

This tender document is meant for information purposes only. Interested service providers may tender through the PURCO SA website to access the tender document using this link:

<https://purcosa.co.za/tender/16104>



AGRICULTURAL RESEARCH COUNCIL

REQUESTS TO TENDER FOR:

TENDER NO: ARC/17/08/2025

**SUPPLY AND DELIVERY OF GRADE A WASHED AND SCREENED PEA COAL
FOR A PERIOD OF 36 MONTHS**

Closing Date: **17 September 2025**

TIME: **11:00**

Bidder's Name:.....

CSD number:

THE DETAILS AND CONTENTS OF THIS DOCUMENT ARE CONFIDENTIAL AND FOR

CONSIDERATION AND RESPONSE BY THE RECORDED RECIPIENTS ONLY



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1. NOTICE AND INVITATION

The Agricultural Research Council invites suitably qualified and experienced service provider(s) to submit bid proposals for the provision of Supply and Delivery of Grade A Coal at Agriculture Research Council - Transboundary Animal Diseases (TAD) for a period of 36 months.

All bidders shortlisted for responsive offers will be subjected to a diligence vetting process.

1.1 TENDER DOCUMENT RELATED QUERIES: PROCUREMENT DEPARTMENT

Any tender documentation related enquiries arising from this request must be forwarded to both:

Ms Sinegugu Makhubela PURCO SA Procurement Graduate E-mail: Sinegugu.Makhubela@purcosa.co.za	Ms Emmy Galane ARC Supply Chain Management Buyer E-mail: GalaneM@arc.agric.za
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Technical-related enquiries will be addressed via the PURCO SA website at www.purcosa.co.za, under ARC/17/08/2025. Only Bidders who have purchased the bid document will receive all tender related enquiries accordingly. No other form of correspondence of a technical nature will be accepted.

Tender number	ARC/17/08/2025
Date issued	18 August 2025
Tender closing date	Date: 17 September 2025 Tender Submission will be Electronic on https://purcosa.co.za/online-tender-submissions-guide
Compulsory Information Session	Date: 2 September 2025 at 11:00 A physical compulsory information session will be facilitated at the TAD Campus 100 Old Soutpan Road, Onderstepoort, Pretoria Bidders are to provide the completed visitor's form by ARC. The visitor's form is to be emailed to Ms. Emmy Galane 48 hours before the briefing session in order to gain access to the site.

Bidder Name	
Address	
Contact person	Mr/Mrs/Ms/Dr/Prof.
Contact numbers	(w) (cell)
Email address	

1.2 PROCURMENT STRATEGY

The ARC reserves the right to award or not to award this bid, to split the tender, accept any tender or any part of a tender and any decision by the ARC regarding the award of the tender shall be final.

The ARC reserves the right to appoint one service provider per campus or per region. Should a Bidder be preferred for more than one campus, ARC reserves the right to allocate to the service provider one campus or region.

1.3 PHYSICAL COMPULSORY INFORMATION SESSION:

A physical compulsory Information Session will be facilitated on site at the following address: **TAD Campus 100 Old Soutpan Road, Onderstepoort, Pretoria on the 2nd of September 2025 at 11:00.**

All potential Bidders are required to register to attend the compulsory Information session. Register on the <https://purcosa.co.za/> no later than **29th of August 2025**. A confirmation email will be sent to Bidders with the online meeting details.

NOTE:

- Participants are requested to ensure that the person who would be authorized to complete the bid documents also attend the Information session;
- It is the responsibility of the bidder to attend the compulsory information session and/or site briefing. It is furthermore upon the bidder, when registered, to be in attendance at the briefing session at the specific time indicated by the Institution. The ARC shall not be held responsible for late attendance at such briefings including as a reason for lack of proper completion of tender documents.

1.4 CLOSING DATE AND TIME FOR ELECTRONIC SUBMISSION OF TENDER DOCUMENTS:

The closing date and time for receipt for tender is on **17 September 2025 at 11:00 am.**

NOTE: *No physical, email or fax delivery of documents will be accepted. NO DRAFT SUBMISSIONS WILL BE ACCEPTED; ONLY FINAL SUBMISSIONS WILL BE EVALUATED.*

1.5 PURCHASING OF TENDER DOCUMENTS

Tender documents can be purchased at a non-refundable fee of R 1,150.00 (VAT included) on the PURCO SA website and will be available from the **18th of August 2025.**

HOW TO SUBMIT YOUR TENDER DOCUMENTS:

- To submit your tender bid, log in to the <https://purcosa.co.za/> website using the username and password of the person who purchased the tender document.
- Go to <https://purcosa.co.za/my-tenders> to view your purchased tenders. Click on the 'Submit bid' link to submit your bid documents.
- You can also reach this page via the 'My purchased tenders' link on your Supplier Hub or in the dropdown menu under your username.
- For detailed information on how to prepare and upload your tender files, view the Online Tender Submissions Guide at <https://purcosa.co.za/online-tender-submissions-guide> The Guide includes information about tender security and integrity.
- We strongly recommend that you:

- Open and review the tender submission page before the deadline day so that you fully understand what is required.
- Submit your tender files early to avoid last minute problems and to allow yourself the opportunity to re-submit if you experience any issues. This is particularly important if your tender files are large and you are on a slow connection.
- Neither late submissions, nor physical delivery of documents shall be accepted.

