

# ABAQULUSI MUNICIPALITY



## PROVISION OF STS COMPLAINT PREPAYMENT OF ELECTRICITY VENDING SYSTEM FOR A PERIOD OF 36 MONTHS.

**TENDER NO: 8/2/1/377**

NAME OF THE COMPANY	
BID AMOUNT INCLUDING VAT	
PHYSICAL ADDRESS	
POSTAL ADDRESS:	
CONTACT NUMBER	
EMAIL ADDRESS:	
CSD NUMBER:	

The Municipal Manager  
Abaqulusi Municipality  
PO Box 57  
VRYHEID  
3100

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF MUNICIPALITY/ MUNICIPAL ENTITY)</b>					
BID NUMBER:	8/2/1/377	CLOSING DATE:	03 OCTOBER 2025	CLOSING TIME:	12H00
DESCRIPTION	PROVISION OF STS COMPLAINT PREPAYMENT OF ELECTRICITY VENDING SYSTEM FOR A PERIOD OF 36 MONTHS.				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).</b>					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX  
SITUATED AT **CORNER OF HIGH STREET AND MARK STREET**


<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3 ]
TOTAL NUMBER OF ITEMS OFFERED			TOTAL BID PRICE		R
SIGNATURE OF BIDDER			DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>			<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>		
DEPARTMENT	FINANCE .		CONTACT PERSON	Mr N. Zulu	
CONTACT PERSON	MR GRANT BRADBURY		TELEPHONE NUMBER	034 9822 133 x 2277	
TELEPHONE NUMBER	034 9822 133 x 2234		FACSIMILE NUMBER	034 9821 939	
FACSIMILE NUMBER	034 9821 939		E-MAIL ADDRESS	nzulu@abaqulusi.gov.za	
E-MAIL ADDRESS	gbradbury@abaqulusi.gov.za				

## PART B TERMS AND CONDITIONS FOR BIDDING

<b>1. BID SUBMISSION:</b>
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR ONLINE</b></p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p>
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.</p> <p>2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.</p>
<b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>
<p>3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p>3.5. IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span></p> <p><b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.</b></p>

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

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

DATE: .....



### ABAQULUSI LOCAL MUNICIPALITY

Abaqulusi Local Municipality hereby invites Bids for suitable service providers for the follows bid:

TENDER NUMBER	PROJECT NAME	CLOSING DATE & TIME
8/2/1/377	PROVIISION OF STS COMPLAINT PREPAYMENT OF ELECTRICTY VENDING SYSTEM FOR OF 36 MONTHS.	03/10/2025 @ 12H00

Abaqulusi Municipality invites service provider to submit a bid as per above bid with specification in Tender document as per above table.

Bids documents will be self downloaded from E-tender Portal ([www.e-tenders.gov.za](http://www.e-tenders.gov.za)) as from the **02 September 2025**.

Sealed Bid documents marked with the relevant "Bid Name and Bid Number" must be deposited in the Bid box at the Abaqulusi Local Municipality offices no later than 12:00 pm on **A SPECIFIED DATE ON THE TABLE**, where after all Bids will be opened to the public. Telegraphic, faxed and late tenders will not be accepted and the Municipality shall not be held responsible for any couriered and posted document.

#### CONDITIONS:

- ❖ No awards will be made to a person, who is not registered on the Central Supplier Data base
- ❖ No awards will be made to a person, who is in the service of the state
- ❖ No awards will be made to a person, if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state.
- ❖ No awards will be made to a person, who is an advisor or consultant contracted with the Municipality or municipal entity
- ❖ Fill in all the Municipal Bidding Documents (MBD'S) failure to do so will automatically disqualify.
- ❖ Fully Completed all the MBD'S on the Tender document
- ❖ Fully completed Tender document (bidder will be disqualified for incomplete document)
- ❖ Service Providers should be on Municipal Data Base if not please collect data base forms at SCM Office or down load them from Municipal website ([www.abaqulusi.gov.za](http://www.abaqulusi.gov.za)) and submit them with your bid document.
- ❖ Late bids will not be accepted,
- ❖ These Tender will be valid for a period of 90 days after the closing date
- ❖ These Tender must only be submitted on the documentation provided by Abaqulusi Municipality (Original document)

- ❖ Failure to comply with these conditions will result in immediate disqualification of the bid.
- ❖ Bid will be evaluated on Completeness, Responsiveness functionality and then price and Specific goals.

The Municipality reserves the right to withdraw any invitation to bid and / or to re- advertise or to reject any bid or to accept a part of it. The municipality does not bind itself to accept the lowest bid or award a contract to the bidder scoring the highest number of points.

#### **MINIMUM REQUIREMENTS**

The following documents have to be attached:

- ❖ Central Supplier Data base registration report (Detailed) to claim special goals
- ❖ Valid copy of company registration document
- ❖ SARS PIN or Tax Clearance certificate must be submitted
- ❖ Certified B- BBEE Certificate from registered accountant is required or original Sworn Affidavit from Commissioner of Oath.
- ❖ A Certified current account in terms of water and electricity / rates and taxes obtainable from your local municipality / Induna/Inkosi / Councillor, must be submitted not older than three months or lease agreement
- ❖ Certified copies of identity documents of directors and owners of the company must be submitted
- ❖ Portfolio of evidence: The proposal for Single interface Intergration must cover all items listed under (a) vending system and (b) vendor management = 10
- ❖ Portfolio of evidence: Attach copie of agreement letters from services providers of third – part vending footprint / system = 15
- ❖ Company experience = 20
- ❖ Disaster recovery and business Continuity plan = 05
- ❖ Key Personnel = 50.

For more SCM enquiries please contact Supply Chain Management office at [scm@abagulusi.gov.za](mailto:scm@abagulusi.gov.za).

**No bids will be accepted from a person in the service of the state and whose Tax Matters are Non Compliant**

The Abaqulusi Local Municipality does not bind itself to accepting the lowest, or any bid, either wholly or in part or give any reason for such action.

---

**SP DLAMINI**  
**MUNICIPAL MANAGER**

To be advertised on Newspapers, e-tender portal, municipal website and notice boards



## PART B – TERMS OF REFERENCE, SCOPE OF SERVICES AND PRICING SCHEDULE

### 16. TERMS OF REFERENCE

#### TERMS OF REFERENCE: INSTALLATION AND MANAGEMENT OF A STS COMPLIANT PREPAYMENT ELECTRICITY VENDING SYSTEM

##### **Abbreviations**

STS - standard transfer specification

GIS – Geographical Information System

##### **Non-compliance to specification will invalidate your offer.**

**NB:** Service providers are required to read and study the specification, its general condition of contract, as well as the instructions to them very carefully before submitting their offers.

(Please note that it is the responsibility of the tenderer to do any site inspection etc. necessary to determine what is needed for the successful implementation of the proposed solution. Please note that all responsive tenderers may be requested to demonstrate the functionality of their proposed solutions to the tender offered.)

##### **Compliance with Specification**

Tenderers shall submit with their tender a schedule listing clause-by-clause, specific details indicating full compliance, partial compliance or non-compliance with the requirements of the Specifications contained herein. Only fully compliant tender responses will be considered. Non-compliance or partial compliance to any part of the specification included herein will lead to automatic disqualification.

##### **Demonstration of system offered.**

Only tenderers who successfully qualify in all tender requirements and is able to offer a fully functional vending system will be considered. The tenderer may be called to practically demonstrate its full compliance to the specified tender requirements in a demonstration

session.

### Background Information

Tenders are hereby invited from suitable suppliers to Supply, Install and Manage a STS Compliant Prepayment electricity Vending System and Supply and Delivery STS Prepaid Meters within the Abaqulusi Municipality's licensed area. It is a requirement that the supplier should meet all the specifications of the sections below.

The tender specification consists of 2 sections namely:

- Section A – Vending System
- Section B – Vendor Management

Abaqulusi Municipality requires a single supplier that meets the specifications of both sections (A&B) and supplies all the services related to both the sections. Only bids providing pricing for all sections will qualify.

### Municipal area

At present Abaqulusi Municipality electricity distribution area comprises of the following towns / areas:

- |              |               |
|--------------|---------------|
| 1. Abaqulusi | 2. Coronation |
| 3. Hlobane   | 4. Mondlo     |

### Number and types of vending points

5- online municipal cashier vending terminals

40 - online 3<sup>rd</sup> party vending terminals

Several - aggregated 3<sup>rd</sup> party vendors with own hardware and networks (note: Abaqulusi Municipality allows only one tier of aggregators between the service provider and the end-merchant servicing the end customer.)

### Active meters on system per type

MANUFACTURER	Meter Type	Total
Conlog / Landis Gyr /Hexing	Conlog / Landis Gyr /Hexing	19 000

**Note:** The installed base of the metering system increases on an ongoing basis.

### Proposed System Capacity

The proposed system should at least be designed to accommodate the above – mentioned number of meters and be able to retain a five (5) year transaction history in the live database and older than five years should be archived on database.

## **SECTION A: VENDING SYSTEM**

### **1. Background**

Abaqulusi Municipality currently uses Contour system for the sale of pre-paid electricity.

### **2. Scope**

**2.1** Supply, installation and maintenance of a complete prepayment vending and management system using an on-line, web-based architecture to vend tokens in a secure and efficient way with the system hosted at the service providers hosting facilities.

