs.

13.6.5. The successful bidder must advertise each auction at least twenty-one (21) calendar days prior to the scheduled auction date in the following newspapers:

a) National Newspaper

b) Local Newspaper

13.6.6. The Auctioneer may conduct marketing and advertising of the auction using the following optional media, subject to the agreement of the Limpopo Institution:

a) Radio stations
b) Banners
c) Posters

13.6.7. The following minimum information should be reflected in the advertisement:

a) All advertisements must clearly state that the auction is a State Auction conducted on behalf of the Limpopo Provincial Government;

b) Venue;

c) Date;

d) Time;

e) Description of goods to be sold;

f) Viewing: venue, date and time;

g) Special conditions applicable to the sale e.g. whether a deposit will be levied or not; and

h) Enquiries.

13.6.8. The auctioneer is responsible for the payment for any media advertisement and to claim reimbursement of advertising costs. The Auctioneer must provide proof of advertisement and costs with the auction close out report.

13.7. Provision of security Personnel

13.7.1. An Auctioneer shall provide own security to safeguard the assets and accompany the buyers during the auction as follows:

a. The auctioneer will be responsible to provide security to safeguard the items on the viewing date and the auction date on the premises where the auction will be conducted. These security services shall be provided at the expense of the Auctioneer.
b. The number of security personnel to be used on the viewing date and day of the auction will be agreed upon in advance between the Limpopo Institution and Auctioneer.

13.8. Minimum Auctioneering Team

13.8.1. At every auction sale, an Auctioneer shall provide as a minimum his/her own auctioneering team as tabulated in Table 3 below.

13.8.2. The auctioneering team for this bid will be evaluated on the CV's submitted for all required team members with the bid proposal.

13.8.3. In case of any personnel changes during the contract term, the Auctioneer will be responsible for communicating this change in writing to the Principal and Limpopo Institutions.

13.8.4. The successful bidder must provide the following competent support staff for all auction administration and support:

Table 3 – Minimum Auctioneering Team:

Personnel	Number	Minimum Qualification	Proof to be attached
Auctioneer	**1**	Matric Certificate, Registered with SAIA or SAPAA	Attach a certified copy of Identity Document, Matric Certificate, SAIA / SAPAA registration certificate/ Letter indicating registration date and certificate of membership in good standing, and CV with relevant experience in auctioneering services

General Assistant	**2**	Grade 10 and above	Attach a certified copy of Identity Document, proof of Grade 10 and CV
Admin Staff	**2**	Matric Certificate	Attach certified copies of Identity Document, Matric Certificates, and one (1) page CV for each admin personnel
Security Personnel	**4**	Registered with PSIRA	Letter from the security company confirming services to the bidder. PSIRA Certificates

13.9. Provision of Auction Equipment

13.9.1. An Auctioneer shall use his own resources to conduct the auction. The Auctioneer must provide the following minimum equipment during the auction:

a) Public Address (P.A.) system,
b) A light duty vehicle (LDV)
c) Photocopier
d) Network booster for Point-of-Sale device (POS) (in case of poor network)
e) Computer equipment,
f) Printer,
g) Printing paper, stationery, etc
h) Shelter
i) Jumper packs and heavy-duty jumper cables for jump starting of non-starting vehicles due to flat batteries etc.
j) Tool box

13.10. Auction Process:

13.10.1. The Limpopo Institution shall provide the Auctioneer with lists of assets earmarked for auction within 21 calendar days before the advert including any reserved prices

13.10.2. The Auctioneer shall use minimum prices as determined by the Limpopo Institution in the schedule unless otherwise advised by the Limpopo Institution.

13.10.3. At every auction sale, there will be a Limpopo Institution representative(s) who will monitor the processes and resolve any disputes that may arise.

13.10.4. An Auctioneer shall always give his/her full co-operation to the Limpopo Institution representatives.

13.10.5. At least two officials from the Limpopo Institution will separately record the amount paid per lot in order to compare and confirm the amounts after sale with records kept by the Auctioneer.

13.10.6. The Limpopo Institution shall formally hand over the assets in writing to the auctioneer on the day agreed between the Limpopo Institution and the Auctioneer, which the auctioneer shall be obligated or take full responsibility of the auction proceedings; however, it is the responsibility of the Limpopo Institution to ensure the correctness of the proceedings.