2. NOTES TO RESPONDENTS

2.1 PURCO SA

2.1.1 SERVICE FEE

The supplier hereby agrees to provide for a 2% service fee calculated on the total value of each invoice issued by the supplier for or otherwise relating to supply of goods and/ or performance of the services to the Member (including any/all additional/ ad hoc goods supplied, or services rendered), payable to PURCO SA on submission of the relevant invoice from the supplier to the Member.

In the event that the supplier is requested to supply any goods or service to the Member related in any way to this contract, it is deemed that such services will be regarded as ad-hoc and / or additional services to the contract. Therefore, the supplier is liable to pay the service fee.

The PURCO SA Membership may procure through this agreement or in their individual capacity in accordance with their respective procurement policies e.g. Procuring through this contract directly and/or procuring through a RFP or a RFQ using the appointed panel of the supplier under this contract. The Supplier agrees to report and pay the service fee on all goods and services supplied to the PURCO SA Membership irrespective of the appointment either by the Member or by PURCO SA.

The suppliers are required to send a copy of the monthly invoice, statement, and spend report where applicable to both PURCO SA and the Member. PURCO SA shall thereafter invoice and collect the service fee from the supplier based on the total invoice value which is payable to PURCO SA within 30 days of the date of statement. Failure to pay the service fee will be in breach of this agreement and may result in the termination of this agreement. The supplier will be liable for interest on all overdue accounts exceeding 30 days at a rate of 2% per month.

2.1.2 MONTHLY SALES REPORT

The Bidder shall submit a written report on each individual purchase order received from the Members to PURCO SA by the 10th working day of each month of the contract period. The total sales (meaning total invoice value relating to the supply of goods and service including any ad hoc supply of goods and/ or services or otherwise (whether contracted or non-contracted) supplied to the Member for the month shall be recorded into the monthly sales report. Any discrepancies between the Bidders' monthly report and the Members' monthly report for the supply of goods within the scope of this Agreement shall be brought

to the attention of the Bidder. The Bidder shall within seven (7) working days investigate the variance and report in writing to PURCO SA the reasons thereof. Should the Bidder have under reported, the Bidder should be required to retrospectively update the monthly sales report accordingly. PURCO SA shall use the updated sales report for the purposes of invoicing the service fee.

2.1.3 RIGHT TO OFFSET

The supplier acknowledges and agrees to provide consent to the Membership to withhold and offset any outstanding amounts owed under this agreement. In the event that the supplier fails to fulfil its payment obligations to PURCO SA under this agreement and incurs an outstanding balance, the Membership reserves the right to offset any such amounts owed by the supplier against any outstanding amounts that the Membership owes to the supplier under this agreement or any other related agreements. The supplier hereby consents to such offset and acknowledges that the Membership may withhold and apply the owed amounts towards the outstanding balance without further notice or consent. The offset shall be carried out in a reasonable and fair manner, and any remaining balance, if applicable, shall continue to be owed by the supplier.

Bidders are required to be in good financial standing, meaning they must not have any negative credit listings. In addition, bidders must be in good legal standing, with no current or pending legal actions or disputes involving PURCO SA or any of its Members. Furthermore, in the event of any dispute or differing interpretation between the Bid Document, the Letter of Award, and the Lease Agreement, the Bid Document shall take precedence over all other documents.

2.2 ESSENTIAL CRITERIA

Bidders are not allowed to remove any page from the original tender document as issued. Bidders are required to ensure that the completed document with all attachments are submitted on or before the closing date of the tender. Bid offer to be submitted on the official company letterhead and detailed costing must be stipulated. All pricing shall be in South African Rand (ZAR). No price adjustments will be allowed after the closure of the tender.

2.3 COMPLIANCE WITH GENERAL CONDITIONS OF CONTRACT

No alteration, variation or amendment of the Contract (of which this Tender represents the offer) shall be permitted unless otherwise agreed to in writing. Should the prospective provider, in the case of non-compliance, wish to make any amendments to the conditions stipulated by the ARC in this Tender, which shall form the offer element of a Contract and if it is accepted by the ARC, then such proposed amendments shall be clearly stipulated by the prospective provider and where possible stating the increase or decrease in the cost involved by such proposals. The ARC reserves the right to reject such submissions. **Misrepresentation of facts will result in disqualification and cancellation of the Contract.**

2.4 TERMS OF ENGAGEMENT

- The successful bidder shall not take more than three (3) months from date of Bid award unless otherwise indicated and agreed between the successful Bidder and the ARC.
- The Service Provider shall be available for consultation with the ARC representative.
- The Service Provider shall manage as confidential all data, information and insights gained in execution of work for the ARC.
- ARC retains the right to negotiate with the successful Bidder for partial execution of the proposal.
- ARC retains the right to enter into non-exclusive agreements with Service Providers that do not restrict procurement of goods and services from other Service Providers.
- ARC retains the right to require the Service Provider to obtain permission in writing from the ARC prior to replacement of individuals proposed for execution of this Bid.
- Service Providers to accept professional liability for services rendered, including those rendered under sub-contract to the service provider.

2.5 BID DOCUMENTS

This document in its entirety serves as the complete Bid document. Proposals offering only part of the requirements will be rejected. The Bidder is expected to examine all corresponding instructions, forms, terms and specifications contained in this document. Failure to comply with these documents will be at the Bidder's risk and may affect the evaluation of their proposal.

2.6 CONTENTS OF SUBMISSION

Proposals shall include all relevant information about the Bidder, which is thought appropriate to assist the ARC to assess its capabilities, capacity, outputs, value adding abilities, competitive advantage, etc.