### **3. Applicable Standards**

**3.1** The following standards shall reference and apply as stipulated in the Specification:

<b>Standards</b>	
IEC 62055-xx	Electricity Payment Metering Systems
STS Part 1,2 and 3	Standard Transfer Specification
NRS 009-2-1:1998	Electricity sales systems - Part 2: Functional and performance requirements - Section 1: System master stations
NRS 009-2-2:1995	Electricity sales systems - Part 2: Functional and performance requirements - Section 2: Credit dispensing units
NRS 009-6-10 (Online XMLVend 2.1)	the NRS Standard for on-line communication between Vending Servers and Vending Clients
ISO 8583	Financial transaction card originated messages — Interchange message specifications
IEC 61968	

### **4. General**

- 4.1** No tender will be considered unless accompanied by a full description and technical details of the solution offered. Any special features shall be detailed.
- 4.2** Only tenderers who can offer a fully functional system, which can be demonstrated, will be considered.
- 4.3** The system offered shall comprise of a complete and fully functional prepayment vending and management system including all the operating and database modules needed to operate such a system.
- 4.4** The minimum hardware, software and communications requirements on which to run the system shall be specified for all the different components of the



system.

The system shall vend on-line to all installed, existing and commissioned prepayment meters in the municipal area of supply. **The municipality shall be indemnified against patent infringement including any damages awarded, attorney costs and the cost of replacing the vending system should patent infringements be awarded against the municipality due to the successful tenderers vending system.**

- 4.5 The system shall interface with Abaqulusi Municipality's Munsoft billing system.
- 4.6 The system shall be capable of interfacing with Abaqulusi Municipality's GIS and other 3rd party systems where required.
- 4.7 The system shall be operational on a 24 hours per day X 7 days per week X 365 days per year basis.
- 4.8 The system shall be integrated with all the major banks in south Africa and provide proof of .
- 4.9 The import of database information especial indigent and blocking not flag each customer
- 4.10 **Disaster recovery plan on servers and workstations**  
The municipality envisages a configuration in which the management and vending server(s) will be located off-site in a high-availability environment with redundant power and connectivity.  
The potential service providers will be expected to provide or submit a full disaster recovery plan for business continuity purposes.  
(The proposed disaster recovery plan should also indicate other vending means from the existing workstations/platforms, and such should be disclosed separately on financial proposal.)

## 5. Customer Reference

- 5.1 The municipality may wish to contact one or more of the tenderer's reference clients during the detailed evaluation period. Please provide contact names and details of the individuals who should be contacted in this regard.
- 5.2 Contact with your reference clients will be arranged through the tenderer, but the municipality reserves the right to conduct this information sharing sessions without representatives from the tenderer being present.

## 6. Support, Installation & Commissioning

- 6.1 Tenders shall provide permanent local (onsite) support, as well as show the capability remotely (telephonically) to support the system.
- 6.2 Tenderers shall submit themselves to an independent assessment of their

capabilities, demonstrating at least 5 permanents, dedicated and centrally located system support personnel in their employment.

## **7. Technology and Platform**

### **7.1 Software Architecture**

The online vending system software shall be Java based with support for the latest version of the Java Runtime Environment. The system shall employ the latest version of the Apache Tomcat Web Server and database software that is platform agnostic. It shall be possible to deploy the software on any major operating system like Windows® or any Linux distribution.

### **7.2 Database**

- 7.2.1 The system shall operate on a relational database technology, like ORACLE.
- 7.2.2 It must be possible to run the software on either Oracle or PostgreSQL.
- 7.2.3 The database technology must be able to run on all major operating systems, including Linux, UNIX (AIX, BSD, HP-UX, SGI IRIX, Solaris, Tru64) and Windows®.
- 7.2.4 The design of the database shall be such that it conforms to the following Relational Database Management System (RDBMS) rules:
  - i. All information shall be represented only in tables.
  - ii. Each atomic value must only be accessible by combination of table name, primary key and column name.
  - iii. All Nulls must be systematic treated within the RDBMS.
  - iv. An on-line data catalog must be maintained by the RDBMS.
  - v. A comprehensive data sub-language must exist, supplementing standard SQL.
  - vi. High-level *Insert*, *Update* and *Delete* functionality must exist within the RDBMS.
  - vii. Both physical and logical data independence must be maintained by the RDBMS.
  - viii. A low-level language shall not subvert or bypass the RDBMS high-level language.
- 7.2.5 The database shall allow concurrent users to access data on a central database from various online terminals.
- 7.2.6 The RDBMS shall allow for automated triggers to be set on any database field, prompting for a function to be executed. This ensures data integrity, auditability and data completeness.
- 7.2.7 The database shall allow for multi-version consistency. This means that “writers must not block readers and readers must not block writers” to ensure data integrity. The requirement is that “readers do not block writers and writers do not block readers”. In other words, the reader will see the data as it was before the writer began changing it, and until the writer commits. A less mature locking

scheme will result in many delays/waits in the foreseen heavy OLTP (Online Transaction Processing) environment.

- 7.2.8 The database shall be fully ACID (Atomicity, Consistency, Isolation, and Durability) compliant.
- 7.2.9 The database shall not allow the escalation of row locks to page level locks when too many rows on a page are locked. This locks rows that are uninvolved in any updates for no good reason.
- 7.2.10 The database shall allow the following:
  - i. Control of sorting, for optimal memory allocation.
  - ii. Control over SQL caching, again for optimal memory allocation.
  - iii. Control over storage/space management to prevent fragmentation. Pages (blocks) and extents shall not be fixed to a certain size. The database shall allow the specification of larger extents to ensure contiguous space for large objects.
  - iv. Range partitioning of large tables and indexes. For example, a large 100GB table shall be allowed to be seamlessly partitioned at the database level into range partitions. This requirement will allow Abaqulusi Municipality to effectively store any historic data – for instance, the transaction table can be partitioned into monthly partitions. Partitioned tables and partitioned indexes give performance and maintenance benefits, whilst being transparent to the application.
- 7.2.11 The database shall support a JAVA database engine, enabling future application integration.
- 7.2.12 The database shall have programming interfaces for Java and .Net.
- 7.2.13 Stored Procedures must be precompiled before executed. This will negate any significant system overhead, especially in consideration of the diverging business rules for prepayment and associated debt.
- 7.2.14 The database shall allow the reading of, and writing to, external files via Stored Procedures, ensuring ease of system integration.
- 7.2.15 Tenders shall supply independent, documented proof to substantiate conformance to these aspects.

### **7.3 Operating Systems**

- 7.3.1 All workstation applications shall operate on a Windows 8 or greater platform. No legacy DOS-based support shall be acceptable.
- 7.3.2 The vending server shall operate on Windows Server 2012 R2 or any Linux distribution.

7.3.3 The database must be operable on any platform, including Windows®, Unix, Linux, VAX-VMS as well as MVS.

7.3.4 All system functions shall be accessed via a user-friendly Graphical User Interface.

#### **7.4 Hardware**

7.4.1 All components of the system shall operate on a standard, readily available, PC-based machine with no special modifications required to any parts.

7.4.2 The tenderer shall supply a standard STS security module server solution which operates over a TCP/IP connection.

#### **7.5 Communication**

7.5.1 The system shall be configurable to operate online.

7.5.2 The system shall use a TCP/IP communication layer supporting mobile data networks (GPRS, 3G, LTE), LAN/WAN, BGAN and VSAT communication.

7.5.3 The communication between Point-of-Sale device and the server shall be secured via SSL certificates.

#### **7.6 Data Model**

7.6.1 The underlying data model used by the system shall be tested to conform to the standard of a so-called third generation system. This means that the data model shall be capable of the following:

- i. A *Usage Point* shall be supported which is independent from a *Location*, *Meter* and *Consumer*.
- ii. The tariff shall not be connected to a *Meter* or a *Consumer*, but shall rest with the *Usage Point*.
- iii. The data model shall allow for the definition of hierarchical *Nodes* in order to simulate a distribution network.
- iv. The data model shall allow for WGS-84 GPS coordinate definition with all locations.
- v. The data model shall accommodate, for enhanced management purposes, possible additional resources like water and gas.
- vi. The data model shall accommodate meter readings for reading of any meter type.
- vii. The data model shall accommodate for a configurable hierarchical grouping structure for Usage Points and meters.
- viii. The data model shall conform to the CIM data model.
- ix.

## **8. Integration and Interface Requirements**

### **8.1 File based integration**

The system shall be able to facilitate file-based integration via a purpose-built application. This application shall be able to extract or import data according to dynamically defined business rules. This application shall also be able to manage and track processed data, regenerated files and enable additional file layouts as required.

### **8.2 Web services based integration**

The system shall be able to facilitate web services-based integration via a purpose-built application. This application shall be able to extract or import data according to dynamically defined business rules.

## **9. Operational Requirements**

### **9.1 Critical Performance Parameters**

**Note:** All Tenderers will be required to demonstrate the following capability on demand:

- 9.1.1 The software and database shall be able to accommodate, with no special changes other than hardware scaling, more than 1 million consumer records and 120 million transaction records from the main server.
- 9.1.2 The software and database shall have no limitation on the number of named users and workstations it can accommodate.
- 9.1.3 The online system shall be scalable to transact 30 requests per second.
- 9.1.4 A standard vending operation shall be less than 15 seconds from request to completion token printing or programming.
- 9.1.5 Thin client architecture shall require less than 32kb/sec to be functional over WAN.