13.10.7. The Auctioneer will formally in writing acknowledge receipt of the assets.

13.10.8. Viewing of the goods shall take place on the dates, times and venues determined by the Limpopo Institution in consultation with the Auctioneer.

13.10.9. The auctioneer should not close the auction while buyers are still busy.

13.10.10. An Auctioneer shall be at the auction site not less than three hours before the commencement of the auction.

13.10.11. The Limpopo Institution and Auctioneer will be required to sort the assets into lots, and the Auctioneer will be required to mark already sorted assets before sale.

13.10.12. The auctioneer will be required to remove branding and cleaning of fleet at own costs, without causing any damage to the asset.

13.10.13. The Auctioneer shall register all prospective buyers at a prescribed refundable registration fee.

13.10.14. The auction conditions of sale, as per paragraph 13.11., shall be announced in English prior to the commencement of the auction.

13.10.15. An Auctioneer shall only auction to a registered buyer. Ownership and risk shall pass to the buyer as soon as payment has been made, and therefore, it is the responsibility of the buyer to collect or remove the item bought from the auction site.

13.10.16. The Limpopo Institution reserves the right to withdraw any items/lots, price levels determined by the Limpopo Institution, at any time before or during the auction.

13.10.17. The Auctioneer must be able to address queries before and after the auction within two (2) working days.

13.11. Condition of Sales

THESE CONDITIONS OF SALE MUST BE READ OUT BY THE AUCTIONEER BEFORE COMMENCEMENT OF THE SALE.

13.11.1. The Limpopo Institution shall, at any time, have the right to stop the auction, or to withdraw a lot, or lots without providing reasons.

13.11.2. The Auctioneer shall award the bid to a registered buyer, and ownership and risk shall pass to the buyer upon full payment of the purchase price.

13.11.3. The buyer shall be the highest buyer to whom a lot is knocked down. Should a dispute arise between two or three buyers, or between the Auctioneer and one or more buyers, the lot or lots shall again be offered and resold.

13.11.4. Lots may be grouped, or any lot may be divided, or the sequence in which lots will be sold may be changed, but not while the auction is underway.

13.11.5. The Limpopo Institutions are government institutions and are not registered VAT vendors and therefore the Auctioneer shall not add or collect 15% VAT on the Hammer Price. The Hammer Price is strictly VAT-exclusive, and no Tax Invoice may be issued for the asset itself. (Except for Public Entities that are VAT registered)

13.11.6. The Auctioneer's service fees (Seller's Commission and Buyer's Premium) is subject to VAT. The Auctioneer must charge 15% VAT on these fees only.

13.11.7. Payment will be accepted by the Limpopo Institution with a card or Instant EFT only. Strictly NO CASH payments will be accepted for the sale of items and/or lots.

13.11.8. The Auctioneer reserves the right to demand payment from the buyer immediately after the last lot has been knocked down.

13.11.9. Buyers will not be permitted to offset the hammer price against their registration fee. Buyers must pay the full hammer price and may thereafter claim the refundable registration fee from the Auctioneer.

13.11.10. The Auctioneer agrees to charge a buyer's premium fee of a maximum of 8% plus VAT on the hammer price.

13.11.11. Goods are sold "as is, where is" with all faults and without any warranty. Neither the Limpopo Institution nor the Auctioneer will be liable for description, quality, condition, or quality of the goods. No guarantees will be given in this regard. Prospective buyers are therefore advised to inspect the goods or have them inspected during the viewing period.

13.11.12. As soon as a lot is paid by a buyer, he/she shall accept the risk and the responsibility for safeguarding such items. All reasonable precautionary measures will be taken by the Auctioneer's personnel to safeguard the buyer's interest.

13.11.13. Lots may only be removed from the auction site after payment has been made and verified.

13.11.14. A buyer will not be permitted to remove his/her purchases from the Auction venue until he/she has presented the relevant invoice(s), which is/are issued by the Auctioneer, to the Auctioneer's personnel for verification. All buyers, or their representatives, are expected to acknowledge receipt of goods by signing on the Auctioneer's copy of the invoice.

13.11.15. The Auctioneer's personnel will not permit a buyer to remove his/her purchases should the particulars reflected on the Auctioneer's copy of the invoice not correspond with the original copy of the invoice held by the buyer.

