



social development

Department:
Social Development
North West Provincial Government
REPUBLIC OF SOUTH AFRICA



**CHIEF DIRECTORATE:
FINANCIAL MANAGEMENT & ADMINISTRATION**

Private Bag X 6 ■ Mmabatho, 2735 ■ Provident House Building, University Drive ■ MMABATHO
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INVITATION TO BID

BID REF. NO	NW/DSD/02/2023
DESCRIPTION	APPOINTMENT OF DULY AUTHORISED SERVICE PROVIDER FOR THE PROVISION OF OPERATIONS DESIGN FOR A PERIOD OF THREE (3) YEARS
BRIEFING SESSION DATE AND TIME	11 APRIL 2023 AT 11H00
BRIEFING SESSION VENUE	AMOS HOUSE BUILDING CORNER NELSON MANDELA AND MARTIN STREET MAFIKENG
BID SUBMISSION ADDRESS	Tender box situated the Department of Social Development, Provident Building, First Floor, Supply Chain Management, University Drive, Mmabatho
BID CLOSING DATE	19 APRIL 2023
BID CLOSING TIME	11h00 am
BID VALIDITY PERIOD	90 Days
BID INFORMATION	Bid can be obtained from the e-tender portal: www.etender.gov.za

Prospective Suppliers who are interested in participating in afore mentioned Bid are invited to submit their proposal in full compliance to the requirement of this document. Completed, signed and clearly labelled Proposal sealed in an envelope be submitted to the above-mentioned address on or before closing date and time.

OPERATIONS DESIGN



1. Purpose

- 1.1 To appoint service providers to render Operations Design services in the Department.

2 Background

- 2.1 The Department is mandated to ensure that there is a comprehensive process improvement and operational design strategy that will identify and close service delivery gaps, helping the Department to deliver better results on a more consistent basis.
- 2.2 Operational design management encompasses the ongoing processes, business decisions, and strategies that enable innovation and create effectively designed products, services, communications, environments, and brands that enhance our quality of life and provide organizational success. The following issues forms baseline on the need of the service provider to ensure improved and effective implementation of the Departmental strategic objectives:
 - Segregation of duties not clear between all levels of service delivery (Provincial Office/District/Service Points/Institutions)
 - Misalignment of Directorates and sub-directorates functions
 - Job Descriptions that do not guide work plans
 - Ineffective Business processes, Standard Operations Procedure and Service Standards

3 Legislative Mandates

- 3.1 The Service Provider shall at all times for the duration of this agreement and or any renewal or extension thereof, be in possession of or comply with all relevant legislation, including but not limited to the following:
 - Public Service Regulations 2016 , as amended
 - Public Service Act
 - Public Finance Management Act
 - Employment Equity Act, Act 55 of 1998, as amended,
 - Skills Development Act, Act 79 of 1998, as amended,
 - Basic Conditions of Employment Act, Act 75 of 1997, as amended,
 - Labour Relations Act, Act 66 of 1995;

- Occupational Health and Safety Act; Act 85 1993
- Constitution (108 of 1996)
- White Paper for Social Welfare (1997)
- White paper population Policy for South Africa (1998)
- Aged persons Act No. 81 (1967)
- Older Persons Act No 13 (2006)
- Fund-Raising Act No 107 (1978)
- Social Service Professions Act No 110 (1978)
- Children's Act No 38 of 2005
- Prevention of and Treatment of Drug Dependency Act ,1992
- Social Assistance Act N0 59 (1992), and Welfare Laws Amendment Act No 106 (1997)
- Non- Profit Organisations Act No 71 (1997)
- National Development Agency Act No 108 (1998)
- Advisory Board on Social Development Act No 3 (2001)
- Domestic Violence Act No 116 (1998)
- Probation Services Act No 35 of (2002)
- Child Justice Act No 75 of (2008)
- Health Professions Act 56 of 1974 as amended
- Protection Of Personal Information Act

4 Duration of the contract

4.1 The duration of the contract will be for a period of three (3) years.

5 Scope of work

5.1 The demand for increased effective and efficient service delivery require continuous attention from Government. The Public Service Act of 1994, as amended, state that the Executive Authority is responsible for the effective and efficient functioning of their Department. Therefore, it is not surprising that many Departments find themselves in the midst of change interventions

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- which range from incremental continuous process improvement to full scale change programmes.