### **9.2 Languages & Currency (Localization)**

- 9.2.1 The system shall accommodate multiple languages on the same machine.
- 9.2.2 The system shall have a tool to facilitate the translation of the software. This tool shall be demonstrated and supplied on demand.
- 9.2.3 The system shall allow for the configuration of any currency, including the adjustment of multipliers and decimal points.

### **9.3 Online Customer Contract Management**

- 9.3.1 The system shall have the ability to perform online customer contract management via any standard web browser.

- 9.3.2 The following functionality shall be available via the online Customer Contract Management web application:
- Creating new Customers and Customer Agreements
  - Creating new Usage Points and location details
  - Updating Customer and customer agreement details
  - Updating Usage Point and location details
  - Link Customers, Usage Points and Meters
  - Perform Advanced Customer, Usage Point and Meter data lookups
- 9.3.3 The system shall support multiple customer agreements to be associated with a single customer.
- 9.3.4 The system shall support multiple Usage Points with a meter per customer location.

**Management of Customer Contracts shall be carried out through a single online take-on web page via any standard web browser.**

- 9.3.5 The Customer Contract Management System shall accommodate the saving of uncompleted contracts whilst these customers will not be able to vend.
- 9.3.6 The system shall have the ability to logical separate Usage Point data. It should be possible for the municipality to define the logical grouping of the Usage Points and it must be possible to specify multiple hierarchical grouping levels. It should be possible to report according to the defined grouping levels and restrict user access according to the defined grouping levels.
- 9.3.7 The system shall have the ability to automatically block a customer after the customer has made a given number of purchases or purchase a set amount in Rands. A message stating the amount remaining or number of transactions remaining before the customer is blocked shall be printed on the credit token.

#### **9.4 Online Meter Engineering Operations**

- 9.4.1 The system shall have the ability to generate engineering tokens (Replacements, Clear Tamper, Clear Credit, Power Limit, Supply Group Key Change, Tariff Index Key Change) online via any standard web browser.
- 9.4.2 The system shall have the ability to automatically issue Key Change Tokens at the Point of Sale upon first purchase by the customer.
- 9.4.3 The system shall have the ability to send engineering tokens, including Free Issues to any cell phone number via SMS.
- 9.4.4 The system shall have the capability to collect meter readings on an on-

demand basis or a reading schedule.

9.4.5 The system shall have the ability to collect and store load profile data and register reads.

9.4.6 The system shall have the capability to receive and store meter alarms and events.

9.4.7 The system shall have the ability to automatically resolve load profile gaps.

9.4.8 The system shall display non-meter specific engineering tokens (Test load switch, Display KRN, Display TI, Display maximum power limit, etc.)

## **9.5 Online Auxiliary Account Management**

9.5.1 The system shall have the ability to manage customer specific auxiliary accounts online via any standard web browser. This functionality shall include the creation of auxiliary account types and the definition of the account details such as account balance and charge schedule.

9.5.2 The system shall have the ability to automatically create an auxiliary account when a free issue token is supplied to a customer.

## **9.6 System Security**

9.6.1 The system shall have the ability to define online users, user roles and user specific role processes online via any standard web browser.

9.6.2 Database security governing low- and high-level database access shall be via a proven technology and applied at both database and application level.

9.6.3 The system shall allow for the addition of an unlimited number of named operators.

9.6.4 Security shall be adjustable to allow for individualized access to any field within the database.

9.6.5 Communication between points of sale/super vendors and vending server shall be secure by making use of SSL certificates.

## **9.7 Electricity Prepayment Vending**

### **9.7.1 Transactions**

9.7.1.1 All transactions shall be itemized to such a nature that taxes, levies, standing charges, arrears and services are all created through individual rows in the database.

9.7.1.2 Any rounding errors of kWh beyond the first decimal shall be recorded in the database as separate transaction rows to ensure effective reconciliation.

- 9.7.1.3 System transaction reversals shall
- i. be effected with full trace-ability of the reversal;
  - ii. shall be traceable to an operator;
  - iii. shall reverse an entire transaction batch consisting of taxes, levies, auxiliaries and resource amounts on the system and
  - iv. have the option of being disabled or enabled for specific vendors.

#### **9.7.2 Vending Operation**

- 9.7.2.1 The system shall be capable of vending STS compliant prepayment credit and engineering tokens.
- 9.7.2.2 The system shall be certified by the STS association as being Vending, Engineering and Key Change Management compliant.
- 9.7.2.3 Vendors shall have the ability to perform a consumer lookup through meter number, address or name and account number.
- 9.7.2.4 The system shall be capable of allowing transaction re-prints and reversals, without compromising the integrity of transactions and subject to appropriate security.
- 9.7.2.5 The vendor shall have the ability to look up the transaction history of a relevant consumer.
- 9.7.2.6 The system shall be capable of vending free electricity grants:  
Free Basic Electricity (FBE) Tokens also known as an Electricity Base Support Services Tokens (EBSST).
- 9.7.2.7 The system shall have the ability to calculate and display cash change to the vendor.
- 9.7.2.8 The system shall have the ability to interface with various Head-End systems to facilitate Thin (Smart) Prepayment.
- 9.7.2.9 The system shall provide for the following types of payment
- Cash
  - Credit Card
  - Debit Card

#### **9.7.3 Vending Management**

- 9.7.3.1 The system shall allow for vendor and cashier shifts to accommodate various levels of operators, thus improving security.
- 9.7.3.2 The system shall allow for the automated or manual closing of shifts.
- 9.7.3.3 Vendors shall have pre-defined, credit limits limiting the exposure at certain outlets. The option shall exist to update credit limits manually.



#### **9.7.4 Tokens and receipts**

- 9.7.4.1 The system shall give users the ability to easily define customized token/receipt templates.
- 9.7.4.2 The system shall accommodate multiple receipts. It shall include but not be limited to auxiliaries, credit token and system reversals receipts.

#### **9.7.5 Auxiliaries**

- 9.7.5.1 The system shall have the ability to collect arrears from the consumer by leveraging the prepayment transaction according to a unique formula for each consumer.
- 9.7.5.2 A consumer's unique collection profile shall be automatically updated by the system based on historic payments made.
- 9.7.5.3 The system shall interface seamlessly with the municipality's financial system to aid to transfer of debtor accounts.

#### **9.7.6 Pricing Structure**

- 9.7.6.1 The municipality shall have the ability to customize the pricing structure at will.
- 9.7.6.2 A pricing structure shall accommodate an unlimited number of tariffs, debt and charges rules and calculations.
- 9.7.6.3 The system shall accommodate block tariffs with an unlimited number of kWh-based blocks.
- 9.7.6.4 Unique tax and fixed charges profiles shall be definable for each tariff block.
- 9.7.6.5 Tax and fixed charge blocks independent from tariff blocks shall be definable according to monthly monetary value transacted, or kWh bought.
- 9.7.6.6 The system shall have the ability to set future activation dates for tariff changes. The tariff must be automatically activated at the specified date.

#### **9.7.7 Online Vending**

- 9.7.7.1 Online vending on a PC Point of Sale shall take place through a thin client.
- 9.7.7.2 The system shall allow for vending through mobile points of sale.
- 9.7.7.3 Online vending from various vending partners like banks and shopping retailers shall be available.
- 9.7.7.4 All messages shall be via the self-defining, open-standard XML protocol.
- 9.7.7.5 The system shall support the latest version of the NRS009-6-10 XMLVend specification.
- 9.7.7.6 The online transaction processing infrastructure shall have unlimited scalability with hot-swappable redundancy.

### **9.8 Meter Life Cycle Tracking**

- 9.8.1 The system shall be able to track the history/location of a meter from the time it is delivered to/between stores to when it is installed at a Usage Point until it is finally scrapped
- 9.8.2 In order to facilitate meter life cycle tracking, the system shall accommodate at least the following location types:
  - i. Inventory Store
  - ii. Usage Point

- 9.8.3 Again in order to track meter life cycle, the system shall further allow for the following modes of operation:
- i. In store, inactive
  - ii. Installed and active
  - iii. Installed and inactive

## **10. Queries**

- 10.1** The vending management system shall have a web based query executor for displaying general query results on a grid.
- 10.2** It must be possible to export the query results to a Spreadsheet.

## **11. Reporting**

- 11.1** The vending management system shall have the capability to interface with reporting applications supporting customizable reports.
- 11.2** The following complex reports shall come standard with the vending system:

### Standard consumer reports

- Number of consumers registered by town between dates
- List of POC'S grouped by system area code
- List of all STS meters registered on the system
- List of towns registered on the system
- List of disconnected meters by POC between dates
- List of disconnected meters by disconnect reason between dates
- Consumer information for POC'S
- Total new connections per town
- Total installed meters per town
- Meter replacements per town
- All consumers in alphabetic order

### Standard transaction reports

- List of transactions grouped by date between dates
- Sum of transactions grouped by transaction type and tariff
- List of credit and debit card transactions between dates
- Total electricity bought between dates by consumer
- Free issues between dates per meter
- Cheques List between dates
- Low purchases of electricity over a specified period
- Total electricity bought in the last 30 and 90 days
- Breakdown of consumer's purchase times between dates
- Balancing report of credit amounts used against physical transactions
- Reversals between dates
- Summary of all end of shifts for a user between dates
- All transactions for a meter between custom dates
- Arrears owed by consumer
- Daily cash reconciliation report

- All transactions for an account between dates
- Low consumption report
- Indigent high purchase report
- Total sales by town
- Total sales by operator
- All transactions for one shift on one user
- Shift details for one user
- IBT customer purchase breakdown with graph
- IBT month sales analysis by Tariff Class
- Monthly sales summary by step tariff
- Year - end roll over (electricity purchased at year end not yet used – to be removed from yr end balance)

### Engineering Reports

- Current power limit for a meter
- Current power limit for all meters
- Audit trail on Amperage changes
- Reports in the vending system must be able to be previewed before printing.