13.11.16. Should a buyer lose his/her invoice, he/she is to obtain a certified copy thereof from the Auctioneer before he/she will be permitted to remove his/her goods.

13.11.17. If payment is not received within 48 hrs, the sale will be cancelled, the goods will remain the property of the Limpopo Institution and the buyer will forfeit the registration fee.

13.11.18. The following conditions, regarding the removal of goods, must be brought to the attention of the buyers:

a) All lots must be removed by the buyer in totality within two (2) working days of the date of the sale on his/her own risk and cost. If, for any reason acceptable to the Limpopo Institution, he/she cannot remove the lots within the prescribed working days, an extension may be granted by the Limpopo Institution.
b) If the buyer fails to take possession of the goods within the time specified herein, the Limpopo Institution has the right to, without further communication, confiscate and dispose of the goods as it may deem fit, without any reimbursement to the buyer. If the buyer wishes to take possession of the goods after the expiry of the period of retrieval, the Limpopo Institution can grant approval.

13.12. Payments, Fee Structure, and Commission:

13.12.1. The Auctioneer's Commission (Seller's Commission) of each auction will be a percentage of the total proceeds collected by the Limpopo Institution on the day of the auction sale.

13.12.2. An Auctioneer may charge a buyer's premium fee to the buyers to a maximum of 8% plus VAT on the hammer price.

13.12.3. The Buyer's Premium will be paid directly to the Auctioneer and not to the Limpopo Institution.

13.12.4. The Seller's Commission fee is subject to negotiation in line with market rates.

13.12.5. The Auctioneer shall submit an itemised Invoice for the Seller's Commission fee to be claimed for the sales to the Limpopo Institution.

13.12.6. The Auctioneer and Limpopo Institution shall make arrangements for the buyers to pay during the auction sale without interrupting the auction process. All auctions and transactions shall be conducted in RSA currency.

13.12.7. All moneys received at the auction shall be recorded in triplicate. The original and second copy shall be given to the buyer and the Limpopo Institution, respectively, and the third copy shall remain with the Auctioneer.

13.12.8. Assets shall only be released after a payment has been received and upon producing proof of Auctioneer's receipt of sale by the buyer at the gate/exit point of the auction site.

13.12.9. The auctioneer shall ensure that all buyers are registered and have proof of registration prior to the auction.

13.12.10. The Limpopo Institution shall ensure that buyers pay the full amount of all assets they are bidding for before the assets are removed from the auction site.

13.12.11. The Auctioneer is required to provide a proposed fee structure, which must indicate the percentage of total auction proceeds.

13.12.12. The Auctioneer will carry the cost of marketing and advertising and will be reimbursed as per 13.6. above

13.12.13. The seller's commission fee percentage shall include all costs and applicable taxes. (Excluding marketing and advertising costs)

13.12.14. An Auctioneer shall issue an invoice to the Limpopo Institution for the auctioneering services rendered.

13.12.15. An Auctioneer is responsible for the payment of VAT (Value Added Tax) on the commission fee earned and Buyer's Premium fee to the South African Revenue Services (SARS).

13.13. Registration Process and Fees

13.13.1. The auctioneer will be responsible for:

i. the registration of buyers
ii. collecting of registration fees from buyers
iii. refunding registration fees to buyers

13.13.2. In the event that buyers forfeit their registration fees for any reason, the Auctioneer will be responsible for transferring the forfeited fees to the Limpopo Institution before issuing an invoice for services rendered.

13.13.3. The Seller's Commission fee will only be based on the proceeds amount from the auction and not any forfeited registration fees.

13.13.4. Buyers will not be allowed to offset the hammer price with their registration fees and should pay the full hammer price and collect their refundable registration fee from the Auctioneer.

14. Liability Insurance

The Auctioneer is expected to have liability insurance cover amounting to a minimum of R1.5 million, the proof of which should be submitted to Limpopo Provincial Treasury within 7 days of appointment.

