



sport, arts & culture

Department:
Sport, Arts and Culture
REPUBLIC OF SOUTH AFRICA

Private Bag X897, Pretoria 0001 – Sechaba House, 202 Madiba Street and Paul Kruger, Pretoria 000
(012) 441 3000. Fax: (012) 441 3699

Enquiries : Mr. Tuelo Thubisi/ Ms. R Zulu

Tel : 012 441 3504/ 012 441 3089 Reference : DSAC 08/22-23

**SUBJECT: CALL FOR PROPOSALS - NATIONAL CRAFT INCUBATION
PROGRAMME 2022-2023**

REQUIRED BY: DEPARTMENT OF SPORT, ARTS & CULTURE

1. Kindly furnish the Department with a bid for the services shown on the attached forms.
2. The General Conditions of Contract (GCC) as well as the SBD1, SBD3.3, SBD 4, SBD 6.1, forms are attached for completion.
3. These forms must be returned with your bid. Bid documents must be submitted on a separate envelope stipulating the following information: Name and Address of the Bidder, Bid Number and Closing Date of the Bid. The Budget Proposal must also be submitted on a separate envelope where necessary. **Interested parties are requested to provide one original, one copy of the original document and one electronic copy (in a form of USB) of original documents.**
4. All bids forwarded by postal services must be addressed to: The Director-General, Department of Sport, Arts and Culture, Sechaba House, 202 Madiba Street, Pretoria, 0001, attention: Director Supply Chain Management, and reach this address no later than the closing date and time. Alternatively, bids may be deposited by hand at the Department of Sport, Arts and Culture, Sechaba House, Cnr Paul Kruger & Madiba Streets, Pretoria.
5. Virtual briefing session will be held on the 29 November 2022 at 10:00am. Link:
<https://bit.ly/3UDrOKg>
6. The closing date for the tender is on the **15 December 2022** at 11:00am.


MS REFILWE ZULU

DIRECTOR: SUPPLY CHAIN MANAGEMENT

DATE: 14/11/2022

PART A INVITATION TO BID

| | | | | | |
|---|--|---------------|--|-------------------------------|---|
| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY) | | | | | |
| BID NUMBER: | DSAC 08/22-23 | CLOSING DATE: | 15 DECEMBER 2022 | CLOSING TIME: | 11AM |
| DESCRIPTION | SUBJECT: CALL FOR PROPOSALS - NATIONAL CRAFT INCUBATION PROGRAMME 2022-2023 | | | | |
| BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS) | | | | | |
| DEPARTMENT OF SPORT, ARTS AND CULTURE | | | | | |
| 202 MADIBA STREET | | | | | |
| PRETORIA | | | | | |
| 0001 | | | | | |
| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO | | | TECHNICAL ENQUIRIES MAY BE DIRECTED TO: | | |
| CONTACT PERSON | MR TUELO THUBISI | | CONTACT PERSON | MR JOSEPH MATHE | |
| TELEPHONE NUMBER | 072 604 7259 | | TELEPHONE NUMBER | 012 441 3666/ 082 806 2825 | |
| FACSIMILE NUMBER | N/A | | FACSIMILE NUMBER | N/A | |
| E-MAIL ADDRESS | Tuelot@dsac.gov.za | | E-MAIL ADDRESS | Josephm@dsac.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 |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE | TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No | | B-BBEE STATUS LEVEL SWORN AFFIDAVIT | | [TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No |
| [A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE] | | | | | |
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED? | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF] | | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? | | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER 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: |
| <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. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p> <p>1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</p> |

| |
|--|
| 2. TAX COMPLIANCE REQUIREMENTS |
| <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 VERIFY THE TAXPAYER’S PROFILE AND TAX STATUS.</p> <p>2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.</p> <p>2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>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.</p> <p>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.”</p> |

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.: DSAC 08/22-23 |
| CLOSING TIME 11:00 | CLOSING DATE 15 DECEMBER 2022 |

OFFER TO BE VALID FOR 120 DAYS 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 |
|  | ..... | R..... | days |
|  | ..... | R..... | days |
|  | ..... | 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 –

DEPARTMENT OF SPORT ARTS AND CULTURE
Mr Tuelo Thubisi

Email: Tuelot@dsac.gov.za

Tel: 072 604 7259

Or for technical information –

Mr Joseph Mathe

Tel: 012 441 3666 or 082 806 2825

Email: Josephm@dsac.gov.za

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 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- 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

a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

| | POINTS |
|--|------------|
| PRICE | 80 |
| B-BBEE STATUS LEVEL OF CONTRIBUTOR | 20 |
| Total points for Price and B-BBEE must not exceed | 100 |

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

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

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

| | | |
|---------------------------|---|----|
| 3 | 6 | 14 |
| 4 | 5 | 12 |
| 5 | 4 | 8 |
| 6 | 3 | 6 |
| 7 | 2 | 4 |
| 8 | 1 | 2 |
| Non-compliant contributor | 0 | 0 |

5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)
 (Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

| | | | |
|-----|--------------------------|----|--------------------------|
| YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE

(Tick applicable box)

| | | | |
|-----|--------------------------|----|--------------------------|
| YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
|-----|--------------------------|----|--------------------------|

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

| Designated Group: An EME or QSE which is at last 51% owned by: | EME √ | QSE √ |
|---|-----------------|-----------------|
| Black people | | |
| Black people who are youth | | |
| Black people who are women | | |
| Black people with disabilities | | |
| Black people living in rural or underdeveloped areas or townships | | |
| Cooperative owned by black people | | |
| Black people who are military veterans | | |
| OR | | |
| Any EME | | |
| Any QSE | | |

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....
.....
.....
.....
.....