The proposals presented are to be comprehensive and should describe the methodology to be followed in doing the following:

- The Breakdown of the complete specification with associated costs.
- All SBD (Standard Bidding Documents) must be completed and signed.

The proposals presented are to be as comprehensive as possible and ARC reserves the right to request the Bidder to provide more details.

Bidders shall adhere to the conditions stipulated in the General Conditions of Contract as prescribed by the National Treasury.

Bidders must ensure that the complete bid document is submitted with all additional required information and any other documents that the bidder wishes to supply to substantiate or clarify specific aspects in the proposal.

Failure to submit all the signed and completed Standard Bidding documents and / or any required documentation will result in disqualification.

2.7 DOCUMENTS COMPRISING THE PROPOSAL

In preparing the technical and price components of the submissions all references to descriptive material and brochures should be included in the appropriate response paragraph, although material documents themselves may be provided as annexes to the proposal / response. Bidders are requested to focus on the provision of relevant information and to limit the amount of marketing and “boilerplate” material. The successful Bidder’s proposal may be incorporated in whole or in part in the final contract. Any information that the Bidder considers proprietary should be marked as such.

2.8 SUB-CONTRACTING/ JOINT VENTURE BUSINESS

In case of Joint Ventures / Consortium, all documentation must be signed as per proxy on JV / Consortium agreement. All compulsory requirements must be submitted by all JV/ consortium partners.

2.9 INFORMATION

Information that the Bidder considers proprietary, if any, should be clearly marked “proprietary” next to the relevant part of the text and it will be treated as such accordingly.

2.10 INTERLINEATIONS

A proposal shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Bidder, in which case such corrections shall be initiated by the person or persons signing the proposal.

2.11 AMPLIFICATION OF SUBMISSIONS

The ARC may, after the opening of submissions, call on the prospective Bidder to amplify in writing any matter which is not clear in the prospective Bidder’s submission and such amplification shall form part of the original submission. In the event of the prospective Bidder failing to supply such information, the submission will be liable to rejection.

2.12 COST OF PROPOSAL

Bidders shall bear all costs associated with the preparation and submission of their proposals, the ARC will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the Bid.

2.13 PERIOD OF VALIDITY

Proposals shall remain valid for one hundred twenty (120) days after the date of proposal submission. A proposal valid for a shorter period may be rejected by the ARC on the grounds that it is non-responsive.

In exceptional circumstances, the ARC may solicit the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing.

2.14 ARC LIABILITY

The ARC does not bind itself to accept the lowest or any tender proposal, nor to assign any reason for the rejection of a tender proposal, nor shall it be responsible for or pay any expenses or losses that may be incurred by the prospective provider in the preparation and delivery of its submission.

2.15 PROPOSAL AWARDING

No submission shall be deemed to have been accepted, unless and until a formal appointment letter is issued to the successful Bidder. Submissions shall remain open for acceptance by the ARC for a period of 120 (one hundred and twenty) days from the date on which they are returnable in terms of this Tender.

2.16 DUE DILIGENCE EXERCISE

The ARC reserves the right to perform due diligence exercise for the purpose of appointing a credible Bidder.

2.17 PRICE AND COST STRUCTURE

All prices quoted are to be in SA rand and inclusive of value added tax (vat). No change in the prices submitted shall be considered after receipt of response to the tender submission. The bidder must provide the breakdown and total price for items given in the tender specification.

2.18 PAYMENT

The successful Bidder shall be paid upon submission of an invoice after the commissioning of equipment.

2.19 CANCELLATION OF THE BID

The ARC reserves the right to cancel the bid at any time of the process should the recommended service provider/s fail to meet the requirements of the bid.

2.20 SITE INSPECTION

The ARC reserves the right to conduct a site inspection to the premises of the recommended service provider and/or the recommended service provider's clients at any given time.

3. INTRODUCTION

The Agricultural Research Council (ARC) is a Research Science and Technology institution of excellence in South Africa, which operates within the National System of Innovation. The ARC has a mandate for innovative and creative agricultural research; technology development and transfer aimed at the advancement of South African agriculture. The ARC oversees its operations, which is appointed by and accountable to the Minister for Agriculture, Forestry and Fisheries.

Transboundary Animal Diseases solely depends on the coal boiler to generate the steam to assist meet the BSL3 laboratory essential requirements wherein treating the effluent plant superheating to neutralise all the liquids before being integrated with the normal municipal sewer lines.

The steam is further used for autoclaving all the waste and sample tubes coming outside of the laboratories, Warm showering water which is a prerequisite for decontamination of TAD.

The procurement of the coal supply is very essential in ensuring the continuous operation of the steam generator as it is dependent on the coals the ignition and boil water inside the boiler for steam generation.