15. Reporting

The Auctioneer must prepare and submit to the Limpopo Institution a detailed Auction Report not later than seven (7) working days after the completion of the auction. The following minimum information should be contained in the report:

a. Name of Buyer;
b. Address of Buyer;
c. Contact numbers of Buyer;
d. Description of item purchased;
e. Price of item;
f. Lot number;
g. Vehicle chassis/vin no;
h. Any other relevant information as deemed fit by the Auctioneer;
i. Reconciliation must be done on the day of auction by the Auctioneer together with Limpopo Institution Representatives;

16. SPECIAL CONDITIONS

a. The Auctioneer should be registered with the South African Institute for Auctioneers (SAIA) or South African Professional Auctioneers Association (SAPAA), registration to be submitted with the request.
b. Auctioneers will be appointed on a panel and selected using a RFQ allocation. Auctioneers should remain active and tax compliant on CSD to receive a RFQ.
c. All Quotations should be inclusive of all costs and applicable taxes.
d. No costs, apart from the ones specified in this document, will be accepted or allowed to be charged to either buyer or seller. The auctioneer must ensure that all other costs are covered in the percentage quoted to conduct the auction.

e. The Limpopo Institution will in no way be liable for any loss, injury, or damage, which may be sustained by the successful Auctioneer, his employees, his equipment, or any other person through handling or use of the items offered for sale.
f. The Auctioneer must be in compliance with the Compensation for Occupational Injuries and Diseases Act, 1993 (Act No. 130 of 1993), in respect of all employees involved in the auctioning process.
g. All machinery used during the auction process must comply with the regulations as specified in the Machinery and Occupational Safety Act No.6 of 1983 as amended and The Occupational Health and Safety Act No. 85 of 1993.
h. The right is reserved to visit the premises of the company that applied for this bid.
i. Provision must be made to enable buyers to effect payment before the conclusion of the auction without interrupting the auction process. Receipts will only be issued to registered buyers.
j. All prospective buyers shall be registered by the Auctioneer. Where applicable, registration shall occur after payment of a refundable registration fee, determined by the Limpopo Institution in co-operation with the auctioneer.
k. The Limpopo Institution is responsible for obtaining payment from the buyer(s) before completion of the auction. The auction will be considered as completed two hours after the last bid has been knocked down or as determined by the Limpopo Institution’s representative, provided the extended period falls on the same day of the auction.
l. The Limpopo Institutions reserve the right to take corrective steps in case of unsatisfactory performance by an Auctioneer in accordance with the service level agreement to be signed with the Principal. This includes the cancellation of the contract and making alternative arrangements for the rendering of the service, in which case the Limpopo Institution will be entitled to claim damages from an Auctioneer should it suffer any loss because of unsatisfactory performance or breach of the service level agreement.
m. The Limpopo Institutions are government institutions and are not registered VAT vendors and therefore the Auctioneer shall not add or collect 15% VAT on the Hammer Price. The Hammer Price is strictly VAT-Exclusive, and no Tax Invoice

may be issued for the asset itself. (Except for Public Entities that are VAT registered).

n. The Auctioneer's service fees (Seller's Commission and Buyer's Premium) is subject to VAT. The Auctioneer must charge 15% VAT on these fees only.

17. EVALUATION AND SELECTION CRITERIA

The Principal has set minimum standards (Gates) that a bidder needs to meet to be evaluated and selected as an Auctioneer on the panel. The minimum standards consist of the following: -

Table 4: Stage 1 Evaluation

Mandatory Requirements (Gate 0)	Administrative Requirements (Gate 1)	Technical Requirements (Gate 2)
Bidders must submit all mandatory documents as set out in Gate 0. Failure to comply with Mandatory requirements in Gate 0 will result in disqualification, and bidders will not proceed to Gate 1.	Bidders must submit all documents as set out in Gate 1. Failure to comply with Administrative requirements in Gate 1 may result in disqualification, and bidders will not proceed to Gate 2.	The bidder must provide information for all the technical service requirements as set out in Annexure A: Technical Requirements, in order to claim points. Bidders must score a minimum of 70 points out of 100 in order to proceed to further evaluation in Gate 3 (Price and Preference Points).

Table 5: Stage 2 Evaluation

Price and Preference Points
Limpopo Institutions will send out a Request for Quotation to successful bidders on the panel. The points for price will be calculated and added to the points claimed on the SBD 6.1.

17.1. Stage 1 – Mandatory, Administrative and Technical Requirements

i. Without limiting the generality of the Principal's other critical requirements for this Bid, bidder(s) must submit the documents listed in Table 6 and Table 7 below. All documents must be completed and signed in black ink by the duly authorised representative of the prospective bidder(s). Correction fluid is not allowed, and any cancellation on the bid document must be initialled by the authorised signatory.

ii. During this phase, Bidders' responses will be evaluated based on compliance with the listed mandatory and administrative bid requirements.

iii. Bidders must attach Annexure "A" Technical Evaluation criteria with their bid submission.