8.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a

- result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

| |
|--|
| <p>WITNESSES</p> <p>1.</p> <p>2.</p> |
|--|

| |
|---|
| <p>..... SIGNATURE(S) OF BIDDERS(S)</p> <p>DATE:</p> <p>ADDRESS</p> <p>.....</p> <p>.....</p> |
|---|



sport, arts & culture

Department:
Sport, Arts and Culture
REPUBLIC OF SOUTH AFRICA

Private Bag X897 | VVL Building | 202 Madiba Street | Pretoria, 0001 |
Email: info@dsac.gov.za | Tel: 012 441 3000 | Fax: 012 441 3699

Private Bag X9015 | Room 1621 | 120 Plein Street | Cape Town, 8000 |
Email: info@dsac.gov.za | Tel: (021) 465 5620 | Fax: (021) 465 5624

www.dsac.gov.za



TERMS OF REFERENCE

DSAC 08/22-23

**SUBJECT: CALL FOR PROPOSALS - NATIONAL CRAFT INCUBATION
PROGRAMME 2022-2023**

CLOSING DATE AND TIME OF BID: 2022 15 December 2022 at 11h00

VIRTUAL BRIEFING SESSION:

**DATE: 29 November 2022
TIME: 10am**

LINK: <https://bit.ly/3UDrOKg>



@SportArtsCultur



@SportArtsCultureRSA



sport, arts & culture

Department:
Sport, Arts and Culture
REPUBLIC OF SOUTH AFRICA

Inspiring A Nation Of Winners



BID VALIDITY PERIOD: 120 DAYS

SUBJECT: CALL FOR PROPOSALS: THE NATIONAL CRAFT INCUBATION PROGRAMME 2022-2023

1. INTRODUCTION

The National Department of Sport Arts and Culture (DSAC) would like to put out this call for proposals from suitably experienced service providers for an incubation programme in line with the outlined directives and concept paper.

2. BACKGROUND

The 2021 National Craft Incubator Programme was the initial instalment in a series of planned incubation programmes coordinated by the DSAC Craft Development Unit designed to position targeted craft products into mainstream craft markets and retail. The 2021 programme provided incubation in the following three interrelated areas of **product enhancement/development**, **business systems** and **business management**, as well as **market access and penetration**. The project report is available on request.

Building on that foundation, the Department now wants to support a targeted incubation/coaching programme linked to the Beautiful Things Exhibition (BTE) and craft



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shop at the Women's Living Heritage Monument (WLHM) in Pretoria. It is expected that the winning incubation provider will manage the BTE and craft shop as part of the incubation programme.

The BTE was first conceptualised back in 2001 when South Africa hosted the World Summit on Sustainable Development (WSSD). The BTE is a versatile exhibition design concept that can fit in any setting or venue to showcase a range of high quality hand crafted products laid out on the floor or wall or a combination of both. The Department is now looking to make the next edition of the BTE an ongoing exhibition at the Women's Living Heritage Monument (WLHM) which is located in the South African State Theatre, Sammy Marks, and ABSA precinct in the Pretoria CBD, surrounded by Lilian Ngoyi, Madiba, Sisulu and Pretorius Streets. This would be the fulfillment of a long held aspiration to find a suitable permanent and strategic venue that would allow for maximum exposure of exhibited works. The intention is to have the exhibition officially launched by the end of February 2023, and a two week handover period from the winning bidder of the Beautiful Things Exhibition tender to the service provider of this incubator programme who will run an incubator programme linked to the exhibition and shop at the WLHM until the end of September 2023.

- i) The envisaged incubation and coaching areas anchored on the Beautiful Things Exhibition and craft shop at Women's Living Heritage Monument are outlined as follows;





- ii) Information gathering
- iii) Budgeting
- iv) Developing a catalogue
- v) Conceptualising and implementing a marketing strategy
- vi) Administration and logistics
- vii) Retail and wholesale
- viii) Stock management
- ix) Communication and
- x) Managing a database