5.2 The Operation design project is considered as a very fundamental project for effective and efficient execution of functions performed by the Department of Social Development in the North West Province. The project will address processes in all work areas – Core, Support and Management. This will also address the process flow from

Provincial Office → Districts → Service Points/Institutions

5.3 Departmental Chief Directorates and Directorates

Corporate Services	Financial Management Services	Social Welfare Services	Development and Research
Human Capital Management	Financial Planning, Budgeting, Monitoring and Reporting	Crime Prevention & Support-	Population Policy Promotion
Strategic Planning, Policy, Research, Monitoring and Evaluation	Financial Administration and Accounting	Victim Empowerment Services and Family Care Services	Institutional Capacity Building and Support
Media and Communication Services	Supply Chain Management Services	Child Care and Protection Services	Poverty Eradication Strategy Coordination
Legal Services	Infrastructure Development	Partial Care	Sustainable Livelihoods
Support services	Internal Control	Special Needs	Youth Development
Security, Records		HIV&AIDS	

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and Knowledge Management			
		Social Relief of Distress	

5.4 Departmental District Offices, Service Points and Institutions

District	Service Points	Institutions
Bojanala Platinum	Moses Kotane Rustenburg Moretele Madibeng Kgetleng	Sonop Old Age home Reamogetswe Child and Youth Care Rustenburg Secure Care Centre
Dr Kenneth Kaunda	JB Marks Matlosana Maquassi Hills	JB Marks Inpatient Treatment Centre Matlosana Secure Care Centre
Ngaka Modiri Molema	Ditsobotla Mahikeng Ramotshere- Moiloa Ratlou Tswaing	Itsoseng Handicraft Centre Boikagong Child and Youth Care Centre
Dr Ruth Segomotsi Mompati	Naledi Greater Taung Kagisano -Molopo Mamusa Lekwa Teemane	Khuseleka One Stop Victim Empowerment Centre Taung Inpatient Treatment Centre Taung Old Age Home

NB: The machinery and mechanisms specifically for the project are- **Service delivery model, Business Process, Standard Operating Procedures and Organizational Design alignment.**

6 The Operation Design project intends to address the following set of operational deliverables:

- To assess the current processes in execution of Departmental functions
- To document AS-IS (current existing) processes and analyse bottlenecks/delays/blockages that impact on service delivery and provide an assessment report.
- To provide recommendations on improvement of Business Process, Service standards, Standard Operating Procedures.
- The improvement plan should demonstrate how the recommendations will unpack how the Department is going to deliver on the determined strategy.
- To document a detailed process manual depicting input, flow, output, owner, process policy and execution time etc.
- To develop Business Process Mapping.
- To document Standard Operating Procedures manuals which will clearly outline "what should be done", "when", "where", by "whom" and "how" (4W AND H).
- Alignment of Directorates and sub directorates functions.
- Conduct capacity building on Business Processes, Service standards, SOP(train the trainer)
- 50% Sampling on revised processes and provide implementation report with corrective measures
- To determine the alignment between the Organisational Structure, business processes and the service delivery model.

7 OUTPUTS

- Assessment report
- Manual of the revised Business Processes, Standard Operating Procedures, Service standards
- Training report on the revised Business Processes, Standard Operating Procedures, Service standards
- Implementation report on the revised Business Processes, Standard Operating Procedures, Service standards



- Alignment report of the structure and the Business Processes, Standard Operating Procedures, Service standards

8 BID REQUIREMENTS

8.1 BID CONDITIONS

- 8.2 Faxed, emailed bids will not be considered, only hand delivered bids deposited into the designated tender box before the closing date and time will be accepted.
- 8.3 The hard copy of the bid response will serve as the legal bid document.
- 8.4 All bid prices must be quoted in South African currency and must be VAT inclusive where applicable.
- 8.5 All bidding vendors must have a VALID bank account.
- 8.6 The successful bidder(s) shall render the services, expertise and facilities to the Department as set out in this document and Service Level Agreement (SLA).
- 8.7 The condition contained in the General Conditions of Contract (GCC) and Bid forms, as well as other condition accompanying this invitation are applicable.

9 SUBMISSION OF BIDS

- 9.1 Bidders must submit the bid in hard copy format (paper document) to: University Drive, Provident House, 1st Floor Supply Chain Management division, north wing, Mmabatho on or before the closing date and time.
- 9.2 The hard copy of the bid response will serve as the legal bid document.