17.1.1. Gate 0: Mandatory requirements

The bidder's proposal will be disqualified for non-submission of documents in line with the mandatory requirements. Bidders who failed to attend the Compulsory Briefing Session will not be eligible for evaluation at this gate and will be disqualified.

Table 6: Mandatory Requirements

Requirement	Documents that must be submitted
Original Bid Documents	Originally completed and signed bid documents issued by the LPT with all the numbered pages.
Proof of authority to sign the bid offer	Letter of authority or signing mandate.
Registered with a professional Auctioneering Body	**Submission of valid certificate of registration in good standing issued by the South African Institute of Auctioneers (SAIA) or South African Professional Auctioneers Association (SAPAA)**

17.1.2. Gate 1: Administrative Requirements

The bidder's proposal may be disqualified for non-compliance.

Table 7: Administrative Requirements

Requirement	Documents that must be submitted
SBD 1 - Invitation to Bid	Duly completed and signed pro forma document. (SBD 1)
SBD 3.1 - Pricing Schedule (Firm prices)	Completed (SBD 3.1)
SBD 4 – Bidder's Disclosure	i. Duly completed and signed pro forma document (SBD 4) and all relevant supporting evidence. ii. **NB –** Bidders are urged to read and understand the contents of SBD4 form and special attention on 2.3, failure to fully disclose the information will lead to disqualification.
SBD 6.1 - Preference Points Claim Form in Terms of The Preferential Procurement Regulations 2022	Duly completed and signed pro forma document. (SBD 6.1) (Bidder's will only be eligible for points if claimed)
Proof of registration on the Central Supplier Database (CSD).	CSD Registration Number should be indicated on the SBD 1 Form.
valid good standing with (COIDA)	The bidder will be required to comply with the requirements of the Compensation for Occupational Injuries and Diseases Act, (Act No. 130 of 1993),
Valid UIF registration	The bidder will be required to comply with the UIF requirements.
Company Registration	Attach copy of company registration documents
ID Copies of Directors/Shareholders	Attach copies of IDs for all Directors/Shareholders.
Company Profile	Attach a comprehensive company profile.

Requirement	Documents that must be submitted
In case of bids where Consortia / Joint Ventures are involved, the Consortia/ Joint Venture agreement signed by both parties must be submitted with the bid proposal.	JV agreement completed and signed, if applicable

17.1.3. Gate 2: Technical Evaluation Criteria = 100 points

i. All Bidders are required to respond to the technical requirements of the bid. Only Bidders that have met the Mandatory and Administrative requirements in (Gate 0 and 1) will be evaluated in Gate 2 for functionality as per the attached Annexure “A” Technical Requirements.

ii. Gate 2 comprises the Technical Evaluation outlined in Table 8 below.

Technical Evaluation Criteria = 100 points
Table 8: Functionality Points

	Functionality	Points Achievable
	Technical Evaluation Technical Requirements found in Annexure **A** will be used to evaluate Bidders.	100
Total	Only Bidders who score a minimum of **70 points out of 100** will be eligible to be appointed onto the panel.	**100**

iii. As part of due diligence, the Principal may conduct verifications at a client of the Bidder (reference) for validation of the services previously rendered.

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17.2. Stage 2: Price and Preference points

17.2.1. Price and Preference points will only be calculated as and when Limpopo Institutions send out RFQs to appointed panel members.

17.2.2. The RFQ will include an estimated value which Limpopo Institutions will use to calculate the points for price based on the quoted sellers' commissions.

17.2.3. The Principal reserves the right to negotiate the seller's commission fee percentage of the highest scoring bidders to ensure market-relatedness.

17.2.4. Only Bidders that have met the 70 points thresholds in Gate 2 will be eligible to be appointed on the panel.

17.2.5. In terms of regulation 4 (1) of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated by the Provincial Government on the 80/20-preference point for Specific Goals, in terms of which points are awarded to bidders on the basis of:

i. The bidder price (maximum 80 points)
ii. Specific Goals (maximum 20 points)

17.2.6. The following formula will be used to calculate the points for price in respect of bidders with a Rand value under R50 000 000:

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

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

Where

Ps	=	Points scored for price of tender under consideration
Pt	=	Rand value of offer tender consideration
Pmin	=	Rand value of lowest acceptable tender

17.2.7. A maximum of 20 points may be awarded to a bidder for the Specific Goals specified for the bid. The points scored for the Specific Goal will be added to the points scored for price and the total must be rounded off to the nearest two

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decimal places. Subject to section 2(1)(f) of the Act, the contract must be awarded to the bidder scoring the highest points.