**11.3** The database shall be accessible via standard SQL-based report writing tools like Crystal Reports.

**11.4** The municipality will be able to design custom reports.

**11.5** The tenderer will provide an optional service where the municipality can request custom reports to be designed.

### **12. Geographical Information System**

**12.1** It is envisaged that a Geographical Information System will be linked/incorporated into the prepayment database in the future. The proposal should describe how the solution would cater for such GIS integration.

**12.2** Certain data elements in the prepayment metering system must be able to store GPS coordinates as attributes. These include the location of a meter as well as the Usage Point of a meter.

### **13. Vending Gateway**

**13.1** The system should include as an additional option the capability to direct transaction requests from vending clients to different services databases.

**13.2** The transaction switch should include a billing system where different commissions for different services as well as vendors could be calculated.

**13.3** The transaction switch should include vendor credit limits that will only allow a vendor to sell services if a positive credit is maintained.

**13.4** The transactions switch should either include, as an option, or be able to integrate to an electronic fund transfer (EFT) switch to facilitate credit card payments

**13.5** The EFT option should include a secure web site for selling services.

**13.6** The transaction switch should allow for mobile points of sale to connect to it. This will be achieved by allowing various suppliers of mobile technology to

integrate to the transaction switch.

- 13.7** The transaction switch will allow SMS (GSM) based messages to transact with the switch.
- 13.8** In addition to conventional payment methods, the system should support a voucher payment mechanism in the on-line mode of operation.
- 13.9** Where the system generates its own vouchers, customizable vouchers should be printed with unique voucher numbers.
- 13.10** The system should be able to reserve and expire vouchers as and when it is redeemed for resources.

#### **14. Vending Channels**

- 14.1** The following vending channels shall be implemented;
- PC POS
  - Mobile POS
  - Mobile Phone
  - Consumer website
  - Bank/ATM - All
  - Major retailer

#### **15. Online Retail and Vending Administration**

- 15.1** The system shall have the ability to manage retailer accounts online
- 15.2** This includes adding, removing and editing retailers, operators, terminals, available networks and accepted payment methods.
- 15.3** It shall also allow transferring and adjusting retailer funds and accepting retailer deposits.
- 15.4** The system shall have the ability to add, remove and edit vouchers online.
- 15.5** The system shall have an online facility for reconciling between client records, EFT records and service provider records.
- 15.6** The system shall have the ability to remotely update point of sale software remotely.
- 15.7** The system shall provide a facility to assign sales agents to vendors and automatically calculate the agent's commissions based on sales.
- 15.8** It shall be possible to manage several vendors as a group. A dedicated web application with limited access shall be available for users to manage the vendor groups.

#### **16. System Hardware**

- 16.1** The tenderer shall provide and install all the necessary hosted server hardware needed to operate the vending system and shall maintain and upgrade the hardware during the contract period.
- 16.2** All components of the system shall operate on a standard, readily available, PC-based machine with no special modifications required to any parts. Brand-name systems will be the preferred option. The PC's will be utilised for additional purposes e.g. receipting, emails.
- 16.3** POS (Point of Sale) terminals can be either PC or Mobile terminals that comply

with the hardware and software requirements. These terminals shall be submitted for approval by the municipality.

**16.4** Encryption cards and security modules shall be centralised in a secure hosted central environment to ensure the security of the system.

**16.5** All servers shall have the necessary redundancy. The necessary backup facilities will also be provided. The tenderer shall provide a secondary vending site for disaster recovery purposes. The tenderer shall provide a detailed disaster recovery plan to the municipality for approval.

## **17. System Software**

**17.1** The tenderer shall provide and install the necessary software and operating systems needed to operate the vending system and shall maintain and upgrade the software during the contract period.

**17.2** Ownership of all PC based software will revert to the municipality at the end of the initial contract period or in the event of contract breach. There will be no cost imposition.

**17.3** The tenderer shall be responsible for the migration from the current system to the new system.

**17.4** The tenderer shall be responsible for all licensing and upgrade cost during the contract period.

**17.5** The tenderer shall be responsible for the exporting/transferring of all data in a specified format in the event that the municipality should change to new software at the end of the contract period.

**17.6** Should migration be necessary on the onset or during commissioning of the system, all cost is for the tenderer.

**17.7** The tenderer shall provide training on all elements of the system for all the different user groups and vendors.

**17.8** The tenderer shall provide on-site support for the initial implementation of the system and a 24 x 7 x 365 comprehensive support service and help desk for the contract period.

## **18. Arrears recovery**

**18.1** There shall be a direct interface with the billing system so that arrears collected can be posted directly to the relevant account either in real-time or via batch entry at a user selectable delay on the billing system.

**18.2** The details of all arrear amounts collected, and service accounts paid for the current transaction shall be individually listed on the transaction receipt handed to the customer at the point of sale.

**18.3** Data should be imported directly from the billing system into the tenderers system where data will be managed to block and unblock consumers.

## **19. End Consumer Portal (including a Payment Gateway)**

**19.1** The tenderer shall provide the municipality with a module that specifically service the

end consumer directly via an online portal which the end consumer should access through PC and/or mobile web browser and/or an Android application

**19.2** The End Consumer Portal should allow the end consumers to access a wide variety of features for their Usage Point

**19.3** End Consumers should be able to register via a secure password that is consumer specified.

**19.4** Upon registering, the end consumer should at a minimum supply the following information:

- A unique username
- Title
- First and Last Name
- Contact details which includes email address and mobile number

**19.5** The terms and conditions for the use of the End Consumer portal shall be clearly visible and must prompt the end consumer to accept the terms and conditions before registration is completed.

**19.6** An automated activation email should be sent to the end consumer's Email which allow the consumer to activate his account before he can use the portal.

**19.7** End consumers must have the ability to update their information, reset passwords and register and update meter information.

**19.8** Through this portal end consumers registered on the Vending System and the End

Consumer Portal should have the ability to:

- View sales history
- Pay for and receive tokens dispensed by the vending system through a Payment Gateway which should be included in the End Consumer Portal
- View usage profiles
- View meter readings (where applicable)
- Display alerts
- Display faults to the end consumer and provides the end consumer with the ability to log faults
- Configure alert thresholds

**19.9** A secure Payment Gateway must be included in the solution which will allow end consumers to make secure credit card or instant-EFT payments and manage and track these payments.

**19.10** Through this portal, end consumers must have the ability to send queries about their

Usage Point to the municipality by Email.

### **Data Ownership**

- 19.11** All the information on consumers and related info in the databases will remain the property of the municipality at all times and will not be disclosed as a whole or in part to any third party without the express permission of the municipality.
- 19.12** Any data archived and warehoused on behalf of the municipality shall be accessible at any time by the municipality or its appointed auditor.
- 19.13** The municipality must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.

### **20. Training**

- 20.1** The tenderer shall provide system training on all software at the tenderer's dedicated training facility.

### **21. System Costs**

- 21.1** The method of payment will be a monthly fee based on the number of active prepayment meters on the system, depending on a formal service level agreement.
- 21.2** A service level agreement will be entered into by Abaqulusi Municipality and the tenderer for a period of 3 years and shall clearly stipulate issues like:
- Hardware and software upgrade and ownership conditions
  - Communication up- and downtimes and reliability
  - Level of support and response times
  - Training
  - Performance levels and penalties
  - Data ownership additions
  - Exit and termination conditions
  - Insurance of Hardware, software and communications
- 21.3** The tenderer shall list the following components and give a detail specification thereof in order to enable a fair comparison of tenders offered:
- Hardware
  - Software
  - Communication
  - Support
  - Training

Alternative methods of payment may be offered for consideration.

## **SECTION B: VENDOR MANAGEMENT**

### **1. Scope**

The complete management of contracted 3<sup>rd</sup> party vendors on behalf of the municipality.

### **2. Details of specification**

#### **2.1 Vendor management**

The tenderer shall be responsible for the following:

- 2.1.1 Setting up guidelines for appointing and contracting with existing and prospective vendors and compiling of agreement/contracts. The guidelines and agreement to be approved by the municipality.
- 2.1.2 Advertising and information meetings with prospective and existing vendors.
- 2.1.3 Appointment of vendors and signing of contracts. The Municipality will determine the quantity of vendors per location as required.
- 2.1.4 Provide a minimum of 10 direct managed 3<sup>rd</sup> party POS vendors within the Abaqulusi Municipality area of distribution.
- 2.1.5 Abaqulusi Municipality will only allow one tier of aggregators between the tenderer and the end-merchant servicing the end customer.
- 2.1.6 Providing all the necessary hardware, software and communications equipment needed for the vendor to operate.
- 2.1.7 Providing training as and when necessary for the vendor or his appointed operators in order to operate the equipment and relevant software.
- 2.1.8 Providing the necessary consumables, e.g. Paper, printer carriage, etc.
- 2.1.9 Providing the routine and necessary maintenance, repair and servicing as is required to maintain the equipment.
- 2.1.10 Collection of all revenue from vendors as per agreement
- 2.1.11 Timely payment of collected revenue into Abaqulusi Municipality bank account – at least within 72 hours of transaction date.
- 2.1.12 Insurance against revenue loss.
- 2.1.13 Providing the necessary security measures for collecting the revenue if required.
- 2.1.14 To reconcile the revenue received from the vendors on a daily basis and provide the necessary credit to the vendor to continue vending.
- 2.1.15 Payment of any commissions owed to vendors.
- 2.1.16 Payment of revenue received (Prepaid & Auxiliary separately) directly in the municipalities account at predetermined times together with a reconciliation of said revenue.
- 2.1.17 Providing daily, weekly and monthly reports as required by the municipality.
- 2.1.18 Provide audit reports if required.
- 2.1.19 Vendor's commission payable to the successful tenderer will be included in the monthly fee of price per meter.
- 2.1.20 All existing handhelds terminals that are not compatible with the proposed vending and management system must be replaced on the cost of the



successful tenderer.