3. SCOPE AND EXTENT OF THE CALL TENDER / TASK DIRECTIVE

The Department of Sport, Arts and Culture hereby puts out this call for proposals for an incubation and coaching programmes linked to the Beautiful Things Exhibition and craft shop at WLHM from service providers who are duly experienced and knowledgeable to undertake the following tasks:

| | TASKS | YES/NO/NOTED |
|-----|---|--------------|
| | SCOPE OF DELIVERABLES | |
| 3.1 | <u>PROJECT PLAN</u> Using the outlined task directives and concept outline a clear project plan which includes; | |





| | | |
|--|---|--|
| | <ul style="list-style-type: none"> • The recruitment of nine (9) incubation candidates (one from each province). The incubation programme will be largely virtual but will involve direct and physical participation for the candidate in whose province product identification and procurement is taking place. • Provide the detail of topics covered in the above listed 10 learning areas as well as learning outcomes for each of them. • Build in a budget of R 900 000.00 for the purchase of craft products which will be added to the already existing products in the BTE and craft shop. • Work with the 9 candidates as part of their learning to add to the exhibition products and craft shop stock to the value of R 900 000.00 which should form part of the bid price. • Design an incubation process with practical application for the nine candidates which they will apply during the selection of products in their province for the BTE and shop. • Provide a minimum of three weeks practical application of knowledge gained for each of the nine (9) incubation candidates at the BTE and | |
|--|---|--|





| | | |
|-----|--|--|
| | <p>craft shop at the WLHM in Pretoria.</p> <ul style="list-style-type: none"> • Coaching should be provided to the suppliers of the products on proper costing and pricing of their products. • Issue a certificate of completion to the incubation candidates. | |
| 3.2 | <p><u>COMMUNICATION AND MARKETING</u></p> <ul style="list-style-type: none"> • Outline your communication and marketing strategy in not more than 3 pages which should include, communication of the opportunity to recruit nine (9) incubates, one in each province in each province, opportunity to craft producers to present their products for possible selection and inclusion in the BTE and craft shop. • Develop a communication strategy to publicise the selection process and opportunity for incubation as outlined in the concept document. • Communication on these opportunities must be province specific by using 1 print media and 1 radio station in each province, as well as working with the DSAC and other partners to use sector networks in each province. | |





| | | |
|------------|--|--|
| | <ul style="list-style-type: none"> Provide incubation with practical application for the nine incubation candidates to market the BTE and shop in social media. | |
| 3.3 | <p><u>REPORTING</u></p> <ul style="list-style-type: none"> Report monthly to the DSAC on the previous month's activities and also adhere to the reporting schedule as outlined in the Service Level Agreement (SLA) that will be signed with the DSAC. | |
| 3.4 | <p><u>TIMEFRAME</u></p> <ul style="list-style-type: none"> The project will commence on signing of a Service Level Agreement (SLA) with the DSAC. | |

4. LEGISLATIVE AND REGULATORY FRAMEWORK

4.1. This bid and all contracts emanating from this bid will be subject to the General Conditions of Contract issued in 2010 in accordance with of the Treasury Regulations 16A, published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). The Special Conditions of Contract are supplementary to that of the General Conditions of Contract of 2010. Where, however, the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract takes precedence.





5. SPECIAL CONDITIONS OF CONTRACT

- 5.1. The Department may investigate possible fronting by any bidder and any bidder found to be fronting will be disqualified and blacklisted.
- 5.2. The service provider may not recruit or shall not attempt to recruit an employee of the Department of Sport, Arts and Culture for purposes of preparation of the bid or for the duration of the execution of this contract or any part thereof.
- 5.3. All bidders are required to submit details of shareholdings status as follows: shareholder certificate with the names of directors and percentage of ownership and ID copies.
- 5.4. The bidder must take note that they may not subcontract more 25% of total work to be done in line with paragraph 5.8 of SDB form 6.1.

6. EVALUATION STAGES

- 6.1. The bid evaluation process consists of several stages that are applicable as defined in the table below:





| Stage | Description | Applicable for this bid |
|---------|--|-------------------------|
| Stage 1 | Initial screening process to check compliance with bid requirements. | Yes |
| Stage 2 | Functionality requirement evaluation. | Yes |
| Stage 3 | Price and BBBEE evaluation | Yes |

6.1.1 Stage 1:

Verification of service provider (s) compliance with bid requirements and initial screening process.

6.1.2. Stage 2:

The Technical proposal will be evaluated out of 100 points with a threshold of 70 points. Bidders that score less than minimum of 70 points will be disqualified. Bidders must score a minimum of 70 or more points to qualify for further evaluation on price and preference points.

6.1.3. Stage 3:

Bids will then be evaluated in accordance with the prescripts of the Preferential Procurement Policy Framework Act (PPPFA) and the associated Preferential Procurement Regulations of 2017, which stipulate an 80/20 preference point





system is applicable up to a rand value of R50 million (all applicable taxes included).

- The following criteria will be used in particular as the criteria for appointment, apart from those laid down in the Preferential Procurement Regulations, 2017, pertaining to the Preferential Procurement Policy Framework Act 5 of 2000.
- Tenderers are required to submit proof of B-BEEE status level of contributor. Proof includes valid B-BEEE Status Level Verification certificate together with their tenders, to substantiate their B-BEEE rating claims. Failure to submit a valid B-BBEE certificate will result in zero preference points being awarded for B-BBEE. B-BBEE certificates or sworn affidavits must be valid at the time of the closing of the tender.
- Tenderers are required to submit B-BEEE status level verification certificate issued by the following agencies;

Tenderers other than EMEs – Verification agencies accredited by SANAS.

Tenderers who qualify as EME's – Sworn affidavit signed by the EME representative and attested by Commissioner of oaths and/or B-BBEE certificate issued by the companies and Intellectual Property Commission.