10 LATE BIDS

- 10.1 Bids received after the closing date and time, at the address indicated above will not be accepted for consideration. Please note that bids are late if they are received at the address given in the bid document after the bid closing date and time.

11 BID VALIDITY PERIOD

- 11.1 Bids will be valid for a period of 90 days from the closing date.

12 DURATION OF CONTRACT

12.1 The contract will be awarded for a period of **three (03) years**.

13 VALUE ADDED TAX (VAT)

13.1 All bid prices must be quoted in South African currency and must be VAT inclusive where applicable.

14 B-BBEE

14.1 Original or certified copy of B- BBEE certificate/ Sworn Affidavit. The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.

15 JOINT VENTURE

15.1 A joint venture agreement endorsed by both parties and attested by the Commissioner of Oath must also be attached. Bidders are required to submit a consolidated and valid B-BBEE status level verification certificate in the joint venture name. Failure to comply with this requirement will result in the joint venture not being scored for B-BBEE status level.

16 BID DOCUMENT

16.1 The Department of Social Development will no longer sell bid documents. Bidders are advised to download bid documents from e-tender portal: www.etender.co.za. No faxed or e-mailed bids will be accepted.

17 SPECIAL CONDITIONS OF CONTRACT

17.1 Awarding of the final contract will be subject to the signing of a service level agreement between the Department of Social Development in the North West Province and the successful service provider.

17.2 The Department of Social Development reserves the right to award the contract to one service provider and does not bind itself to accept the lowest bid or any bid.

17.3 All information, documents and reports must be regarded as confidential and may not be made available to any unauthorized person or institution

without written consent of the Accounting Officer of the Provincial Department of Social Development or her/his delegate.

- 17.4 The service provider is entitled to the general knowledge acquired in the execution of this agreement and may use it, provided that it shall not be to the detriment of the Accounting Officer/MEC of the Department of Social Development.
- 17.5 The prospective bidders must submit all –inclusive price as part of the tendering process.
- 17.6 A non- compulsory virtual briefing session will be held as per the advertisement.
- 17.7 The contract will be awarded for a period of three (03) years.
- 17.8 The bid document must be properly binned, initialled on each page and numbered.

18 BID EVALUATION STAGES

18.1 STAGE 1: MANDATORY ADMINISTRATIVE REQUIREMENTS

- 18.1.1 Bidders must be registered on the Central Supplier Database and submit Central Supplier Database report/Master registration number for proof of CSD registration.
- 18.1.2 Valid Tax compliance status pin.
- 18.1.3 Fully completed and signed SBD 1: Invitation of Bid.
- 18.1.4 Fully completed and signed SBD 3.3: Pricing Schedule: Professional Service.
- 18.1.5 Fully completed and signed SBD 4: Bidders Disclosure.
- 18.1.6 Fully completed and signed SBD 6.1: Preferential Point Claim form in Terms of the Departmental Preferential Procurement Policy 2022.
- 18.1.7 Attach General Conditions of Contract.
- 18.1.8 Completed and signed Bid document.

18.2 STAGE 2: TECHNICAL FUNCTIONALITY REQUIREMENTS

FUNCTIONALIT Y ITEM	REQUIREMENT	VALUE	POINTS	WEIGHT
1. Company work on	Number of projects and/or	Award letters/orders and/or relevant reference letter	5 Verifiable awards and/or 5 reference letters and above = 5	30%

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<p>Operation Design/Org Development environment</p>	<p>awards on Operation Design/Org Development environment in Public Services</p>	<p>from where services were previously rendered</p>	<p>points</p> <p>4 Verifiable awards and/or 4 reference letters = 4 points</p> <p>3 Verifiable awards and/or 3 reference letters= 3 points</p> <p>2 Verifiable awards and/or 2 reference letters = 2 points</p> <p>1 Verifiable award and/or 1 reference letter = 1 point</p> <p>0 award and 0 reference letter = 0 point</p> <p>NB: An award letter and its reference will constitute one submission I.e. 1 Award letter/order accompanied by its reference =1 Point</p>	
<p>2. Management Profile</p>	<p>Management qualifications</p>	<p>- Minimum Master's Degree in Psychology/ Industrial/ Applied Psychology and registration with Health Profession Council of South</p>	<p>Minimum Master's Degree and HPCSA registration certificate = 3 points</p>	<p>25%</p>