### 3. Support Services

The tenderer shall be responsible for the following:

- 3.1 Providing the necessary admin and support staff to administer the vendors. The staff will be on-site and situated in Abaqulusi.
- 3.2 Provide the office space to house the staff.
- 3.3 Provide a 24 x 7 x 365 support service for vendors.
- 3.4 The tenderer may use the services of third party aggregators. Abaqulusi Municipality will only allow one tier of aggregators between the tenderer and the end-merchant servicing the end customer.

### 4. System Costs

- 4.1 The method of payment will be a monthly fee based on a percentage of the total monthly sales, depending on the service level agreement.
- 4.2 The municipality and the tenderer will enter into a service level agreement.

#### **COMPLIANCE SCHEDULE (VENDING)**

**It is compulsory for bidders to answer the following questions. Failure to answer it in full will lead to disqualification.**

No.	Question	Yes / No	Comments
1	Does the system comply with all the STS specifications as listed in the tender? Is the system certified for electricity vending?		
2	Does the system allow for configuration by the municipality for various system requirements?		
3	Is a list of system limitations attached?		
4	Is a full, detailed functionality description of the system attached?		
5	Is there a detailed strategy for the TID rollover included with an indication of cost to the Municipality?		
6	Is a detailed graphical drawing of the proposed network and system attached?		
7	Is a detailed disaster recovery plan attached?		
8	Is a comprehensive 3rd Party payment remittance process attached?		
9	Are different servers utilized for the different applications e.g. transaction server, management server, etc.?		

10	Is this a single database solution with no data transfer or replication required?		
11	Does the system have the capability to provide pre-paid services to electricity customers using a single interface? Does a single Customer record can link to multiple meter account types?		
12	Does the system integrate to other vending mechanics such as automatic cash handling machines, self-service terminals and other third-party options using XMLVend as an interface language?		
<b>No.</b>	<b>Question</b>	<b>Yes /No</b>	<b>Comments</b>
13	Is the system native XML or does it require a translation interface for XML based vending?		
15	Does the system allow for convenience charges to be charged at specific vending outlets over specific periods?		
16	Does the system provide for integration to the other systems in use at the municipality through the following options: API or periodic bulk export/import/registration of data/meter to and from other business systems, on-line real-time per transaction synchronization of data? Have the requirements of mSCOA been addressed in the offer?		
17	Does the system comply with financial services regulations regarding storage of data?		
18	Does the system provide WEB integration for management functionality and reporting? Specify what standard will be used.		
19	Can the administrators log into the servers directly from their offices? Can admins log in remotely over the internet?		
20	Is a list of license requirements with limitations attached?		
21	Does the system provide for the management of smart metering?		
22	Does the system provide for access rights into the system for users and groups?		
23	Does the system provide for user ID disabled or removed to remain in history transaction data?		
25	Does the system provide for arrear recovery in line with the credit control policy of the municipality?		
26	Does the system provide for at least the following arrear recovery alternatives: fixed percentage of transaction recovery; service-based recovery; full arrear payment recovery; partial arrear payment recovery with limited electricity sales?		
27	Does the system provide for "free issues" (EBSST token) to be SMS'd to specific customers?		
28	Does the system allow a "free issue" (EBSST token) to indigents without having to purchase electricity or pay arrear amounts even if system is set to full arrear recovery?		
29	Does the system print "duplicate invoice" or "copy invoice" on a receipt if the "free issues" (EBSST token) is requested more than once in a calendar month?		

30	Does the system allow the generation of all engineering tokens directly from the system master station?		
31	Does the system allow all engineering tokens to be either printed, viewed without printing or sent through SMS?		
32	Does the system support all the different types of engineering vouchers as specified in the tender?		
33	Does the system provide for up-front vending?		
<b>No.</b>	<b>Question</b>	<b>Yes /No</b>	<b>Comments</b>
34	Can the abovementioned amount be defined per workstation?		
35	Does the system provide for messages at the bottom of the token voucher which can be changed by the municipality according to the municipality's requirements?		
36	Does the system keep all historical connections between the meter, point of connection and the customer?		
37	Does the system allow vending when a point of connection, meter or tariff is not linked to a customer?		
38	Does the system allow payment of accounts although a blocking code is active that does not allow the customer to purchase pre-paid electricity tokens?		
39	Does the system provide for at least the standard reports as stipulated in the tender?		
40	Does the system allow for preview of reports before printing?		
41	Is a statistical MONTHLY management Report provided? Is a sample provided?		
42	Does the system support the use of vending-based tariffs?		
43	Does the system provide for pre-defined tariffs by date to be created in advance?		
44	Does the system accommodate the current vending structures of the municipality?		
45	Does the system support IBT (stepped tariffs)?		
46	Does the system support vending-based VAT that is calculated at time of vending?		
47	Does the system provide for batch numbers to follow sequentially and print a breakdown of all money received separately?		
48	Does the system provide for the payment of arrear amounts, current amounts or linked account separately from purchasing pre-paid electricity tokens?		
49	Does the system provide for the cashier to enter the full amount from which the arrear amount will automatically be deducted, and the remainder of the money will then		

	automatically be allocated towards pre-paid electricity sales?		
50	Does the system make provision to warn the cashier before finalizing any transaction?		
51	Does the system provide for integration of historical data?		
52	Is a list of current system users with full contact details supplied?		
No.	Question	Yes /No	Comments
53	Was an assessment of current infrastructure done and an optimum solution recommendation attached?		
54	Is the system TCP/IP compliant and be able to operate real-time over Ethernet on a LAN/WAN/WIFI/GPRS/3G/EDGE/4G/5G/HSDPA/ADSL/DIGINET environment as available in certain areas?		
55	Do the system support vending stations run on at least Windows XP?		
56	Are all communications between client and server secured by mutually authenticated SSL certificates?		
57	Is provision made for periodic data synchronization with an off-line database in the municipal environment?		
58	Does the system support access through any web browser and the latest version of the standard Microsoft Internet Explorer and always keep up with updates by Microsoft?		
59	Does the system function under low-bandwidth requirements with minimum packet size? Please specify the bandwidth.		
60	Does the system cater for a Monthly indigent update from file		
61	Is there an aggregator support letter attached?		
62	Is a policy regarding overcharging by vendors included?		
63	Is an ISO 9001-2015 certificate provided in the name of the bidder or their technology provider?		
64	Are there at least 3 options to allow the municipality to choose from with regards TID updates with regards using contractors, municipal staff, or a self-service option.		
65	Is a broad-based third-party vending footprint provided to municipalities including major retail, major banks, informal sector, and web vendors?		

## 17. BID EVALUATION PROCESS

Tenders will be evaluated through the following stages: -

- Stage 1: Administrative compliance
- Stage 2: Mandatory Requirements
- Stage 3: Technical evaluation/functionality test
- Stage 4: Preference point scoring.
- Stage 5: Objective criteria

### Stage 1: Administrative compliance

The Municipality has prescribed minimum administrative requirements that must be met by the bidders, for the former to accept the bid for evaluation. In this regard administrative compliance will be carried out to determine whether the bidder's bid complies in this regard.

- Water and Lights account in the name of tendering entity
- Tax Status, CSD registration
- Verification if not Listed under Tender Defaulters.
- Signing of MBD 1.
- Declaration of Interest – MBD 4.
- All forms must be completed in full - compulsory.

### Stage 2: Mandatory requirements

These are mandatory requirements. If a bidder does not comply with each of the mandatory requirements, the bid shall be deemed non-responsive. The bidder is requested to substantiate the specified capability of the equipment offered in response to these mandatory requirements. Failure to fully substantiate compliance or non-compliance to the recommended criteria will be regarded as non-compliance and will result in the bid shall be deemed non-responsive.