The Agricultural Research Council (ARC) invites suitably qualified and experienced service providers to assist with the Supply and Delivery of Grade A Washed and Screened Pea Coal for a Period of 36 months to The Agricultural Research Council - **Transboundary Animal Diseases campus of ARC-OVI.**

4. SCOPE OF WORK

4.1 INTRODUCTION

No	Specifications Suitable coal for John Thompson boilers	Comply (Yes/No)	Details to Offer (To be completed by bidder)
1.	By Proximate Analysis		
	Grade A peas coal washed and screened		
	Percentage moisture between 2% and 4.5%		
	Volatiles between 23 and 30		
	Percentage ash between 11% and 18%		
	Percentage Sulphur between 0.5% and 1%		
	Gross calorific value between 26 to 28 MJ/kg		
	Pea size 15mm to 25mm		
	Phosphorus (P) between 0% and 1%		
2.	Ash Analysis		
	Total Iron (Fe) between 0% and 8%		
	Phosphorus (P) between 0% and 1.3%		
	Calcium (Ca) between 0% and 9%		
	Magnesium (Mg) 0.2% and 2.2%		
	Sodium (Na) between 0% and 0.5%		
	Potassium (K) between 0% and 0.7%		
3.	Coal test reports		
	Valid analysis report from a reputable laboratory. Should the appointed service provider change the mine (source) the end user must be informed and be supplied with the supporting documents as required on this bid on the new source		
4.	Delivery		
	Back tipper truck only		
	Times of delivery are from 07:00am to 14:00pm midweek only. Special request to be obtained in advance if non-complying, truck breakdowns, weekends and holidays.		
	Two (2) hours allowed time difference from last weighbridge to delivery on site		
	Weighbridge weight report, mine source, time and date to		

No	Specifications Suitable coal for John Thompson boilers	Comply (Yes/No)	Details to Offer (To be completed by bidder)
	accompany all deliveries with a copy for ARC		
	A valid Certificate of Analysis for the coal should be provided at each delivery.		
	Service Provider to contact ARC end user to arrange for deliveries prior		
5.	Truck Load return conditions		
	The appointed service provider must know that the ARC or any of its officials reserves the right to return any truckload that does not meet the quality and volume requirements at the supplier's expense		
6.	The bidder shall supply and deliver at least 2520tons Grade A washed and screened coal peas of 12mm - 25mm over a period of 36 months		
7.	The 2520-ton coal is based on the quality of coal used in the past and may only be exceeded due to changes in the economic environment of the ARC and the operational requirements.		
8.	Tender pricing must be based on the higher quantity stipulated in the point above.		
9.	ARC reserves the right not to procure the number of coals indicated in the bid document.		
10.	Supply and delivery are to be done as per request to the Transboundary Animal Diseases campus of ARC-OVI after the placement of an official purchase order. Deliveries without an official purchase order will not be accepted.		
11.	Transportation and delivery to be done in a back tipper to the indicated location. No other mode of transport can be considered; the bidder is responsible for any overflow of coal from the coal banker during delivery process.		
12.	Any load that enters the ARC-OVI premises and fails to comply with the requirements as indicated in this bid document will be returned. The bidder will be required to replace the load with the correct coal at own cost. ARC will not be held liable for any		

No	Specifications Suitable coal for John Thompson boilers	Comply (Yes/No)	Details to Offer (To be completed by bidder)
	charges for the coal that failed to comply with the requirements.		
13.	<p>In the event that the offloading was done and it is found that the coal does not comply with the requirements, the bidder will be required to replace the coal at own cost.</p> <p>IMPORTANT: The coal may not leave the ARC premises and therefore the bidder will not be allowed to remove the non-compliant coal as the coal bunkers are situated within the containment area of the TAD facility.</p>		
14.	<p>Bidders to note that the poor-quality coal is regarded as, but not limited to, the following:</p> <p>The coal burns like candles</p> <p>Too much dust</p> <p>Rocks and other debris are present.</p> <p>It does not appear as grade A washed and screened coal peas but is scaly when burnt – looks like stone that explode in the boiler.</p> <p>Coal has a dull light instead of the shiny black colour</p>		
15.	The quality and the grade of the coal must remain consistent throughout the contract		
16.	The grade A washed and screened coal peas must be obtained from a reputable coal mine that is currently in operation.		
17.	ARC reserves the right to contact the coal supplier directly for inspection and testing of the coal. The bidder shall provide detailed information of the supplier, location, address, contact person and contact details. The cost will be for the expense of the bidder.		
18.	<p>IMPORTANT:</p> <p>Bidders are to take into consideration that any changes in the quality of the coal received will have additional cost as it affects the settings on the boiler. The coal automation of the boiler is set as per the coal received. Should any additional</p>		

No	Specifications Suitable coal for John Thompson boilers	Comply (Yes/No)	Details to Offer (To be completed by bidder)
	cost be incurred due to the incorrect quantity of coal received, it will be charged to the bidder.		

5. EVALUATION PROCESS

5.1 INTRODUCTION

To ensure that all respondents are afforded the opportunity to compete on an equal footing and also to enable ARC to evaluate the bids received on an equal basis, the bid evaluation process described below will be followed by ARC.

This tender will be evaluated in a 4-Phase approach:

- **PHASE ONE (1):** Pre-compliance
- **PHASE TWO (2):** Mandatory
- **PHASE THREE (3):** Functionality Criteria (100 points)
- **PHASE FOUR (4):** Price and Specific Goals

5.2 PHASE ONE (1): PRE-COMPLIANCE

All submissions will be examined to determine compliance with procurement requirements and conditions. Incomplete submissions and respondents that do not meet the minimum requirements in terms of the submission of compulsory documentation, as per below, will be eliminated from further evaluation.