17.2.8. The Preferential Procurement Regulations 2022 were gazetted on 4 November 2022 (No. 47452) with effect from 16 January 2023. The 80/20 preference points systems will be applied in accordance with the formula and applicable points provided for in the respective Specific Goals table.

17.2.9. Specific Goals criteria

(Note to organs of state: The 80/20 preference point system is applicable; corresponding points must also be indicated as such.

***(Note to bidders: The bidder must indicate how they claim points for each preference point system.*)**

Table 9: Specific Goals

No.	**Specific Goal**	**Score**	**Required proof/documents to be Submitted for evaluation purposes**
1.	Black People Ownership ≥51% ownership	8	CSD and/or a copy of the company registration document
2.	Women Ownership ≥51% ownership	5	CSD Report
3.	Youth Ownership ≥51% ownership	3	CSD Report
4.	Person with disabilities Ownership ≥51% ownership	2	CSD Report and medical certificate from a registered medical practitioner
5.	Locality – Business/company based within Limpopo Province	2	Proof of local address (Municipal account or letter from tribal authority or lease agreement)
	Total	**20**	

17.2.10. It is mandatory for bidders to complete SBD 6.1 to claim the points for Specific Goals; failure to complete / incorrect completion of the SBD 6.1 shall be interpreted to mean that the points for Specific Goals are not claimed.

17.2.11. Failure on the part of a bidder to submit proof or documentation required in terms of this bid to claim points for Specific Goals with the bid will be interpreted to mean that preference points for Specific Goals are not claimed.

17.2.12. Only a bidder who has completed and signed the declaration part of the preference claim form will be considered for Specific Goals.

17.2.13. The Principal may, prior to the adjudication of a bid or at any stage, require a bidder to substantiate claims made with regard to their Specific Goals.

17.2.14. In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for the bid. Should two or more bids be equal in all respects, the award shall be decided by drawing of lots.

17.2.15. A contract may, on reasonable and justifiable grounds, be awarded to a bidder that did not score the highest number of points.

18. GENERAL CONDITIONS OF CONTRACT

Any award made to a bidder under this bid is conditional on the bidder entering into a contract with the Principal and the bidder accepting the terms and conditions contained in the General Conditions of Contract.

19. SELLER'S COMMISSION

19.1. The Bidder's commission percentage (Seller's Commission) must be inclusive of all auxiliary costs associated with rendering the service, excluding marketing and advertising costs, which will be reimbursed separately.

19.2. It is the responsibility of the bidder to ensure the Seller's commission percentage is inclusive of all costs and applicable taxes.

20. COMPULSORY BRIEFING SESSION

20.1. Bidders must attend a compulsory briefing session scheduled as follows: -

Table 10: Compulsory Briefing Session

Date	Platform	Time
01 September 2026	**MS TEAMS** **Please click on the link below to register and join the session:** **Compulsory Briefing Session - TC/LP 24/2025**	**10:00**

20.2. **N.B: Failure to attend the Compulsory Briefing Session will result in the disqualification of the bidder.**

21. SERVICE LEVEL AGREEMENT

21.1. Upon panel appointment, the Principal will sign a Service Level Agreement (SLA) with the Auctioneer regulating the specific terms and conditions applicable to the services.

21.2. The Principal reserves the right to accept or reject any or all amendments or additions proposed by the bidder if such amendments or additions are unacceptable to the Principal or pose a risk to the organisation.

21.3. Both parties must ensure adherence to the SLA.

21.4. In the event of a conflict between the bidder's proposal and the Service Level Agreement concluded between the parties, the Service Level Agreement in alignment with the bid document, will prevail.

22. PREPARATION COSTS

22.1. The Bidder will bear all costs in preparing, submitting, and presenting any response or bid to this bid and all other costs incurred by it throughout the bidding process. Furthermore, no statement in this bid will be construed as placing the Principal, Limpopo Institutions, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of their response to this bid.