Mandatory requirements	Please select the appropriate block	
	YES	NO
<b>1.</b> Standard Transfer Specification (STS) Certification to edition 2, STS600-8-6. Certificate to be provided.  <b>Portfolio Of Evidence</b> (Certified valid copies must be appended to the document).		
<b>2.</b> ISO Certification to 9001-2015. Certificate to be provided.  <b>Portfolio Of Evidence</b> (Certified valid copies must be appended to the document).		
<b>3. <u>Proof of Affiliation with Professional Body:</u></b>		

<p>Proof that the service provider is registered with recognized professional body which will ensure that quality service will be rendered: Proof of registration - <b>South African Revenue Protection Association (SARPA)</b></p> <p><b>Portfolio of evidence:</b>  <b>Attach a valid proof of registration with SARPA – existing membership certificate</b></p>		
<p><b>4. Customer Support Centre:</b>  Service provider to prove that they have a service desk/customer support center and indicate the hours of operation within Abaqulusi</p> <p><b>Portfolio of evidence:</b></p> <ol style="list-style-type: none"> <li>1. Premised owned by the entity – recent water and light utility bill statement</li> <li>2. Operating on premises owned by the 3<sup>rd</sup> party – signed lease agreement</li> <li>3. Operating in rural area owned by the 3<sup>rd</sup> party – signed confirmation letter from Landlord or Ward Councillor</li> </ol> <p><b>Attach Proof of Service desk/Customer Support Centre contact details, organogram and cv of customers support staff</b></p>		

### Stage 3: Functionality Scoring

Service Providers must be able to do presentations about their company and products at their own costs and at a time and venue that will be determined by the Municipality. The maximum points for this bid are allocated as follows:

Item	Criterion Description	Value	Breakdown of points allocation	
1	Single interface integrated multi-utility system, vending Electricity from a single interface.  <b>Portfolio of evidence:</b> <b>The proposal for Single interface integration must cover all items listed under (a)vending system and (b) vendor management</b>	10	Full description and STS Compliant Proposal	10
			No description and/or STS compliant proposal	0
2	Broad based third-party vending footprint provided to municipalities including retail, all banks, informal sector and web vendors**  <b>Portfolio of Evidence:</b> <b>Attach copies of agreement letters from Service providers of third- part vending footprint/system as per below table on page 83 - 84.</b>	15	3 clients from different sectors: one 3 <sup>rd</sup> party agreement letters from each sector, namely: Banking, Corporate Retail Stores and Online - website vending	15
			Failure to provide the comprehensive 3 <sup>rd</sup> party vending footprint	0

3	<p><b><u>Company Experience</u></b>  Number of existing Municipal customers within South Africa for whom a fully hosted vending system including 3<sup>rd</sup> party prepaid vending services.</p> <p><b>Attach Appointment letters and Customer Reference Letters in Customer's official letter head</b></p> <p><b>Portfolio of evidence:</b>  a) A letter of award or appointment  And  b) A letter of successful completion or reference</p> <p><b>To claim points: each project should contain a set of letters mentioned above, bearing nature of services provided, duration, amount, contact person, physical address in client`s letter head</b></p>	20	5 points for a set of letters (that is appointment and reference letters) for each project, up to maximum of <b>four</b> within the past 12 years	20
4	<p>Disaster recovery and business continuity plan</p> <p><b>Portfolio of evidence</b>  <b>The plan should meet the items listed above, under clause 4.8 as well as 16.5</b></p>	5	<p>Plan included</p> <p>No plan submitted</p>	<p>5</p> <p>0</p>
5	<p><b><u>Schedule of Key Personnel:</u></b>  Please provide an Organogram of the Entity including the CV`s of key personnel (indicating relevant experience and qualifications) who are permanently employed.</p> <p><b>Portfolio of evidence:</b>  Attach CV's and Certified Proof of Qualifications and Experience in the environment of prepayment vending system</p> <p><b>(Qualifications must be recognized by South African Qualifications Authority – SAQA)</b></p> <p><b>Portfolio of evidence</b></p> <ul style="list-style-type: none"> <li>• <b>Proof of professional registration</b></li> <li>• <b>A CV for each personnel mentioned above and the relevant Certified copies of qualifications</b></li> </ul>	50	<p><b>Professional Engineer</b>  In good standing with the Electrical Engineering Council of South Africa (ECSA) and Degree at NQF level 7 with a minimum of 5 years' experience in the field electricity Metering.</p> <p><b>Project Manager</b>  In good standing with the Project Management Institution (PMI) having a Project Management Professional Certificate at NQF level 6 and with a minimum of 5 years' experience in implementing prepaid vending systems and 3rd party vendors (qualification recognized by Project Management South African will be advantageous)</p> <p><b>IT Systems Manager and/or developer</b>  In possession of a B-Tech Degree in Information Technology at NQF level 6 with a minimum 5 years in integrating vending software with municipal billing systems</p> <p><b>Technical Support Personnel</b>  In possession of a National Diploma</p>	<p>20</p> <p>15</p> <p>10</p> <p>05</p>

			or higher in Information Technology at NQF level 6 with a minimum 3 years in IT Technical Support and handling customer complaints	
<b>TOTAL POINTS</b>				<b>100</b>
<b>MINIMUM QUALIFYING SCORE FOR ADVANCING TO THE NEXT STAGE</b>				<b>80</b>

Tenderers that fail to achieve the minimum score of 80 % will be disqualified.

**A detailed comprehensive description with references of the following criteria must be provided since the bidder will be evaluated on this.** The detail provided here must specifically illustrate your experience in performing the work described in the specifications. Failure to do so will result in losing points.

**\*\*Please see below reference list of retail, banks & web vendors to have for full marks.  
(Agreement letter to be attached)**

<b>Type of Sectors</b>		
<b>Banks</b>	<b>Corporate stores</b>	<b>Online</b>
Absa	Pick Pay	Prepaid24.co.za
Standard Bank	Shoprite	
Capitec	Spar	
Nedbank	Informal sector vendors	
FNB		

#### **Stage 4: Preferential procurement scoring**

The bidders that have successfully progressed will be evaluated in accordance with the 80/20 Preferential Point System in accordance with the Preferential Procurement Regulations, 2022 issued in terms of section 5 of the Preferential Procurement Policy Framework Act, No 5 of 2000.

#### **Stage 5: Objective criteria**

In terms of Preferential Procurement Regulation 11 and section 2(1)(f) of the Preferential Procurement Policy Framework Act, the following are the objective criteria:

- The risk of fruitless and wasteful expenditure to Abaqulusi Local Municipality;
- The risk of Irregular expenditure to Abaqulusi Local Municipality;
- The risk of poor project and contract management on existing project with Abaqulusi Local Municipality;
- The risk of an abnormally low bid and
- The risk of a material irregularity

The Municipality reserves a right to apply objective evaluation criteria should the recommended bidder pose any of the above-mentioned risks after assessment, Abaqulusi



Local Municipality after ascertaining sufficient information will not make an award to the bidder exposing the Municipality to one or more of the above-mentioned risks.

### Summary of Key Bid Evaluation Components

Bid offers may be accepted if:

1. A valid Tax Compliance Status Pin or CSD Master Registration Number for verification;
2. The **MBD 1** is completed and signed;
3. The bid must adhere to Pricing Instructions where the pricing schedule should be completed correctly and signed;
4. The bidder or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 person prohibited from doing business with the public sector;
5. The bidder has not:
  - a. abused the Employer's Supply Chain Management System; or
  - b. failed to perform on any previous contract and has been given a written notice to this effect;
6. The bidder has completed the Declaration of Interest and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process and persons in the employ of the state are permitted to submit tenders or participate in the contract;
7. The bidder is registered on the **Central Supplier Database**;
8. The bidder is not in arrears for more than 3 months with municipal rates and taxes and municipal service charges. The latest municipal account is to be attached. The statement must not be older than three months from the closing date of this tender. Alternatively, if the tenderer is currently leasing premises and is not responsible for the payment of municipal services, a copy of the Lease Agreement must be attached;
9. A Joint-Venture Agreement or Consortium, where applicable, is submitted with bid;
10. Prospective bidder comply with the requirements of the bid and technical specifications;
11. The bidder meets all bid administration as well as mandatory requirements and achieve score a minimum of **80 percent** in respect of each Functionality Test;
12. All returnable schedules are to be completed in full and all relevant certificates be attached where indicated.
13. The bidder must indicate the percentage commission on this contract.

## **18. PRICING SCHEDULE**

### **NOTE:**

1. All delivery costs **MUST** be included in the bid price, for delivery at the prescribed destination.
2. Document **MUST** be completed in non-erasable black ink.
3. NO correction fluid/tape may be used. In the event of a mistake having been made, it shall be crossed out in ink and be accompanied by an initial at each and every alteration.
4. The Bidder **MUST** indicate whether he/she/the entity is a registered VAT Vendor or not.
  - In the case of the Bidder not being a registered VAT Vendor, both columns (amount/rate excluding AND including VAT) must reflect the same amount.

I / We \_\_\_\_\_

(full name of Bidder) the undersigned in my capacity as \_\_\_\_\_ of

the firm \_\_\_\_\_ hereby offer to Abaqulusi Municipality to render the services as described, in accordance with the specification and conditions of contract to the entire satisfaction of the Abaqulusi Municipality and subject to the conditions of tender, for the amounts indicated hereunder:

	INDICATE WITH AN „X“									
	YES					NO				
<b>Are you/is the firm a registered VAT Vendor</b>										
<b>If “YES”, please provide VAT number</b>										

### **Escalation of Offer Prices in percentage**

(Prices will be fixed for first 12 months and thereafter subject to escalation)

Expected escalation of prices after 12 months ..... %

Expected escalation of prices after 24 months ..... %

<b>Name of Bidder</b>			
<b>Signature</b>		<b>Name (print)</b>	

Capacity		Date	
----------	--	------	--

## PRICE SCHEDULE

### PRICES MUST BE SUPPLIED IN THE FOLLOWING SEQUENCE AND FORMAT

Description	Quantity	Unit price (excl. vat)	VAT @ 15%	Total monthly price (VAT Incl.)
<b>Section A</b> – Vending System (R per meter per month)	5118			
- Training per user	15			
<b>Section B</b> – Vendor Management (percentage)				
- Cash Handling Cost (percentage) excl. vat	Average revenue of R3 million pm			
Proposed percentage commission				
<b>Provision for Disaster Recovery (please indicate the cost drives)</b>  1. _____  2. _____  3. _____  4. _____				
Please state the number of initiation or pre-engagement days after signing Service Level Agreement				_____ days
The type of Prepaid Electricity Vending System offered				
Designed and Developed – Name the Country of origin				

--	--

Abaqulusi Municipality requires a single supplier that meets the specifications of section A and B and supplies all the services related to both the sections. Only bids providing pricing for both sections will qualify. No additional fees other than those included in the table above will be allowed.