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		Africa (HPCSA):		
2.1	Key Personnel Profile	Key Personnel qualifications	- 3yr Degree/National Diploma in: Organizational Design/ Project Management/ Industrial/ Applied Psychology/HR Qualifications	3 year qualification = 2 points
3.	Methodology/ Business process	<p>A step by step explanation on how the organizational diagnosis and redesign exercise will be conducted.</p> <p>A step by step explanation on how the process will be mapped and document</p>	<p>DPSA approved OD methodology or diagnostic tools.</p> <p>This process must address the following; Standards Operating Procedure, business process, mapping and key performance indicators.</p>	<p>5 Points for detailed methodology (15% of 45%)</p> <p>0 Points for a submission that is not detailed</p>
				45%

3.1	Job Evaluation	Job Evaluation system and methodology to be used	Job analysis to inform review and update of job descriptions Job evaluating system, remunerating analysis, benchmarking with another provinces	5 Points (15% of 45%) 0 Points for a submission that is not detailed.	
3.2	Change management	Identification of potential risk that may arise during the process and propose mitigation strategy.	Detailed change management process need to be aligned	5 Points (15% of 45%) 0 Points for a submission that is not detailed	
TOTAL					100
Minimum acceptable score					60%

NB: Bidder must obtained a minimum score of 60% points in order to progress to the next stage of evaluation. FAILURE TO MEET THE MINIMUM THRESHOLD FOR FUNCTIONALITY, THE BIDDER WILL BE NON-RESPONSIVE.

2.2 STAGE 3: PRICE AND SPECIFIC GOALS POINTS

2.2.1 Price

In terms of regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive

bids will be evaluated by the State on the 80/20-preference point system in terms of which points are awarded to bidders on the basis of:

- The bid price (maximum 80 points)
- B-BBEE status level of contributor (maximum 20 points)

The following formula will be used to calculate the points for price:

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

Where:-

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

2.2.2 SPECIFIC GOALS POINTS

No	Specific Goals	Procurement Transactions Preference Points allocated out of 20
1.	Enterprises owned by black people. <i>(must be included as a specific goal)</i>	10
2.	Enterprises located in a specific Area: <ul style="list-style-type: none"> • Township / Village Area 	4 <ul style="list-style-type: none"> • (Proof Business Address)
3.	<ul style="list-style-type: none"> • Enterprises owned by Women. 	6

A maximum of 10 points may be awarded to a tenderer for the B-BBEE specific goals specified in the table below:

B-BBEE STATUS LEVEL OF CONTRIBUTOR	NUMBER OF POINTS
1	10
2	9
3	6
4	5

5	4
6	3
7	2
8	1
Non Contributor	0

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

3 COSTING AND PRICING

The Costing is apportioned into three components, and they are classified as follows:

NO.	ITEMS	OUTPUT	AMOUNT
1.	Assess the current processes	Assessment report	
2.	Business Process review and development	Manual	
3.	Service Standards review and development	Manual	
4.	Standard Operating Procedure	Manual	
5.	Standardization of JD at District Offices, SP and Institutions	JD's	
6.	Alignment of the Organizational structure to the processes	Aligned structure	
7.	Training on BP,SOP SS	Training reports	

4 BID ENQUIRIES

Contact Person: Supply Chain Management related matters:

Name: Mr J Mnguni

Tel: 018 388 2798/ 1529

E-mail:JMnguni@nwpg.gov.za

Contact person: Technical matters:

Name: Mr A Mokgwasa

Tel: 018 388 2551

E-mail:AJMokgwasa@nwpg.gov.za

NB: All enquires must be in writing

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1. PROJECT DESCRIPTION

1.1 The Department of Public Service and Administration has developed a strategic framework for Employee Health and Wellness which is aimed at creating an integrated, needs-driven, participative and holistic approach to Employee Health and Wellness in the Public Service. The integrated approach to employee health and wellness recognizes the importance of individual health, wellness and safety and its linkages to organizational wellness and productivity in the Public Service.