23. RESERVATION OF RIGHTS

The Principal reserves the right to: -

a) Request further information from any bidder after the closing date of the bid.
b) Communicate only with the shortlisted bidders as and when necessary.
c) Verify information and documentation of the respective bidder.
d) Not make an award.
e) Award the bid partially or in whole.
f) Negotiate any prices or fees before award
g) Enter into price negotiations with any preferred bidders.

h) Appoint a third party to verify the service providers' compliance with aspects of this bid.

i) Cancel the contract, if it is satisfied that any person (being an employee, partner, director or shareholder of the bidder or a person acting on behalf of or with the knowledge of the bidder), firm or company (The expression "person, firm or company" shall include an authorized employee or agent of such a person, firm or company): -

i. is executing a contract with the government unsatisfactorily;

ii. has offered, promised, or given a bribe or remuneration to any officer or employee in the Public Service in connection with obtaining or executing a contract;

iii. has acted in a fraudulent manner or in bad faith or in any other unsatisfactory manner in obtaining a contract with any government department, provincial administration, public body, company or person, or that he/she has managed his/her affairs in such a way that he/she has in consequences there-of been found guilty of a criminal offense;

iv. has approached an officer or employee in the Public Services before or after tenders have been called for, to influence the award of the contract in his/her favour;

v. has withdrawn or amended his/her tender after the time set for the receipt and opening of tenders;

vi. when advised that his/her tender has been conditionally accepted, has given notice of his/her inability to execute or sign the contract or furnish any security required;

vii. has entered into any agreement or arrangement, whether legally binding or not, with any other person, firm, or company to refrain from tendering for this contract, or as to the amount or the tender to be submitted by either party; and

viii. has disclosed to any other person, firm or company the exact or approximate amount or his/her proposed tender except where disclosure, in confidence, was necessary to obtain insurance premium quotations for the preparation of the tender; the Limpopo Provincial government may, in addition to any other legal recourse which it may have, cancel the contract between the employer and such person, firm or company and/or resolves that no tender from such a person, firm or company will be favourably considered for a specific period.

j) Cancel the bid in instance where there is major change in the scope of service.

ANNEXURE “A”

TECHNICAL REQUIREMENTS

Name of the bidder (Company): ____

GATE: 2 TECHNICAL EVALUATION CRITERIA

The Technical Evaluation comprises of a Desktop Technical Evaluation. Bidders must score minimum of 70 points out of 100 in order to proceed for further evaluation in Gate 3 (Price and Preference Points).

PART 1: DESKTOP TECHNICAL EVALUATION

The bid will be evaluated on Desktop Technical Evaluation as follows: -

<table>
<tr><th>Folio No.</th><th>Criterion</th><th>Weights</th><th>Evidence (Failure to attach the means of verification, the bidder(s) will not be eligible to get points)</th></tr>
<tr><td>1.</td><td>Service quality</td><td></td><td rowspan="8">i. Auctioneers to attach signed reference letters on company letterhead indicating services rendered and number of years (with clear start and end dates) by the auctioneer themselves at any organ of state with contactable reference(s).
ii. The experience will be calculated cumulatively using months.
iii. Auctioneers to attach CV (s) detailing work experience
iv. Attach SAIA /SAPAA registration certificate / SAIA / SAPPA Letter indicating registration date.
v. The Principal reserves the right to verify all contactable references.
vi. Where contract periods overlap or run concurrently, the overlapping months will be counted once only toward the total cumulative calculation of experience.
vii. Experience is calculated in completed calendar months. Partial months (e.g., 24 months and 20 days) are rounded down to the nearest full completed month</td></tr>
<tr><td>1.1.</td><td>Experience of the professionally registered (with SAIA) Auctioneer in providing auctioneering services to any organ of state.</td><td>15</td></tr>
<tr><td>1.1.1</td><td>No Experience</td><td>0</td></tr>
<tr><td>1.1.2</td><td>1 month to 24 months</td><td>3</td></tr>
<tr><td>1.1.3</td><td>25 months to 36 months</td><td>6</td></tr>
<tr><td>1.1.4</td><td>37 months to 48 months</td><td>9</td></tr>
<tr><td>1.1.5</td><td>49 months to 60 months</td><td>12</td></tr>
<tr><td>1.1.6</td><td>61 months and above</td><td>15</td></tr>
</table>