<b>SIGNATURE</b>		<b>NAME (PRINT)</b>	
<b>CAPACITY</b>		<b>DATE</b>	
<b>NAME OF BIDDER</b>			

## **FORM OF INDEMNITY**

### **INDEMNITY**

Given \_\_\_\_\_ by \_\_\_\_\_ (Name \_\_\_\_\_ of \_\_\_\_\_ Company)

of \_\_\_\_\_ (registered \_\_\_\_\_ address \_\_\_\_\_ of \_\_\_\_\_ Company)

\_\_\_\_\_ a company incorporated with limited liability according to the Company Laws of the Republic of South Africa (hereinafter called the Contractor), represented herein by (Name of Representative)

\_\_\_\_\_ in his capacity as (Designation)

\_\_\_\_\_ of the Contractor, is duly authorized hereto by a resolution dated \_\_\_\_\_/20\_\_\_\_\_,

to sign on behalf of the Contractor.

**WHEREAS** the Contractor has entered a Contract dated \_\_\_\_\_/20\_\_\_\_\_, with the Municipality who require this indemnity from the Contractor.

**NOW THEREFORE THIS DEED WITNESSES** that the Contractor does hereby indemnify and hold harmless the Municipality in respect of all loss or damage that may be incurred or sustained by the Municipality by reason of or in any way arising out of or caused by operations that may be carried out by the Contractor in connection with the aforementioned contract; and also in respect of all claims that may be made against the Municipality in consequence of such operations, by reason of or in any way arising out of any accidents or damage to life or property or any other cause whatsoever; and also in respect of all legal or other expenses that may be incurred by the Municipality in examining, resisting or settling any such claims; for the due performance of which the Contractor binds itself according to law.

<b>Signature of Bidder</b>	
<b>Date</b>	

<b>Signature of Witness 1</b>	
<b>Date</b>	
<b>Signature of Witness 2</b>	
<b>Date</b>	

## **19. TECHNICAL DATA, OMISSIONS AND VARIATIONS FROM THE SPECIFICATION**

### **(TO BE COMPLETED BY THE BIDDER)**

Bids will be held to be entirely in accordance with the Department's specification except in the respects stated hereunder and goods will be subject to rejection if it is found on delivery that it does not comply with the prescribed specification.

.....  
.....

.....  
.....

.....  
.....

.....  
.....

.....  
.....

.....  
.....

.....

.....

.....  
.....

.....  
.....

.....  
.....

.....  
.....

.....  
.....

If the bid complies with the specification in all respects, the Bidder must state so here:-

.....  
.....

.....  
.....

.....  
.....

<b>Name of Bidder</b>			
<b>Signature</b>		<b>Name (print)</b>	
<b>Capacity</b>		<b>Date</b>	

**20. SCHEDULE OF SIMILAR WORK EXPERIENCE OF THE BIDDER**

Employer (Name, Tel, Fax,	Contact person (Name, Tel, Fax,	Nature of Work	Value of Work	Date Completed
------------------------------	------------------------------------	-------------------	------------------	-------------------



Email)		Email)			(Incl. Vat)	
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				
Name		Name				
Tel		Tel				
Fax		Fax				
Email		Email				

Attach additional pages if more space is required.

Number of sheets appended by the tenderer to this schedule (If nil, enter NIL)	
--	--

<b>Name of Bidder</b>			
<b>Signature</b>		<b>Name (print)</b>	
<b>Capacity</b>		<b>Date</b>	

--	--	--	--

## **21. DECLARATION BY BIDDER**

I / We acknowledge that I / we am / are fully acquainted with the contents of the conditions of tender of this tender document and that I / we accept the conditions in all respects.

I / We agree that the laws of the Republic of South Africa shall be applicable to the contract resulting from the acceptance of \*my / our tender and that I / we elect domicillium citandi et execut andi (physical address at which legal proceedings may be instituted) in the Republic at:

---



---



---



---



---



---

I / We accept full responsibility for the proper execution and fulfillment of all obligations and conditions devolving in me / us under this agreement as the principal liable for the due fulfillment of this contract.

I / We furthermore confirm I / we satisfied myself / ourselves as to the corrections and validity of my / our tender; that the price quoted cover all the work / items specified in the tender documents and that the price(s) cover all my / our obligations under a resulting contract and that I / we accept that any mistake(s) regarding price and calculations will be at my / our risk.

I / We furthermore confirm that my / our offer remains binding upon me / us and open for acceptance by the Purchases / Employer during the validity period indicated and calculated from the closing date of the bid.

<b>Name of Bidder</b>			
<b>Signature</b>		<b>Name (print)</b>	
<b>Capacity</b>		<b>Date</b>	
<b>Witness 1</b>		<b>Witness 2</b>	

## **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](http://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](http://www.sars.gov.za).

**MBD 3.1**

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

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

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

Name of Bidder.....

Bid Number.....

Closing Time .....

Closing Date .....

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

---

ITEM	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY NO.
------	----------	-------------	-------------------------------

---

**\*\* (ALL APPLICABLE TAXES INCLUDED)**

---

- Required by: .....
- At:.....
- Brand and Model:.....
- Country of Origin: .....

- Does the offer comply with the specification(s)? \*YES/NO
- If not to specification, indicate deviation(s):.....
- Period required for delivery:.....
- \*Delivery: Firm/Not firm
- Delivery basis:.....

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

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

\*Delete if not applicable

## MBD4

### DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/ adjudicating authority.
- 3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
  - 3.1 Full Name of bidder or his or her representative:.....
  - 3.2 Identity Number:.....
  - 3.3 Position occupied in the Company (director, trustee, hareholder<sup>2</sup>):.....
  - 3.4 Company Registration Number:.....
  - 3.5 Tax Reference Number:.....
  - 3.6 Vat Registration Number:.....

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

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

3.8.1 If yes, furnish particulars.....

.....

<sup>1</sup> MSCM Regulations: “in the service of the state” means to be –

(a) a member of –

(i) any municipal council;

(ii) any provincial legislature; or

(iii) the national Assembly or the national council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 ( Act No. 1 of 1999);

(e) a member of the accounting authority of any national or provincial public entity; or

(f) an employee of Parliament or a provincial legislature.

<sup>2</sup> Shareholder” means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

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

3.9.1If yes, furnish particulars.....

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and may be involved with the evaluation and or adjudication of this bid?.....

**YES/ NO**

3.10.1 If yes, furnish particulars.

.....

.....

3.11 Are you, aware of any relationship ( family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid?

**YES / NO**

3.11.1 If yes, furnish particulars

.....

.....

3.12 Are any of the company’s directors, trustees, managers, principle shareholders or stakeholders in the service of the state?

**YES / NO**

3.12.1 If yes, furnish particulars.

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

**YES / NO**

3.13.1 If yes, furnish particulars

.....  
.....  
3.14 Do you or any of the directors, trustee, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract.

**YES / NO**

3.14.1 If yes, furnish particulars

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

Full Name	Identity Number	State Employee Number

.....  
**Signature**

.....  
**Date**

.....  
**Capacity**

.....  
**Name of Bidder**



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

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

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

---

**1. GENERAL CONDITIONS**

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

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

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

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

- a) The applicable preference point system for this tender is the **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

<b>SPECIFIC GOALS</b>	<b>20</b>
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

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

## 2. DEFINITIONS

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

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

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

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

**80/20                      or                      90/10**

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

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

Where

Ps = Points scored for price of tender under consideration  
Pt = Price of tender under consideration  
Pmin = Price of lowest acceptable tender

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

#### 3.2.1. POINTS AWARDED FOR PRICE

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

<b>80/20</b>	<b>or</b>	<b>90/10</b>
$Ps = 80 \left( 1 + \frac{Pt - Pmax}{Pmax} \right)$	or	
$Ps = 90 \left( 1 + \frac{Pt - Pmax}{Pmax} \right)$		

Where

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

## 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system

applies, an organ of state must, in the tender documents, stipulate in the case of—

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

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Previously Disadvantaged Individuals (HDI)		10		
Local Labour		10		

#### **DECLARATION WITH REGARD TO COMPANY/FIRM**

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

4.4. Company registration number:  
.....

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

.....  
SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME: .....

DATE: .....

ADDRESS: .....

.....

## C1.1. Form of Offer and Acceptance (Contract Form)

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

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

I hereby undertake to supply all or any of the goods and/or works described in the attached bidding documents to Abaqulusi Municipality..... in accordance with the requirements and specifications stipulated in bid number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the purchaser during the validity period indicated and calculated from the closing time of bid.

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

The tenderer, identified in the offer signature block below, has examined the documents listed in the tender data and addenda thereto as listed in the Schedule of Returnable Documents, and by submitting this offer has accepted the conditions of tender.

By the representative of the tendered, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance, the tenderer offers to perform all of the obligations and liabilities of the contractor under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the Conditions of Contract identified in the Contract Data, within \_\_\_\_ days of the commencement date.

### THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX IS:

.....