Description of Appendix	Requirement	Circle 'yes' if uploaded	
Master Bid Document	A duly authorised representative must initial each page, and the declaration signed in full	Yes	No
Tax Pin	An original and Tax Clearance Certificate with a valid Tax Pin	Yes	No
B-BBEE Certification	A valid B-BBEE certificate from a SANAS accredited agency/Affidavit Non-submission of a BEE certificate or an affidavit will not lead to disqualification at phase 1 of the evaluation. However, it will award a zero point at phase 4 when price and preference is scored	Yes	No
Registration National Treasury (CSD)	Provide a copy of the full report of registration on National Treasury Central Supplier Database	Yes	No
SCM - SBD 1 - Invitation to Bid	Completed and signed SCM - SBD 1 - Invitation to Bid	Yes	No
SCM - SBD 4 - Bidders Disclosure	Completed and signed SCM - SBD 4 - Bidders Disclosure	Yes	No
SCM - SBD 6.1 - Preference Points Claim Form in terms of the Preferential Procurement Regulations 2022	Completed and signed SCM - SBD 6.1 - Preference Points Claim Form in terms of the Preferential Procurement Regulations 2022	Yes	No

NB. Only Bidders who indicate 'YES' and provide supporting documents for all the mandatory specification requirements will be considered for further evaluation.

5.3 PHASE TWO (2): MANDATORY

Description of Appendix	Requirement	Circle 'yes' if uploaded	
Compulsory Site Briefing	Bidders must attend a compulsory site briefing. Bidders are to provide the completed visitor's form by ARC and Bidder	Yes	No
Memorandum of Understanding (MoU) of a back tipper truck with a tracker	Bidders are to submit proof of ownership/MOU of a back tipper truck with a tracker	Yes	No
SBD 3.3 and Pricing Schedule	Signed and completed SBD 3.3 and Pricing Schedule	Yes	No

Failure to submit the above-mentioned required information together with the bid document on the closing date will result in the bidder's bid being rejected.

Despite the above, the ARC reserves the right to request information (which must be responded to and/or provided to the ARC within the period as determined and communicated by the ARC) where the information provided is insufficient, is not supplied, is unsuitable or does not provide adequate detail.

5.4 PHASE THREE (3): FUNCTIONALITY CRITERIA (100 POINTS)

With regard to technicality / functionality, the following criteria are applicable. Bidders that score less than 70% (70 points) of the mark for Quality and Functionality will be eliminated from further consideration. The maximum points of each criterion are indicated in the table below:

FUNCTIONALITY CRITERIA	POINTS ALLOCATED
<p>Signed reference letters from contactable references not older than five (5) years (Purchase orders, delivery notes and proof of payment will not be accepted as reference letters):</p> <p>Provide proof in the form of reference letters from contactable references that your company can and has delivered 500 tons or more of coal</p> <p>Five (5) or more reference letters = 40 Points Four (4) reference letters = 30 Points Three (3) reference letters = 20 Points Two (2) reference letters = 10 Points One (1) reference letter = 0 Points</p>	40
<p>Proof of Business offices in the Gauteng Province</p> <p>Certified copy of Water, Electricity or Rates Letter (Utility Bill/Rates Letter – not older than 3 months of tender closure) and/or a valid and signed Lease Agreement under the bidding company name</p> <p>In the Gauteng Province = 10 Points Outside the Gauteng Province = 5 Points Non-submission = 0 Points</p>	10
<p>Submit Certificates of Analysis for coal not older than five (5) years, subject to the following:</p> <p>Certificate(s) must be issued by a reputable laboratory.</p> <p>The certificate(s) must confirm that the bidder's company currently supplies or has previously supplied coal to clients.</p> <p>Each valid certificate of analysis must include detailed analysis of the following:</p> <p>Moisture content Ash content Volatile matter Fixed carbon Calorific value Elemental composition specifically on Carbon(c), Hydrogen (H), Nitrogen (N),</p>	50

<p>Sulphur (S), Oxygen (O)</p> <p>Incomplete certificates that do not include all the above parameters will not be accepted. The parameters of the above should comply with the specifications as indicated in the scope of work (1. By Proximate Analysis and 2. Ash Analysis)</p> <p>Five (5) or more certificates of analysis = 50 Points</p> <p>Four (4) certificates of analysis = 40 Points</p> <p>Three (3) certificates of analysis = 30 Points</p> <p>Two (2) certificates of analysis = 20 Points</p> <p>One (1) certificate of analysis = 10 Points</p>	
Total Points	100

NB: Bidders who score less than 70 out of 100 points for functionality will not advance to the price and specific goal evaluation stage.

5.5 PHASE FOUR (4): PRICE AND SPECIFIC GOALS

In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points will 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 SBD 6.1 table 1 as may be supported by proof/documentation stated in the conditions of this tender:

In line with the Preferential Procurement Regulations 2022, a preference point system must be followed, where:

For contracts with a prescribed Rand value, a maximum of 20 points will be allocated for specific goals in this bid as follows:

The Preferential Procurement Regulations 2022 includes the implementation of RDP goals as one of the specific goals, therefore, over and above the awarding of preference points in favour of HDIs, the activities listed as contributors towards achieving the goals of the RDP (published in Government Gazette No. 16085 dated 23 November 1994) will also be applied.