1.2.	***Experience of the Bidder/ Company in providing auctioneering services to any organ of state.***	***15***	viii. Bidders to attach signed reference letters on company letterhead indicating number of years (with clear start and end dates) and services rendered at any organ of state with contactable reference(s). ix. The experience will be calculated cumulatively using months. x. Bidders to attach signed appointment letters to support the above reference letters. xi. The Principal reserves the right to verify all contactable references. xii. Where contract periods overlap or run concurrently, the overlapping months will be counted once only toward the total cumulative calculation of experience xiii. Experience is calculated in completed calendar months. Partial months (e.g., 24 months and 20 days) are rounded down to the nearest full completed month
1.2.1	No Experience	*0*	
1.2.2	1 month to 24 months	*3*	
1.2.3	25 months to 36 months	*6*	
1.2.4	37 months to 48 months	*9*	
1.2.5	49 months to 60 months	*12*	
1.2.6	61 months and above	*15*	
1.3.	***Value of Auctions (Gross Hammer Price / Gross Sales Value)*** Experience in auctioneering of projects between:	**20**	i. Bidders to attach signed reference letters, Auction reports, on company letterhead indicating the value of the auctions conducted at any organ of state with contactable reference(s), within the past 7 years before the closing date and time of the bid. ii. The Reference letters or auction reports will be added cumulatively only within the specified time frame in (i) above. iii. Bidders to attach signed appointment letters to support the above reference letters and auction reports. iv. The Principal reserves the right to verify all contactable references.
1.3.1	No project value provided	0	
1.3.2	R1 – R1 000 000	4	
1.3.3	R1 000 001 – R 4 000 000	8	
1.3.4	R4 000 001 – R7 000 000	12	
1.3.5	R7 000 001 – R10 000 000	16	
1.3.6	R10 000 001 and above	20	

2.	**Auctioneering Expertise**		Bidders to attach a list of Auctioneering Team indicating full names, Identity Numbers, qualifications, designation/portfolio, and location (where the team member is based) in the company as referred to item 13.8 in the ToR. Bidders to attach accompanying Curriculum Vitae's (C.V's) to support the above list and PSIRA certificate for security personnel. N.B: The "Auctioneer" will not be evaluated under auctioneering team as the "Auctioneer" is evaluated under 1.1 above.
2.1.	***Auctioneering Team***	***25***	
2.1.1	General Assistants	8	
2.1.2	Administration Staff	8	
2.1.3	Security Personnel	9	
3.	**Financial capacity**	**25**	**Bidder(s) are required to submit proof/evidence to demonstrate financial capacity:**
3.1.	No financial capacity	0	Bidder to submit: i. Letter of intent from a registered Financial Services Provider (FSP), NCR-registered credit provider, or commercial bank registered in terms of the Banks Act. to provide funding / revolving credit if the bid is awarded. Letter must be signed and not older than 30 days of closing date and time of bid, or ii. Proof of overdraft facility in the name of business. Bank letter must be signed and not older than 30 days of closing date and time of bid, or iii. Proof of company capability to self-fund (i.e. stamped bank statement / investment not older than 30 days of closing date and time of bid).
3.2.	R1 - R 250 000	5	
3.3.	R 250 001 – R 500 000	10	
3.4.	R 500 001 – R 750 000	15	
3.5.	R 750 001 – R 1 000 000	20	
3.6.	R1 000 001 and above	25	
TOTAL		**100**	

THE NATIONAL TREASURY

Republic of South Africa

GOVERNMENT PROCUREMENT:

GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if (applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

1.12 ”Force majeure” means an event beyond the control of the supplier and not involving the supplier’s fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 “GCC” means the General Conditions of Contract.

1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 “Imported content” means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 “Local content” means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 “Project site,” where applicable, means the place indicated in bidding documents.

1.21 “Purchaser” means the organization purchasing the goods.

1.22 “Republic” means the Republic of South Africa.

1.23 “SCC” means the Special Conditions of Contract.

1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

(e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:

(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

18. Contract amendments

18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.

19. Assignment

19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

20. Subcontracts

20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier’s point of supply is not situated at or near the place where the supplies are required, or the supplier’s services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

(i) the name and address of the supplier and / or person restricted by the purchaser;
(ii) the date of commencement of the restriction
(iii) the period of restriction; and
(iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation (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.