..... RAND (in words);

R .....(in figures)

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

1. The following documents shall be deemed to form and be read and construed as part of this agreement:
  - (i) Bidding documents, viz

- Invitation to bid;
  - Tax clearance certificate;
  - Pricing schedule(s);
  - Technical Specification(s);
  - Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011;
  - Declaration of interest;
  - Declaration of bidder's past SCM practices;
  - Certificate of Independent Bid Determination;
  - Special Conditions of Contract;
- (ii) General Conditions of Contract; and
- (iii) Other (specify)
2. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the goods and/or works specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
  3. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfilment of this contract.
  4. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
  5. I confirm that I am duly authorised to sign this contract.

**SIGNED ON BEHALF OF/BY THE TENDERER:**

**NAME**

**SIGNATURE**

**CAPACITY**

**DATE**

**Name and address of Organisation:**

.....

.....

**SIGNED BY WITNESS:**

**NAME**

**SIGNATURE**

**DATE**



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

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

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

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

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

### **SIGNED ON BEHALF OF/BY THE EMPLOYER:**

--

**NAME**

--

**SIGNATURE**

--

**CAPACITY**

--

**DATE**

**Error! Reference source not found. - CORNER MARK AND HIGH STREET,  
VRYHEID**

.....

**SIGNED BY WITNESS:**

**NAME**

**SIGNATURE**

**DATE**

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

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

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	<p>Yes</p> <p><input type="checkbox"/></p>	<p>No</p> <p><input type="checkbox"/></p>

4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>No</b>
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

### CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME) .....**  
**CERTIFY THAT THE INFORMATION FURNISHED ON THIS**

**DECLARATION FORM TRUE AND CORRECT.**

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

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

## **CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
  
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
  
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. takes all reasonable steps to prevent such abuse;
  - b. rejects the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancels a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
  
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
  
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

---

(Bid Number and Description)

in response to the invitation for the bid made by:

---

(Name of Municipality / Municipal Entity)

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

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

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

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.



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

.....

Signature

.....

Date

.....

Position

.....

Name of Bidder

# **GENERAL CONDITIONS OF CONTRACT (GCC)**

## **TABLE OF CLAUSES**

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties

## 1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 **“Acceptable bid”** means any bid, which, in all respects, complies with the specifications and conditions of the bid as set out in the bid document.

1.2 **“Bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of State for the provision of goods, works or services.

1.3 **“Black enterprise”** means an enterprise that is 50,1% owned by black persons and where there is substantial management control. Ownership refers to economic interest while management refers to the membership of any board or similar governing body of the enterprise.

1.4 **“Black empowered enterprise”** means an enterprise that is at least 25,1% owned by black persons and where there is substantial management control. Ownership refers to economic interests. Management refers to executive directors. This is whether the black enterprise has control or not.

1.5 **“Black people”** includes all African, Coloured or Indian persons who are South African citizens by birth or by descent or who were naturalised prior to the commencement of the constitution in 1993. In addition, the term also includes black people who became South African citizens after the constitution's commencement but who would have been able to be naturalised prior to this, were it not for the Apartheid laws which prohibited naturalisation of certain persons. This means that an African, Coloured or Indian person who was not a South African citizen before the commencement of the constitution in 1993 but who would have been entitled to apply to be naturalised prior to 1993, will also be considered a black person and therefore a beneficiary of BEE.

1.6 **“Black woman-owned enterprise”** means an enterprise with at least 25,1% representation of black women within the black equity and management portion.

1.7 **“Closing time”** means the date and hour specified in the bidding documents for the receipt of bids.

1.8 **“Comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilised have been taken into consideration.

1.9 **“Community or broad-based enterprise”** means an enterprise that has an empowerment shareholder who represents a broad base of members such as a local community or where the benefits support a target group, for example black women, people living with disabilities, the youth and workers. Shares are held via direct equity, non-profit organisations and trusts.

Benefits from the shareholding should in a measurable sense be directed towards the uplifting of the community through job creation, welfare, skills development, entrepreneurship and human rights. At the same time, directors and management of groups should significantly comprise black persons.

These arrangements are appropriate in situations where the activities or operations of an enterprise or industry directly impact on a community or are located in a community, or may benefit a community. Notable examples are large industrial projects, mining and tourism. Other instances, which do assist in broadening the shareholder base, are employee share ownership schemes; these are a viable empowerment shareholder option. In this and other circumstances, these arrangements should not detract from the ability of the shareholder to exercise significant influence or control over the operations of the business.

1.10 **“Consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skills and knowledge in an activity for the execution of a contract.

1.11 **“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.

1.12 **“Contract price”** means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.13 **“Control”** means the possession and exercise of legal authority and power to manage the assets, goodwill and daily operations of a business and the active and continuous exercise of appropriate managerial authority and power in determining the policies and directing the operations of the business.

1.14 **“Co-operative or collective enterprise”** is an autonomous association of persons who voluntarily join together to meet their economic, social and cultural needs and aspirations through the formation of a jointly-owned enterprise and democratically controlled enterprise.

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

1.16 **“Countervailing duties”** are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

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

1.18 **“Day”** means calendar day.

1.19 **“Delivery”** means delivery in compliance with the conditions of the contract or order.

1.20 **“Delivery ex stock”** means immediate delivery directly from stock actually on hand.

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

1.22 **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.

1.23 **“Dumping”** occurs when a private enterprise abroad markets 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.

1.24 **“Equity Ownership”** means the percentage ownership and control, exercised by individuals within an enterprise.

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

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

1.27 **“GCC”** means the General Conditions of Contract.

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

1.29 **“Historically Disadvantaged Individual (HDI)”** means a South African citizen -

1.29.1 who, due to the Apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 110 of 1983) or the Constitution of the Republic of South Africa, 1993, (Act 200 of 1993) (“the interim Constitution); and/or

1.29.2 who is a female; and/or

1.29.3 who has a disability:

provided that a person who obtained South African citizenship on or after the coming into effect of the Interim Constitution, is deemed not to be a HDI.

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

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

1.32 **“Management”** means an activity inclusive of control and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.

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

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

1.35 **“Owned”** means having all the customary elements of ownership, including the right of decision-making and sharing all the risks and profits commensurate with the degree of ownership interests as demonstrated by an examination of the substance, rather than the form of ownership arrangements.

1.36 **“Parliament”** means Parliament of the Republic of South Africa as set out in Chapter Four of the Constitution.

1.37 **“Person”** includes reference to a juristic person.

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

1.39 **“Purchaser”** means the organization purchasing the goods.

1.40 **“Rand value”** means the total estimated value of a contract in Rand denomination that is calculated at the time of the bid invitations, and includes all applicable taxes and excise duties.

1.41 **“Republic” or “RSA”** means the Republic of South Africa.

1.42 **“RFP”** means Request for Proposal.

1.43 **“RFT”** means Request for Tender.

- 1.44     **“RFQ”** means Request for Quotation.
- 1.45     **“SCC”** means the Special Conditions of Contract.
- 1.46     **“Secretary”** means the Secretary to Parliament.
- 1.47     **“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.
- 1.48     **“Specific contract participation goals”** means the goals as stipulated in the Preferential Procurement Regulations, 2001. In addition to above-mentioned goals, the Regulations [12. (1)] also make provision for organs of State to give particular consideration to procuring locally manufactured products.
- 1.49     **“Small, Medium and Micro Enterprises (SMMEs)”** bears the same meaning assigned to this expression in the National Small Business Act, 1996 (Act 102 of 1996).
- 1.50     **“Sub-contracting”** means the primary contractor’s assigning or leasing or making out work to, or employing another person to support such a primary contractor in the execution of part of a project in terms of the contract.
- 1.51     **“Trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.
- 1.52     **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.
- 1.53     **“Written”** or **“in writing”** means handwritten in ink or any form of electronic or mechanical writing.

## **2. Application**

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

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

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

## **3. General**

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

#### **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 as far as may be necessary for purposes of such performance.

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

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

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

#### **6. Patent rights**

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

#### **7. Performance security**

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

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



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

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

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

## **8. Inspections, tests and analyses**

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

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

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

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

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

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

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

substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

## **9. Packing**

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

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

## **10. Delivery and documents**

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

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

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

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;

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

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

#### **14. Spare parts**

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

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

#### **15. Warranty**

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

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

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

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

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

## **16. Payment**

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

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

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

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

## **17. Prices**

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

## **18. Contract amendments**

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

## **19. Assignment**

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

## **20. Subcontracts**

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

## **21. Delays in the supplier's performance**

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

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

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

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

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

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

## **25. Force Majeure**

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

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations

under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

## **26. Termination for insolvency**

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

## **27. Settlement of Disputes**

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

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

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

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

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

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

## **28. Limitation of liability**

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

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

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price,

provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

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

## **30. Applicable law**

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

## **31. Notices**

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

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

## **32. Taxes and duties**

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

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

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid, Parliament 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 (SARS).

## **33. Ownership and Copyright**

33.1.1 Ownership of all products produced in terms of this agreement, of whatever nature, vest in Parliament.

33.1.2 The copyright of products, of whatever nature, commissioned and produced in terms of this agreement, and that have been paid for by the Secretary are owned exclusively by Parliament.



**DECLARATION**

I, THE UNDERSIGNED  
(NAME).....

CERTIFY THAT THE I HAVE READ AND UNDERSTAND THE INFORMATION  
ABOVE. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT  
AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL  
CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE  
FALSE.

.....  
Name of bidder

.....  
Date

.....  
Position

.....  
Signature