2. SCOPE OF WORK (DELIVERABLES)

- 2.1** The services of the appointed service provider are expected to benefit all the 2556 employees and their immediate family members in all geographical workplaces of the Department in the North West Province.
- 2.2** The acquired services should provide the Employee Support and Care Services which are designed to provide employees with:-

3. COUNSELLING

- 3.1** Provide trauma debriefing within 24 hours (individual and/or group) of an incident; Provide trauma management services.
- 3.2** Render a telephonic as well as face-to-face counseling service to employees and immediate family members in the North West Province.
- 3.3** Telephonic counseling should be six (06) sessions.
- 3.4** Physical visit to be conducted by the DSD (North West) to the service provider work premises, to ascertain (to conduct due diligence) availability of the call center and
- 3.5** Provide monthly Telephone Management System should be in place to track calls and employees who consulted and provide call back options – i.e. how long does employees hold to get an answer.
- 3.6** Face-to-face counseling should be at a maximum of six (6) sessions per problem per employee/family member and referral to a relevant specialist thereafter.



- 3.7** All face to face referrals shall be approved by the Departmental Wellness Manager to ensure that all internal arrangements pertaining to attendance of sessions and leave is addressed before hand.
- 3.8** Provide management consultations, interventions and coaching; and
- 3.9** Provide management support in relation to formal referrals.

4. ADVOCACY, TRAINING AND AWARENESS PROGRAMS

- 4.1** Develop and facilitate the Departmental advocacy, training and awareness so as to ensure effective prevention and promotion healthy and active lifestyles
- 4.2** Conduct training to employees, managers and supervisors on identification and referral of troubled employees on time.
- 4.3** Develop and implement advocacy, education, and awareness so as to ensure working relationships with social support structures.
- 4.4** Provide facilitation/presentation for a quarterly 4-hour workshop based on the trends emanating from the counselling service or as per the needs identified through other programmes within.
- 4.5** Workshops must include education on life skills so that employees could develop and enhance their coping skills.
- 4.6** Coordinate and facilitate Departmental Wellness Day Event and Team Building in conjunction with the DSD EHWP.

5. GROUP INTERVENTIONS (ON A NEEDS BASIS)

- 5.1** Provide group interventions on a need basis.
- 5.2** Group interventions, unlike trauma debriefing, should focus on intervention, group support and team development / cohesion and sustenance, including inter and intrapersonal skills development: and
- 5.3** Group interventions should include assessment, group facilitation and recommendations.
- 5.4** Employee morale boosting services – this should include workshops aimed at inspiring / reviving employees' work spirit to enhance job productivity.

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6. ADVERTISING AND MARKETING

- 6.1** Develop marketing tools for promotion of the programmes to employees, management, and supervisors electronically e.g. social media; pamphlets; brochures; leaflets; posters; exhibitions and provide an annual program of planned wellness activities and the related costs.
- 6.2** Provide marketing material for all projects in the annual plan
- 6.3** Monitor and evaluate marketing impact: and
- 6.4** Provide health promotion and education pamphlets/ material to be distributed through the Exhibition table and notice boards.

7. THE ROLE OF THE DEPARTMENT

- 7.1** Co-ordinate all Employee Health and Wellness activities within the Department.
- 7.2** Provision of Meeting/ Consultation /Counselling rooms if required.
- 7.3** Coordinate internal administrative and corporate responsibilities e.g. notices and venues.
- 7.4** Ensure planning, organising and internal reporting of Employee Health and Wellness Programmes for the Department.
- 7.5** Regular meetings should be held to discuss progress on implementation of programmes as per submitted plans.

8. MONITORING AND REPORTING

- 8.1** Provide monthly, quarterly, biannual and annual reports.
 - 8.1.1 Conduct short-term and long-term monitoring and impact assessment through online surveys and provide a report. Short-term full-scale research so as to short-term assessment of outputs and outcomes and evaluations for establishment of patterns and long term impact assessment.
 - 8.1.2 The report must include recommendations to facilitate management decision making

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- 8.1.3 The contracting authority for the Employee Health and Wellness services will be the Provincial Department of Social Development.
- 8.1.4 A service level agreement between the service provider and the Provincial Department of Social Development setting out these terms of reference will be drawn up and agreed upon prior to the commencement of the project.