- The points for this bid are allocated as follows:

| No | Components | Points |
|----|------------|--------|
| 1. | Price | 80 |





| | | |
|----|----------------------------|------------|
| 2. | Preferential points: BBBEE | 20 |
| | Total | 100 |

7. EVALUATION PROCESS

- 7.1. The 80/20 preference point system in terms of the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000) shall apply. The lowest acceptable bid will score 80 points for price and remaining 20 points for B-BBEE status level of contribution.
- 7.2. Prospective bidders will have to score at least 70 out of 100 points allocated for functionality before the company’s proposal will be considered for pricing.

8. BID REQUIREMENTS

General requirements

The following is required of bidders and should be submitted to the department as part of the bid submission:

- 8.1. Company profile.
- 8.2. All Bidders must be registered on the National Treasury Central Supplier Database (CSD) and must attach a copy of the most recent report to the tender document.





- 8.3. The tax status on CSD must be compliant, as Department is unable to award a contract to a company whose tax affairs are not in order as determined by SARS. Bidders whose tax matters have expired or compliance status is invalid will be disqualified. **Note that it is no longer a requirement for bidders to submit hard copies of tax clearance certificates as compliance to tax matters can be assessed and verified on the CSD report.**
- 8.4. Tenderers are required to submit proof of B-BEEE status level of contributor. Proof includes valid B-BEEE Status Level Verification certificate together with their tenders, to substantiate their B-BEEE rating claims. Failure to submit a valid B-BBEE certificate will result in zero preference points being awarded for B-BBEE. B-BBEE certificates or sworn affidavits must be valid at the time of the closing of the tender.
- 8.5. Original Company Resolution or Letter of authority or Letter of appointment authorizing the signatory of the Entity to sign the contract with the Department.
- 8.6. Valid contact details including e-mail address.
- 8.7. Certified ID copies of all Directors.
- 8.8. At least three minimum reference letters must be provided, as well as an indication of experience with similar projects.
- 8.9. **Bidders are requested to provide one original, one copy of the original document and one electronic copy (in a form of USB) of original documents.**
- 8.10. Companies, who registered for VAT, should include VAT on their costing.





- 8.11. Any other details that may be relevant in respect of the tender evaluation criteria described above:

Technical requirements

- A detailed proposal including:
 - (a) Project plan;
 - (b) Project Implementation plan;
 - (c) Detailed Cost breakdown
 - (d) Capacity and experience of human resources;
 - (e) Number and level/ranks of team member/s to be involved in the assignment;
 - (f) CVs of all involved (including but not limited to: qualifications and experience and level of expertise/current designation; relevant professional membership).
- 8.12. All bidders are required to submit details of Shareholder status as follows:
- Shareholder certificates with the names of Directors and percentage of ownership.
 - Identity Documents of all Shareholders.

9. EVALUATION CRITERIA

- All bids dully lodged will be evaluated by a panel first on functionality then price.





- For purposes of comparison and in order to ensure meaningful evaluation, bidders are requested to furnish detailed information in substantiation of compliance to each of the evaluation criteria mentioned below.

NB. To avoid any disadvantage to your bid, please ensure that you adhere to the following outlined guidelines. Make sure to number the pages of your proposal and structure it to correlate with the below outlined criteria and titles as follows Annexure A project plan, Annexure B incubation material, Annexure C communication and marketing, as well as Annexure D company experience.

| NO | CRITERIA | WEIGHT | VALUE RATING | TOTAL |
|-----|---|--------|--|-------|
| 9.1 | <p><u>Project Plan</u></p> <ul style="list-style-type: none"> Drawing from 3.1 above outline in not more six (6) pages the project plan from the moment you take over from the BTE service provider to the end of September 2023 how you will effectively manage the BTE and shop while you | 30 | 0-5 = poor 6-12=below average 13-18 = average 19-24= above average 25-30 =good | |





| NO | CRITERIA | WEIGHT | VALUE RATING | TOTAL |
|-----|---|--------|---|-------|
| | <p>use them as anchors for the incubation and coaching programme.</p> <ul style="list-style-type: none"> The project plan must be inclusive of relevant logistics and applicable logistics, travel and accommodation, purchase of products for the exhibition and shop. | | | |
| 9.2 | <p>Incubation and coaching material</p> <p>Select any two incubation and coaching areas listed in the 2. Introduction above and provide a lesson plan for them with a view to providing a sense of the envisaged lessons and outcomes of those lessons for the incubation candidates. It could be a lesson plan from past</p> | 25 | <p>0-4 = poor</p> <p>5-9=below average</p> <p>10-14 = average</p> <p>15-19 above average</p> <p>20-25 =good</p> | |





| NO | CRITERIA | WEIGHT | VALUE RATING | TOTAL |
|-----|---|--------|--|-------|
| | programmes. | | | |
| 9.3 | Branding communication and marketing Outline your communication and marketing strategy in not more than 3 pages in line with 3.3 above. | 25 | 0-4 = poor 5-9=below average 10-14 = average 15-19 above average 20-25 =good | |
| 9.4 | <u>COMPANY EXPERIENCE</u> <ul style="list-style-type: none"> • Tabulate projects of a similar nature you have undertaken and also provide references from a minimum of three contactable clients to demonstrate experience in this area of work. • In addition, please include CVs to outline the relevant qualification | 20 | 0-3 = poor 4-7=below average 8-11 = average 12-15 above average 16-20 =good | |





| NO | CRITERIA | WEIGHT | VALUE RATING | TOTAL |
|----|---|--------|--------------|-------|
| | <p>and experience of the trainers involved in the incubation.</p> <ul style="list-style-type: none"> Indicate if any aspect of your training is accredited and also provide supporting documents to that effect. | | | |
| | TOTAL | 100 | | |