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

NB: The above Information will be verified through CSD (Central Supplier database) report. In order to claim points on BEE Status level, please provide a valid certified copy of B-BBEE Certificate or sworn affidavit

5.5.1 PREFERENTIAL CRITERIA

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

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

Specific Goals	Percentage Ownership (%)	Points (20)
51% owned by HDIs (people who had no franchise on national elections prior to 1994)	51%+	6
51% owned by Women	51%+	4
51% owned by Youth	51%+	4
51% owned by People with Disabilities	51%+	2
BEE status level: 1 – 4	Level 1-4	2
RDP goal	Suppliers located in the Gauteng Province (CSD reports will be used to verify the address)	2
TOTAL POINTS		20

NB: The above Information will be verified through CSD (Central Supplier database) report. In order to claim points on BEE Status level, please provide a valid certified copy of B-BBEE Certificate or sworn affidavit

5.5.2 PRICES

Bidders shall indicate the basis on which the services will be charged. In this regard the following information shall be provided:

- Where a Bidder lacks in-house expertise and may have to outsource certain services, the detail and basis of charges of any such service that may be required must be outlined.
- The Bidder shall reflect service discounts that they will offer throughout the contract duration.
- Bidders' submissions must reflect the detailed breakdown of the tender price as per the costing structure.
- Prices must exclude VAT, and all other costs related to the execution of the required services.
- The Bidder agrees not to change the price with VAT or any other Tax subsequent to submitting the tender. This includes subsequent VAT registration.
- All prices quoted are to be in SA Rand and exclusive of Value Added Tax (VAT).
- No change in the prices submitted shall be considered after receipt of response to the Tender submission within the validity period of the tender.
- Bidders shall ensure that the bid price is fixed for the duration of the project, **including escalations.**

5.5.3 PRICING SCHEDULE SUMMARY

Description and usage	Number of items/units	Cost per year (R)	Cost per year (R)	Cost per year (R)
		Year 1	Year 2	Year 3
Supply and Delivery of Grade A washed and screened pea coal	210 tons per delivery x four (4)			
Rate per Ton		R	R	R
Rate per Delivery (every 3 months for a period of 3 years)	Rate @ 210 tons per delivery	R	R	R
4 Deliveries per Year	210 tons x 4	R	R	R
Final Grand Total Excluding VAT		R	R	R
Final Grand Total Including VAT		R	R	R

Notes for completing the above pricing schedule:

1. Start by entering the rate per ton for each of the 3 years excluding VAT.
2. VAT is ONLY added in the final Grand Total field. The Excel spread sheet provided will automatically calculate these totals once the rate per ton for each of the 3 years is entered.
3. Price must be inclusive of all other costs related to the execution of the required services, including delivery.



SBD 1

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (AGRICULTURAL RESEARCH COUNCIL)

BID NUMBER:	ARC/17/08/2025	CLOSING DATE:	17 September 2025	CLOSING TIME:	11:00
-------------	-----------------------	---------------	--------------------------	---------------	--------------

DESCRIPTION	Supply and Delivery of Grade A Washed and Screened Pea Coal for a Period of 36 months
-------------	--

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO	TECHNICAL ENQUIRIES MAY BE DIRECTED TO:
---	--

CONTACT PERSON	Sinegugu Makhubela	CONTACT PERSON	Emmy Galane
----------------	---------------------------	----------------	--------------------

TELEPHONE NUMBER	011 545 0940	TELEPHONE NUMBER	012 529 9316
------------------	---------------------	------------------	---------------------

E-MAIL ADDRESS	Sinegugu.Makhubela@purcosa.co.za	E-MAIL ADDRESS	GalaneM@arc.agric.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
----------------------------	----------------------------	--	----	-------------------------------	------

B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT <input type="checkbox"/> Yes <input type="checkbox"/> No	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No
--	--	---	---

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

ARE YOU THE
ACCREDITED
REPRESENTATIVE
IN SOUTH AFRICA
FOR THE GOODS
/SERVICES
/WORKS
OFFERED?

☐Yes

☐No

[IF YES ENCLOSE PROOF]

ARE YOU A
FOREIGN
BASED
SUPPLIER FOR
**THE GOODS
/SERVICES
/WORKS
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 ELECTRONICALLY ON <https://purcosa.co.za/> . 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, 2017, 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:

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE AND TECHNICAL QUIRIES MAY BE DIRECTED TO:

Contact Person: Emmy Galane

Tel: 012 529 9316

E-mail address: GalaneM@arc.agric.za

Contact Person: Sinegugu Makhubela

Tel: 011 545 0954

E-mail address: Sinegugu.Makhubela@purcosa.co.za

All technical enquiries must be forwarded in writing to the above mentioned, who will act as communicator between the Bidder and ARC to ensure that all Bidders receive the same information.

FOR INFORMATION PURPOSES ONLY

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

1. In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
3. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
5. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za
6. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

**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 **ARC/17/08/2025**
Closing Time: **11:00**
Closing Date: **17 September 2025**

OFFER TO BE VALID FOR **120** DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY (INCLUDING VAT)
----------	----------	-------------	---

- Required by:
- At:
.....
- Brand and model

- **Country of origin**
- **Does offer comply with specification?** ***YES/NO**
- **If not to specification, indicate deviation(s)**
.....
- **Period required for delivery**
***Delivery: Firm/not firm**
- **Delivery basis (all delivery costs must be
Included in the bid price)**

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

*Delete if not applicable

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of 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.

3.5 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

3.6 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.

3.7 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

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.

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

This document must be signed and submitted together with your bid

THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME

INTRODUCTION

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on the 1 September 1996. The NIP policy and guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchased / lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (DTI) is charged with the responsibility of administering the programme.