8.2 DUTIES AND OBLIGATIONS OF THE SERVICE PROVIDER

- 8.2.1 The prospective service provider will be expected to undertake a comprehensive Employee Health and Wellness services to the Departmental employees. The Departmental Services are rendered through various Districts Service Points and institutions located in various local municipalities.
- 8.2.2 The appointed service provider shall be responsible for the collection of primary qualitative and quantitative data on all identified pillars of EHW.
- 8.2.3 The service provider is expected to work with and use own resources and materials in the execution of this project.
- 8.2.4 The Service Provider shall work with the nominated District, Service point and institutions representatives to gain easy access to all necessary documentation and get access to the service beneficiaries/departmental employees.
- 8.2.5 The Service Provider will transport his/her workers to different sites (Districts/Service points and institutions).
- 8.2.6 The Service Provider will provide a detailed quality assurance plan to reflect that all processes and products are of good quality.
- 8.2.7 The Service Provider shall provide a work plan or activity based plan indicating time frames per activities and responsible researchers or assistant researchers should be provided for in the proposal.
- 8.2.8 Conduct Capacity Development workshop with identified officials Employee Health and Wellness unit (Wellness committee, Wellness buddies) for Skills and knowledge transfer where possible.

- 8.2.9 The service provider shall be responsible to submit a comprehensive monthly progress report.
- 8.2.10 The service provider shall provide and present a completed comprehensive Public Opinion Survey Report with executive summary of findings and recommendations to the Department of Social Development, North West Province.

9. DUTIES AND OBLIGATIONS OF THE DEPARTMENT

- 9.1 Payment will be effected within 30 days after the receipt of a satisfactory detailed invoice from the successful service provider.
- 9.2 Payment will be made in accordance with the completion of work to the satisfaction of the Provincial Department of Social Development based on the milestone of the project agreed to and signed off as part of the implementation plan.
- 9.3 The Department shall be responsible for the monitoring and evaluation of the project through the Sub: Directorate: Employee Health and Wellness. The department shall ensure that the terms of reference as set are executed as such.
- 9.4 The Department shall be responsible for the nomination and provision of co-ordinators per identified District, Service Points and Institution.
- 9.5 The Department shall introduce the appointed service provider to the Districts and Service Points.

10. BID REQUIREMENTS

10.1 BID CONDITIONS

- 10.1.1 Faxed, emailed bids will not be considered, only hand delivered bids will be accepted.
- 10.1.2 Bids received after the closing date and time, at the address indicated above will not be accepted and consider.
- 10.1.3 The hard copy of the bid response will serve as the legal bid document.
- 10.1.4 All bid prices must be quoted in South African currency and must be VAT inclusive where applicable. All bidding vendors must have a VALID bank account.

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- 10.1.5 The bidder shall provide all required facilities for inspections, tests and analysis of the available apparatus, which may be required free of charge unless otherwise specified.
- 10.1.6 The bidder also agrees that the financial standing may be examined as part of the inspection.
- 10.1.7 As from effective date the Successful Bidder(s) shall render the services, expertise and facilities to the Department as set out in this document and SLA.
- 10.1.8 The condition contained in the General Conditions of Contract (GCC) and Bid forms, as well as other condition accompanying this invitation is applicable.
- 10.1.9 Service provider must provide a proposal with clear approach (model of implementation), project phases, deliverables, time frames and costs.

11. SUBMISSION OF BIDS

- 11.1** Bidders must submit the bid in hard copy format (paper document) to: University Drive, Provident House, 1st Floor Supply Chain Management division, East wing, Mmabatho on or before the closing date and time.

The hard copy of the bid response will serve as the legal bid document.

12. LATE BIDS

- 12.1** Bids received after the closing date and time, at the address indicated above will not be accepted for consideration. Late submissions must be registered or marked as such and form part of the evaluation report.

13. BID VALIDITY PERIOD

- 13.1** Bids will be valid for a period of 90 days.

14. DURATION OF CONTRACT

- 14.1** The contract will be awarded for a period of **three (3) years**.

15. VALUE ADDED TAX (VAT)

- 15.1** All bid prices must be quoted in South African currency and must be VAT inclusive where applicable. All bidding vendors must have a valid bank account.

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15.2 B-BBEE

- 15.2.1 The State may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to preference.

16. JOINT VENTURE

- 16.1** A joint venture agreement endorsed by both parties and attested by the Commissioner of Oath must also be attached. Bidders are required to submit a consolidated valid B-BBEE status level verification certificate in the joint venture name. Failure to comply with this requirement will result in the joint venture not being scored for B-BBEE status level.