10. CONFIDENTIALITY

- 10.1. No information or documentation may be used for any other purpose other than providing for a tender proposal to the Department, and no copies of any document may be made, except with prior written approval from the Department.
- 10.2. The successful bidders and staff will be required to sign a non-disclosure agreement.

11. INTELLECTUAL PROPERTY AND OWNERSHIP

- 11.1. Ownership and copyright of all documentation developed during the period of the contract will be vested in the Department of Sport, Arts and Culture.





- 11.2. All intellectual property rights relating to any work produced by the service provider in relation to the performance of this contract shall belong to the Department and may not be used for any other purpose by the service provider. The service provider shall give the Department all assistance in protecting such intellectual property rights. All material, in paper, electronic or any recorded format produced by the service provider in the performance of this contract shall remain the property of the Department of Sport, Arts and Culture and must be handed over to the Department on termination of the contract.
- 11.3. All service providers undertake not to infringe the intellectual property of third parties. Should any action or claim be instituted against the Department emanating from an infringement of intellectual property or an alleged infringement of intellectual property, the service providers hereby indemnify the Department against such claims or actions as well as all costs (including legal costs on an attorney and client scale).

12. **CONTRACTUAL ARRANGEMENT**

- 12.1. The service provider is required to enter into a Service Level Agreement with the Department of Sport, Arts and Culture to perform all functions as set out in the project Specification or Terms of Reference and National Treasury General Conditions of Contract of 2010.

13. **FINANCIAL IMPLICATIONS**

- 13.1. No service will be provided to the Department before an official order has been issued to the supplier or service provider.





- 13.2. The service provider should be aware that DSAC only pays after the services have been rendered.
- 13.3. Payments will be done within 30 days of receipt of an invoice with all required supporting documents as per the Service Level Agreement;
- 13.4. Payments will be made by the Department after the service provider has submitted an invoice supported by all requisite documents.

14. CLIENT BASE

- 14.1. The Department of Sport, Arts and Culture reserves the right to contact references during the evaluation and adjudication process to obtain information.

15. COMMUNICATION

- 15.1. The Department of Sport, Arts and Culture may communicate with bidders for, among others, where bid clarity is sought, to obtain information or to extend the validity period.

16. PRESENTATION

- 16.1. The Department of Sport, Arts and Culture may request presentations and or interviews from short-listed bidders as part of the bid process.

17. SUPPLIER DUE DILIGENCE

- 17.1. The State reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. **Bidders must note that, the**





Department may conduct verification on the information submitted and any misrepresentation will result in an automatic disqualification.

18. CONFLICT OF INTEREST

18.1. The bidder or bidders group must submit a document (you may include it in your covering letter), stating whether any of its employees have any interest in the Department or whether any of Department's personnel have any interest in the bidders or affiliated business.

19. PACKAGING OF BID

19.1. Bidders to arrange the Standard Bidding Documents (SBDs) in your submission numerically and orderly.

20. SUBMISSION OF BIDS DOCUMENTS

20.1. Bidders are advised to ensure that bids are submitted allowing sufficient time for any unforeseen events that may delay the delivery of the bid and time to access the premises because of security arrangements when entering the department main entrance.

20.2. **Bidders are requested to provide one original, one copy of the original document and one electronic copy (in a form of USB) of original documents.**

20.2. All bidders are required to complete a bid register fully, when submitting bid documents. The Bid register is available at the below-mentioned address.





20.3. Bidders should deposit their documents into the tender box available on the Ground Floor reception area by **11H00** at the address below:

**Department of Sport, Arts and Culture, Sechaba House,
202 Madiba Street, Cnr Madiba and Paul Kruger Streets, Pretoria.**

21. **COST OF BIDDING**

21.1. The bidder shall bear all costs associated with the preparation and submission of its bid and the Department, will no case be held responsible or liable for these costs, regardless of the conduct or outcome of the tender process. The bidder will not be entitled to claim for travel and subsistence expenses. If such expenses are applicable, these charges must be included in the bid price.

22. **PRICE OR FEES NEGOTIATION**

22.1. The Department may negotiate the price or fees with the preferred bidder/s during a competitive bidding process.

23. **LATE BIDS**

23.1. Bids are received at the address indicated above. Bids received after the closing date and time will not be accepted for consideration and will be returned unopened to the bidder. Bids documents should be submitted before 11:00 on the closing date of the tender.