1. PILLARS OF THE PROGRAMME

1.1 The NIP obligation is benchmarked on the imported content of the contract. Any contract having an imported content equal to or exceeding US\$ 10 million or other currency equivalent to US\$ 10 million will have a NIP obligation. This threshold of US\$ million can be reached as follows:

(a) Any single contract with imported content exceeding US\$ 10 million.
or

(b) Multiple contracts for the same goods, works or services each with imported content exceeding US\$ 3 million are awarded to one seller over a 2-year period which in total exceeds US\$ 10 million.
or

(c) A contract with a renewable option clause, where should the option be exercised the total value of the imported content will exceed US\$ 10 million.
or

- (d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US\$ 3 million worth of goods, works or services to the same government institution, which in total over a two (2) year period exceeds US\$ 10 million.
- 1.2 The NIP obligation to suppliers in respect of sub-paragraphs 1.1 (a) to 1.1 (c) above will amount to 30% of the imported content whilst suppliers in respect of paragraph 1.1 (d) shall incur 30% of the total NIP obligation on a *pro-rata* basis.
- 1.3 To satisfy the NIP obligation, the DTI would negotiate and conclude agreements such as investments, joint ventures, sub-contracting, licensee production, export promotion, sourcing arrangements and research and development (R&D) with partners or suppliers.
- 1.4 A period of seven years has been identified as the time frame within which to discharge the obligation.

2. REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY

- 2.1 In order to ensure effective implementation of the programme, successful bidders (contractors) are required to, immediately after the award of a contract that is in excess of R 10 million (ten million Rands), submit details of such a contract to the DTI for reporting purposes.
- 2.2 The purpose for reporting details of contracts in excess of the amount of R 10 million (ten million Rands) is to cater for multiple contract for the same goods, works or services; renewal contracts and multiple suppliers for the same goods, works and services under the same contract as provided for in paragraphs 1.1 (b) to 1.1 (d) above.

3. BID SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF BIDDERS AND SUCCESSFUL BIDDERS (CONTRACTORS)

- 3.1 Bidders are required to sign and submit this Standard Bidding Document (SBD 5) together with the bid on the closing date and time.
- 3.2 In order to accommodate multiple contracts for the same goods, works or services; renewal contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1 (b) to 1.1 (d) above and to enable the DTI in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R 10 million (ten million Rands), to contact and furnish the DTI with the following information:

- Bid / contract number
- Description of the goods, works or services
- Date on which the contract was accepted
- Name, address and contact details of the government institution
- Value of the contract
- Imported content of the contract, if possible.

4. PROCESS TO SATISFY THE NIP OBLIGATION

4.1 Once the successful bidder (contractor) has made contact with and furnished the DTI with the information required, the following steps will be followed:

- a. The contractor and the DTI will determine the NIP obligation;
- b. The contractor and the DTI will sign the NIP obligation agreement;
- c. The contractor will submit a performance guarantee to the DTI;
- d. The contractor will submit a business concept for consideration and approval by the DTI;
- e. Upon approval of the business concept by the DTI, the contractor will submit detailed business plans outlining the business concepts;
- f. The contractor will implement the business plans; and
- g. The contractor will submit bi-annual progress reports on approved plans to the DTI.

4.2 The NIP obligation agreement is between the DTI and the successful bidder (contractor) and, therefore, does not involve the purchasing institution.

Bid Number:

Closing Date:

Name of Bidder:

Postal address:

.....

Signature:

Name (In print):

Date:

FOR INFORMATION PURPOSES ONLY

**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, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

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

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

1.2 To be completed by the organ of state

(delete whichever is not applicable for this tender).

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

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

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

1.4 To be completed by the organ of state:

The maximum points for this tender are allocated as follows:

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

- 1.5 Failure on the part of a Bidder 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 Bidder, 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:

$$P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{min} = 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:

$$P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) \quad \text{or} \quad P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)$$

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the Bidder 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 Bidders: The Bidder must indicate how they claim points for each preference point system.)

Specific Goals	Percentage Ownership (1%)	Points (20)	Points (10)	Number of points claimed (80/20 system) (To be completed by the Bidder)
Ownership by HDIs	51%+	6	3	
Ownership by Women	51%+	4	2	
Ownership by Youth	51%+	4	2	
Ownership by PwD	51%+	2	1	
BEE status	Level 1-4	2	1	
RDP goal	Suppliers located in Gauteng Province (CSD report will be used to verify the address)	2	1	
TOTAL POINTS		20	10	

NB: The above Information will be verified through CSD (Central Supplier database)

DECLARATION WITH REGARD TO COMPANY/FIRM

1. Name of
company/firm.....
2. VAT registration number:
.....
3. Company registration number:
.....
4. 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]
5. DESCRIBE PRINCIPAL ACTIVITIES
.....
.....
.....
.....
.....
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 Bidder 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 BIDDER(S)

SURNAME AND NAME:
DATE:
ADDRESS:



ADHERENCE TO THE ARC'S CODE OF ETHICS

1. INTRODUCTION

This statement forms part of the Agricultural Research Council's "Ethics and Fraud Prevention strategy". It sets out the tone, culture and expectations of the ARC in promoting a policy of fair dealing and integrity in the conduct of business and the countering of fraudulent activities.