17. BID DOCUMENT

- 17.1** The Department of Social Development will no longer sell bid documents. Bidders are advised to download bid documents from the Departmental website on www.e-tenders.gov.za No Faxed or E-mailed bids will be accepted.

18. SPECIAL CONDITIONS OF CONTRACT

- 18.1** Awarding of the final contract will be subject to the signing of a service level agreement between the Department of Social Development in the North West Province and the successful service provider.
- 18.2** The Department of Social Development reserves the right to award the contract to one service provider and does not bind itself to accept the lowest bid or any bid.
- 18.3** All information, documents and reports must be regarded as confidential and may not be made available to any unauthorized person or institution without written consent of the Accounting Officer of the Provincial Department of Social Development or her/his delegate.
- 18.4** The prospective bidders must submit all –inclusive price as part of the tendering process.

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- 18.5** The contract will be award for a period of three (3) years 36 months.
- 18.6** The bidders' services must include Clinical Psychological services.
- 18.7** The bid document must be properly bound, initialled on each page and numbered.

19. BID EVALUATION STAGES

19.1 STAGE 1: MANDATORY ADMINISTRATIVE REQUIREMENTS

- 19.1.1 Bidders must be registered on the Central Supplier Database and submit Central Supplier Database report/Master registration number for proof of CSD registration.
- 19.1.2 Valid Tax compliance status pin.
- 19.1.3 Fully completed and signed SBD 1: Invitation of Bid.
- 19.1.4 Fully completed and signed SBD 3.3: Pricing Schedule: Professional Service.
- 19.1.5 Fully completed and signed SBD 4: Bidders Disclosure.
- 19.1.6 Fully completed and signed SBD 6.1: Preferential Point Claim form in Terms of the Departmental Preferential Procurement Policy of 2022.
- 19.1.7 Attach General Conditions of Contract.
- 19.1.8 Completed and signed Bid document.

Bidders that do not meet the pre-qualification criteria stipulated above will be disqualified from further evaluation.

19.2 STAGE 2: TECHNICAL FUNCTIONALITY REQUIREMENTS

FUNCTIONALITY ITEM	REQUIREMENT	VALUE	POINTS	WEIGHT
1. Company work in Psycho-social services	Number of projects or awards in Psycho-social services	Award letters/orders accompanied by relevant reference letter from where services were previously rendered	5 Verifiable awards and 5 reference letters and above = 5 points 4 Verifiable awards and 4 reference letters = 4 points	50%



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			<p>3 Verifiable awards and 3 reference letters= 3 points</p> <p>2 Verifiable awards and 2 reference letters = 2 points</p> <p>1 Verifiable award and 1 reference letter = 1 point</p> <p>0 award and 0 reference letter = 0 point</p> <p>NB: An award letter and its reference will constitute one submission I.e. 1 Award letter/order accompanied by its reference =1 Point</p>	
2. Management Profile	Management qualifications	- Master's Degree in Psychology/ Social Work/ Industrial/ Applied Psychology and registration with Health Profession Council of South Africa (HPCSA) or with the South African Council for Social	Master's Degree and HPCSA or with the South African Council for Social Service Professions SACSSP registration certificate = 5 points	30%



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		Service Professions (SACSSP)		
3. Key Personnel Profile	Key Personnel qualifications	Honors Degree in Psychology and valid registration with Health Professions Council of South Africa (HPCSA) Bachelor's Degree in Social Work and valid registration with the South African Council for Social Service Professions (SACSSP)	Honours Degree in Psychology and registration with HPCSA = 3 points Bachelor's Degree in Social Work and registration with SACSSP = 2 points	20%
TOTAL				100
Minimum acceptable score				60%

NB: Bidder must obtain a minimum score of 60% points in order to progress to the next stage of evaluation. FAILURE TO MEET THE MINIMUM THRESHOLD FOR FUNCTIONALITY, THE BIDDER WILL BE NON-RESPONSIVE.