24. BID AND TECHNICAL ENQUIRIES / CLARIFICATION OF TENDER DOCUMENTS

24.1. The Department will respond in email to any request for clarification of the tender documents which it receives **no later than one (1) week prior to the deadline for submission of bids prescribed by the Department.** All enquiries related to the technical content of the Terms of Reference as well as the bid enquires may be directed **in writing** to the officials listed below:

| For Bid Enquiries |
|---|
| Mr Tuelo Thubisi |
| Tel: 072 604 7259 |
| Email: Tuelot@dsac.gov.za |
| |
| Ms. Refilwe Zulu |
| Tel: 082 677 5300 |
| Email: Refilwez@dsac.gov.za |
| |
| For Technical Enquiries: |
| Mr Joseph Mathe |
| 012 441 3666 or 082 806 2825 |
| Email: Josephm@dsac.gov.za |





sport, arts & culture

Department:
Sport, Arts and Culture
REPUBLIC OF SOUTH AFRICA

Private Bag X897 | VWL Building | 202 Madiba Street | Pretoria, 0001 |
Email: info@dsac.gov.za | Tel: 012 441 3000 | Fax: 012 441 3699

Private Bag X9015 | Room 1621 | 120 Plein Street | Cape Town, 8000 |
Email: info@dsac.gov.za | Tel: (021) 465 5620 | Fax: (021) 465 5624

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| |
|---|
| |
| Ms Masana Chikeka |
| Tel 012 441 3668/082 387 9011 |
| Email: Masanac@dsac.gov.za |



@SportArtsCultur



@SportArtsCultureRSA



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Concept

The Beautiful Things Exhibition

&

The National Craft Incubator

Contents

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Introduction

This introduction is intended to provide a contextual backdrop against which this concept, covering the two distinct but interlinked projects, the Beautiful Things Exhibition and the National Craft Incubator have been conceptualized.

Every perceptive South African that is concerned about the country's current affairs is aware of the national discourse on the triple challenges of poverty, inequality and unemployment. This discourse has become even more pronounced now with the release of statistics that confirm the grim reality of this challenge and how South Africa's young people are at the forefront of this desperate situation. One cannot help but be forced to cast their mind back to the analogy of the dichotomy of the first and the second economy. The analogy was very useful in driving the point home that most people, especially women, the youth, people living with disability and citizens in rural areas where, and still are largely excluded from mainstream economic opportunities which characterize the first (mainstream) economy.

South Africa's cultural and creative industries cannot stand back and offer no response to these challenges. Like other sectors of the economy, the cultural and creative industries are also expected to make a contribution toward tackling these problems. This concept offers a simple and straight forward approach, which is neither new nor innovative, but seeks to articulate these issues in a manner that will strengthen the resolve of all involved and rally all concerned to charge forward in unified determination.

To make the point, let us think of a value chain.

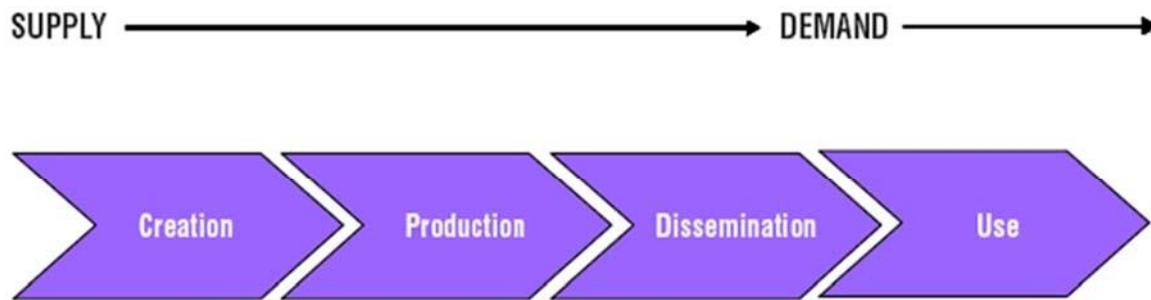
(Botkin and Matthews 1992, p. 26) define a value chain as "a sequence of activities during which value is added to a new product or service as it makes its way from invention to final distribution".

A creative chain therefore consists of an initial creative idea, which is usually combined with other inputs to produce a culture good or service, through a series of interlinked stages between their production and use. A culture product must be created, produced, possibly manufactured or reproduced, and then distributed before it reaches, or is used by, a consumer. This chain of activity includes a number of distinct steps, usually occurring in business establishments as demonstrated below.

The basic steps of the creative chain are shown in the figure below on page 5.

In this basic chain, "creation" incorporates "concept" & "design", while "dissemination" includes marketing, sales, distribution and the other value-added activities that occur prior to use/consumption. Accordingly, these chains will differ according to the good or service, the targeted markets and other factors.

Botkin and Matthews also make the point that in order to collect harmonised and, where [when] possible, comparable data, it is important to use a simple value chain as a framework of analysis (linear value chain). Also important is to consider the local ecosystem as a key factor influencing CCI's supply chain and their performance. The value chain's analysis will therefore include the analysis of the policy environment, measures and key actors enabling the sector's development and growth.



It is against this backdrop that this concept now aims to make very specific suggestions about interventions that are relevant to South Africa's craft sector eco-systems that confines most crafters in the creation stage of the value chain because of their lack of capacity to engage across the value chain.

This concept is about creating that enabling environment.

Where does the answer lie?

At what point of the value chain is poverty reduced, unemployment and inequality tackled and pushed back?