2. POLICY

- 2.1 The ARC's vision is to provide Excellence in Agricultural Research and Development.
- 2.2 The ARC will do everything possible to promote honesty, integrity and to adhere to all applicable laws in everything it does and is committed to the prevention, deterrence, detection and investigation of all forms of non-adherence to policies, laws and the Code of Ethics.
- 2.3 ARC Council members, Audit Committee members and employees at all levels are expected to adopt the highest standards of propriety and accountability. These standards are also expected from organisations that the ARC deals with such as suppliers, contractors, customers, partners, etc.
- 2.4 If it is established that suppliers, contractors, customers and partners have engaged in corrupt, dishonest, fraudulent activities or have contravened the supply chain policy of the Code of Ethics in competing or executing the contract awarded, the ARC will immediately terminate the contract. Any supplier, contractor, partner or officer representing any of the entities if found guilty of any of the above they will be declared ineligible to supply goods, works and services to the ARC under any programmes or projects managed and administered by the ARC on behalf of its clients.
- 2.5 The ARC can in its sole judgement proceed to pursue any legal remedies available.

3. CULTURE

- 3.1 Adherence to laws, policies and procedures, the prevention and detection of fraud and corruption and the protection of ARC's assets is every stakeholder's responsibility.
- 3.2 Council members, Audit Committee members, all employees are expected to carry out their duties to the best of their ability for the benefit of the ARC and not to take advantage of any situation for personal gain, for themselves, members of their family or friends.

4. CODE OF ETHICS AND FRAUD PREVENTION STATEMENT

- 4.1 Members of the public, suppliers, contractors and partners are expected to act with integrity in their business dealings with the ARC and not to behave dishonestly to the detriment of the ARC.
- 4.2 The ARC has set up a secure and confidential framework, within which any employee, member of the public, suppliers, contractors, partners are encouraged to raise concerns if they know of or suspect that the following is about to occur or has occurred:
- Fraud;
 - Corruption;
 - Abuse of assets;
 - Irregular transaction are taking place;
 - Fruitless expenditure has been incurred;
 - Endangering of an individual's health and safety;
 - A violation of applicable laws, rules, policies or regulations of the Code of Ethics.
- 4.3 The ARC will ensure that any allegations received are taken seriously and investigated in an appropriate manner.
- 4.4 The ARC will deal firmly with those who act dishonestly. Following proper investigation, appropriate disciplinary action and / or criminal proceedings will be instigated.
- 4.5 Suppliers, contractors and partners acknowledge that they have read and understood relevant sections of the Code of Ethics policies, procedures and laws applicable to them.
- 4.6 Stakeholders who wish to remain anonymous when raising concerns are encouraged to use the following secure hotline:

Free Call Telephone Number: 0800 000 604

Free Call Facsimile Number: 0800 007 788

E-mail: arc@tip-offs.com

"Please call me" number: 32840

Tip-offs anonymous url: www.tip-offs.com

No-one will be subjected to retaliation for good faith reporting of a suspected violation.

- 4.7 Concerns can only be adequately investigated if all relevant facts concerning the issue being reported are disclosed. Stakeholders are encouraged to provide relevant facts including supporting documentation if available.

I, the undersigned.....

in my capacity as an authorised representative of

.....registration number

.....

HEREBY ACKNOWLEDGE:

1. That I have been explicitly informed of and consequently an fully aware of the fact that:
 - a) I must adhere to sections of the ARC Code of Ethics, supply chain policy and laws that apply to me as a supplier or contractor;
 - b) I will report to the ARC any violations and contraventions of its Code of Ethics, policies, procedures that I may become aware of;
 - c) Failure to adhere to (a) and (b) above will result in the cancellation of my contract with the ARC and the ARC in its sole judgement may pursue any other legal action it deems appropriate.

NAME(S): (BLOCK LETTERS)

CAPACITY of authorised agents:

SIGNATURE(s) of authorised agents:

SIGNED AT on this day of

WITNESSES: (Full name – BLOCK LETTERS – and signature)

1.

2.

FOR INFORMATION PURPOSES ONLY

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GENERAL CONDITIONS OF CONTRACT

1. Definitions

The following items shall be interpreted as indicated:

- 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids
- 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 “Countervailing duties” are imposed in cases where an enterprise abroad is subsidised by its government and encourage 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 recognised 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 specific 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 goods 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, by 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 a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and / or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his sub-contractors) 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 goods 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 organisation 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 "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 "Tort" means in breach of contract.
- 1.27 "Turnkey" means a procurement process where one service provider assumes total responsibility of all aspects of the project and delivers the full end product / service required by the contract
- 1.28 "Written" or 'in writing" means hand-written in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, 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, 0111, 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 written consent, make use of any document or information mentioned in the 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 the 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 analysis

- 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 PHASE 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 organisation 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 analysis shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the 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 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

The goods supplied under the contract shall be fully insured in a freely convertible currency against loss and 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 to 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 relive 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 the SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Variation orders

- 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 the contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relive 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 sub-contractor(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 purchase shall evaluate the situation and may at his discretion extend by 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 service from a national department, provincial department or a local authority.
- 21.4 The right is reserves to procure outside of the contract small quantities or to have minor essential services executed is an emergency arises, the supplier's point of supply is 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 supplier contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as

may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- a) If the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - b) If the supplier fails to perform any other obligation(s) under the contract; or
 - c) If the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the 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 purchase intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of 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 Is 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.

23.7 If a court of law convicts a person of an offense as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, 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 in 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

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 subsidised 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 reduces, 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 supplied 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 is 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 reasonable 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 to the supplier.

28. Limitation of Liability

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

- a) The supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and / or damages to the purchaser; and
- b) The aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

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

30. Applicable law

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 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, licence 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. Transfer of contracts

- 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. Amendments of contracts

- 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 Of a bidder(s) or contractor(s), based in reasonable grounds or evidence obtained by the purchase, 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 Is 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.