19.3 STAGE 4

19.3.1 PRICE AND SPECIFIC GOALS POINTS

19.3.1.1 Price

In terms of regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be evaluated by the State on the 80/20-preference point system in terms of which points are awarded to bidders on the basis of:

- The bid price (maximum 80 points)
- B-BBEE status level of contributor (maximum 20 points)

The following formula will be used to calculate the points for price:

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

Where:-

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

19.3.1.2 SPECIFIC GOALS POINTS

No	Specific Goals	Procurement Transactions Preference Points allocated out of 20
1.	Enterprises owned by black people. <i>(must be included as a specific goal)</i>	10
2.	Enterprises located in a specific Area: <ul style="list-style-type: none">• Township / Village Area	4 <ul style="list-style-type: none">• (Proof Business Address)
3.	<ul style="list-style-type: none">• Enterprises owned by Women.	6

A maximum of 10 points may be awarded to a tenderer for the B-BBEE specific goals specified in the table below:

B-BBEE STATUS LEVEL OF CONTRIBUTOR	NUMBER OF POINTS
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non Contributor	0

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

19.3.1.3 Bidders are required to complete the preference claim form (SBD 6.1), and submit their original and valid B-BBEE status level verification certificate or a certified copy thereof in order to claim the B-BBEE status level points. The points scored by a bidder in respect of the level of B-BBEE contribution will be added to the points scored for price.

20. COSTING STRUCTURE

Description	Amount		
	Cost per item	Number of employees	Total
Telephonic Counselling Service 24/7		1000	
Face to face counselling		1000	
Health and Active living and Life skills programmes		1500	
Trauma Debriefing Management Services		100	
Management support interventions		50	

Advocacy, Training and Awareness programmes		2617	
Team Building Activities		1500	
Production of marketing materials		2617	
Total			
VAT @ 15%			
Total cost per specification			

21. BID ENQUIRIES

Contact person: Supply Chain Management related matters:

Name: Mr. J. Mnguni

Tel: 018 388 2798/ 1529

E-mail:JMnguni@nwpg.gov.za

Contact person: Technical matters:

Name: Mr. P.M Mosadi

Tel: 018 388 1681

E-mail:pmosadi@nwpg.gov.za

MNC

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF SOCIAL DEVELOPMENT: NORTH WEST PROVINCE					
BID NUMBER:	NW/DSD/02/2023	CLOSING DATE:	19 APRIL 2023	CLOSING TIME:	11H00
DESCRIPTION	Appointment of duly authorized service provider for the provision of operational design for a period of 36 months				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
1 ST FLOOR UNIVERSITY DRIVE					
PROVIDENT HOUSE BUILDING					
SUPPLY CHAIN MANAGEMENT					
NORTH WING ENTRANCE, MMABATHO 2735					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr J Mnguni		CONTACT PERSON	Mr PM Mosadi	
TELEPHONE NUMBER	(018) 388 2798/1529		TELEPHONE NUMBER	(018) 388 1681	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	jmnguni@nwpg.gov.za		E-MAIL ADDRESS	pmosadi@nwpg.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<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 THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:	
1.1.	BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2.	ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3.	THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4.	THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS	
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4	BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5	IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6	WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7	NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

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

DATE:

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO:
CLOSING TIME 11:00	CLOSING DATE.....

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

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

1. The accompanying information must be used for the formulation of proposals.
2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION	HOURLY RATE	DAILY RATE
.....	R.....

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

.....	R..... days

5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....

TOTAL: R.....

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

Name of Bidder:

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....
TOTAL: R.....			

- 6. Period required for commencement with project after acceptance of bid
.....
- 7. Estimated man-days for completion of project
.....
- 8. Are the rates quoted firm for the full period of contract? *YES/NO
- 9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.
.....
.....
.....

***[DELETE IF NOT APPLICABLE]**

Any enquiries regarding bidding procedures may be directed to the –

(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

Tel:

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship

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

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....
.....

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

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

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

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

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

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

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

.....
Signature	Date
.....
Position	Name of bidder

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

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

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

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	
SPECIFIC GOALS	
Total points for Price and SPECIFIC GOALS	100

M.W.

- 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:

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

Where

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

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

3.2.1. **POINTS AWARDED FOR PRICE**

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

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

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)
Enterprises owned by black people. <i>(must be included as a specific goal)</i>	N/A	10		
Enterprises located in a specific Area: <ul style="list-style-type: none"> • Township / Village Area 	N/A	4 <ul style="list-style-type: none"> • (Proof Business Address) 		
<ul style="list-style-type: none"> • Enterprises owned by Women. 	N/A	6		

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:

nrk

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

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
33. National Industrial Participation Programme (NIPP)

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance security**
- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with

supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security,

damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

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

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

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

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

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

28. Limitation of liability

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

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

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.