That happens at that point of the value chain where there is an exchange of a product/service with revenue/money/profit/income (in a sustained manner). When revenue is generated in a sustainable manner there will inevitably be improvement, albeit slow, of people's material conditions.

A permanent **Beautiful Things Exhibition (BTE)** and craft shop at the Women's Living Heritage Monument (WLHM) in Pretoria is an unequivocal contributing of a response to provide a sustained and viable platform for consistent revenue to South African craft producers.

The **National Craft Incubator** is the mechanism through which opportunity will be provided to South African craft producers to be considered for inclusion in this opportunity, as well as provision of that critical capacity to enable the professional and efficient management of the exhibition and the shop.

The Women's Living Heritage Monument



The Women's Living Heritage Monument (WLHM) is a facility that was constructed by the Gauteng provincial Department of Sport Arts Culture and Recreation (DSACR) at the State Theatre, Sammy Marks Square and ABSA Bank precinct. The precinct is surrounded by Madiba,

Sisulu, Pretorius and Lilian Ngoyi Streets, with the Helen Joseph Walkway cutting through the precinct all the way to Church Square towards the west.

The WLHM is a strategic venue for a permanent Beautiful Things Exhibition for a number of reasons including the following;

- The City and the Provincial Department are positioning this venue as a flagship project and an important national Monument to celebrate the contribution of women to the struggle against Apartheid.
- The Monument will undoubtedly be a major attraction and offering for residents of the City, the public, government, the diplomatic corps, the corporate sector and tourists.
- The Monument is well positioned in the heart of the Pretoria CBD and is also very accessible.
- It is a strategic venue for the public, as well as government (local, provincial and national) to access craft products, in particular corporate gifts and office as well as home décor.
- The venue will also be intended to be accessible to the public.
- DSACR is positioning the venue as an important hub for the creative industries, focusing on film, visual arts, books and publishing, as well as performance with spaces both inside and in the open air theatre.
- The venue offers a number of important attractions and uses which will inevitably increase the footprint and its viability such as various exhibitions, meetings/workshops/lectures/restaurants/performances/etc.

- Provides an opportunity to highlight and celebrate the role of women in the South Africa struggle against Apartheid and also celebrate their creativity and contribution to modern day South Africa and the creative industries.

Please see attached the floor plans of the two spaces identified for the BTE (**Tag 1**) and the craft shop (**Tag 2**).

The vision, objectives and envisaged benefits

Benefits of putting up a permanent Beautiful Things Exhibition include the following;

- Uninterrupted and ongoing promotion and marketing of South African creative and cultural products and services, starting with crafts, with the resultant consistent revenue to producers.
- The luxury of time, as opposed to when an exhibition is over only a few days, to provide back-end support to producers who do not meet the quality requirements of being part of the exhibition.
- Using the exhibition as a learning platform and vehicle for the incubator.
- Broader participation of crafters from all over the country as opposed to only a limited number of exhibitors because the exhibition is over only a few days.
- The project is conceptualised to be a national multi-partner exhibition that includes a number of strategic partners.
- This project is likely to serve as a model to be replicated at other strategic venues in other parts of the country.

It is envisaged that the DSAC and DSRACR will formalize this strategic partnership through a Memorandum of Understand (MoU) and another MoU with the Department of Small Business Development (DSBD) for a collaboration to jointly invest in strategic interventions for the craft sector within the framework of the Craft CSP (Customised Sector Programme).

The MoUs with these partners will extend to include other role players and stakeholders in the craft sector' specifically, and the creative industries' broadly, for collaborative capacity building, market access and other targeted interventions using existing capacity available in this eco-system to address development needs across the craft value chain.

It is envisaged that these partnerships will;

- Serve as a catalysts for increased investment.
- Joint implementation of capacity building/training interventions.
- Joint implementation of projects such as the Craft Competition to stimulate innovation and creativity in these targeted craft genres of **corporate gifts, souvenirs, crafts made from recycled materials and one of a kind/once off** category.
- Revitalization of strategic projects such as the Limpopo's Ribola Craft Route.
- Roping in the South African National Parks (SanParks) and their concessionaires to create access for South African crafts in the shops.
- Fulfill Minister Nathi Mthethwa's vision of taking South African arts to the world
- Replicate the Beautiful Things Exhibition and shop at the WLHM model in other strategic locations throughout the country such as the Graskop Gorge, the Cradle of Humankind and other tourist attractions, airports, natural reserves, tourist attractions, and so on.

Procurement and scope – Curator for BTE and Craft shop at the WLHM

The National Department of Sport Arts and Culture (DSAC) has set aside funds to appoint a curator who will conceptualize, design and curate the BTE in the space designated as **Tag 1** and the craft shop in the space designated as **Tag 2**.

The service provider/curator who will be appointed for this task will sign a Service Level Agreement (SLA) with the Department (DSAC) which will stipulate that the BTE and craft shop are to be ready to be launched by the Honourable Minister of Sport Arts and Culture in the month of February 2023. The scope of what is outlined in the detailed Terms of Reference (ToRs) for the tender to be advertised is detailed below.

The Department of Sport, Arts and Culture requires the services of a duly experienced and knowledgeable service provider to undertake the below listed tasks:

| | TASKS | <i>YES/NO/NOTED</i> |
|------------|--|---------------------|
| 3.1 | <p><u>Project Plan</u></p> <p>Draw from this task directive and project concept to outline a clear project plan which you will execute if appointed. The project plan must start from the signing of a service level agreement (SLA) with the Department culminating with a handover to the incubator service provider who will manage the exhibition and shop as part of the incubator programme. For purposes of comparability with other bidders the project plan must cover the period beginning in the second week of January 2023 to the last week of February. The plan must address the curation of both the exhibition and shop, logistics and the opening event.</p> | |

| | | |
|-------------------|--|--|
| <p>3.2</p> | <p><u>Exhibition and shop design</u></p> <p>Provide a basic outline of the proposed exhibition and the craft shop concept/design in the identified spaces of the WLHM indicated as Tag 1 (exhibition) and Tag 2 (shop). Note that the effective use of lighting to enhance the ambience of the exhibition and shop will be important considerations in the assessment of the provided basic outline. A tender briefing will be organised to interested potential bidders to assist them to better understand the requirements.</p> | |
| <p>3.3</p> | <p><u>Curation of the Exhibition and the shop</u></p> <ul style="list-style-type: none"> • Since the exhibition and shop are to be put up on an ongoing basis at the WLHM, it will be expected that the items on the exhibition and the starting stock of the craft shop should be purchased from the producers rather than procured on consignment. The value of these items should be set at R 700 000.00 as a standard amount to be included in the bid price by all bidders. • Provide a national wide purchase plan which will be undertaken in collaboration with the DSAC and partners who will serve as the oversight team for the project. • Provide labelling of all of the exhibited products which should include the name of maker (artist/crafter), geographical location of the artist, description of the product, contact details and the price of the product. • Exhibition craft items and the shop stock should be procured from craft producers in all the provinces | |

| | | |
|-------------------|--|--|
| | <p>and should include all genres of the craft sector.</p> <ul style="list-style-type: none"> • Design a digital catalogue of the products in the exhibition and stock in the shop. • Provide a template of the catalogue design to enable inclusion of new/additional items/products beyond your contract so that new products can be included in the catalogue on an ongoing basis. • In addition to the digital catalogue, also provide two viewing points (screens) for visitors to view the digital catalogue, one at the exhibition and the other in the shop area. | |
| <p>3.4</p> | <p><u>BRANDING COMMUNICATION AND MARKETING</u></p> <ul style="list-style-type: none"> • The Exhibition and shop is to be branded as follows, “The Beautiful Things Exhibition;-Showcasing the best of South African crafts” A project of the DSAC and Gauteng DSACR and cite all project partners. • Develop a communication strategy targeting two national print media platforms with only one run in each, three radio platforms with national footprint and media for the opening event of the exhibition. • Development a social media communication and marketing strategy. • Coordinate with the DSAC project manager to ensure coordination with the DSAC communication and marketing units for proper adherence to the Department’s communication and branding guidelines and utilisation of the DSAC social media platforms as well as arts, culture networks. | |

| | | |
|-------------------|---|--|
| | <ul style="list-style-type: none"> • Develop a communication strategy with crafters nationally on the BTE to submit products for selection, including the use of social media and key sector organisations and bodies (PR and digital media). • Liaise with the DSAC project manager to ensure inclusion of the call in the DSAC communication and marketing platforms. • Serve as the main liaison among all the stakeholders in the project. | |
| <p>3.5</p> | <p><u>OPENING</u></p> <ul style="list-style-type: none"> • Organise an opening event for a maximum of 250 guests. • Organise a live band for the opening event who will perform background music during arrival of guests and during the programme. • Work with DSAC and DSACR’s marketing and communication units to live stream the opening events. • Manage guest lists, send out invitations, organise catering and a PA system. • Provide ushers to engage with visitors to the opening. • Keep a record of every business enquiry at the opening to be included in the project report and during the handover period. • Pass on the information to the makers/producers for the necessary follow ups. • Keep a visitors’ book. | |

| | | |
|--------------------|---|--|
| <p>3.6</p> | <p><u>LOGISTICS & SECURITY</u></p> <ul style="list-style-type: none"> • Manage all logistics relating to the procurement of the identified exhibition items to the BTE and stock for the shop. • Make provision for onsite sales. • Organise transit insurance for the exhibition items to the WLHM and insurance covering the items for the project duration to the handover to the incubator service provider. • Provide security during build up, installation of the exhibition and shop right up to the opening event. • Manage the exhibition and shop daily from 9:00 to 15:30 for the period from opening of the exhibition and shop to the handover to incubator service provider. | |
| <p>3.9</p> | <p><u>REPORTING</u></p> <ul style="list-style-type: none"> • Submit a handover report within 15 days after the opening of the exhibition. | |
| <p>3.10</p> | <p><u>TIME FRAME</u></p> | |
| | <ul style="list-style-type: none"> • The exhibition should be ready for opening by the end of February 2023. • Build in an at least two week handover period to the Incubation team which will manage the exhibition moving forward. • A Service Level Agreement will be signed. | |

Assessment: The BTE and craft shop curator

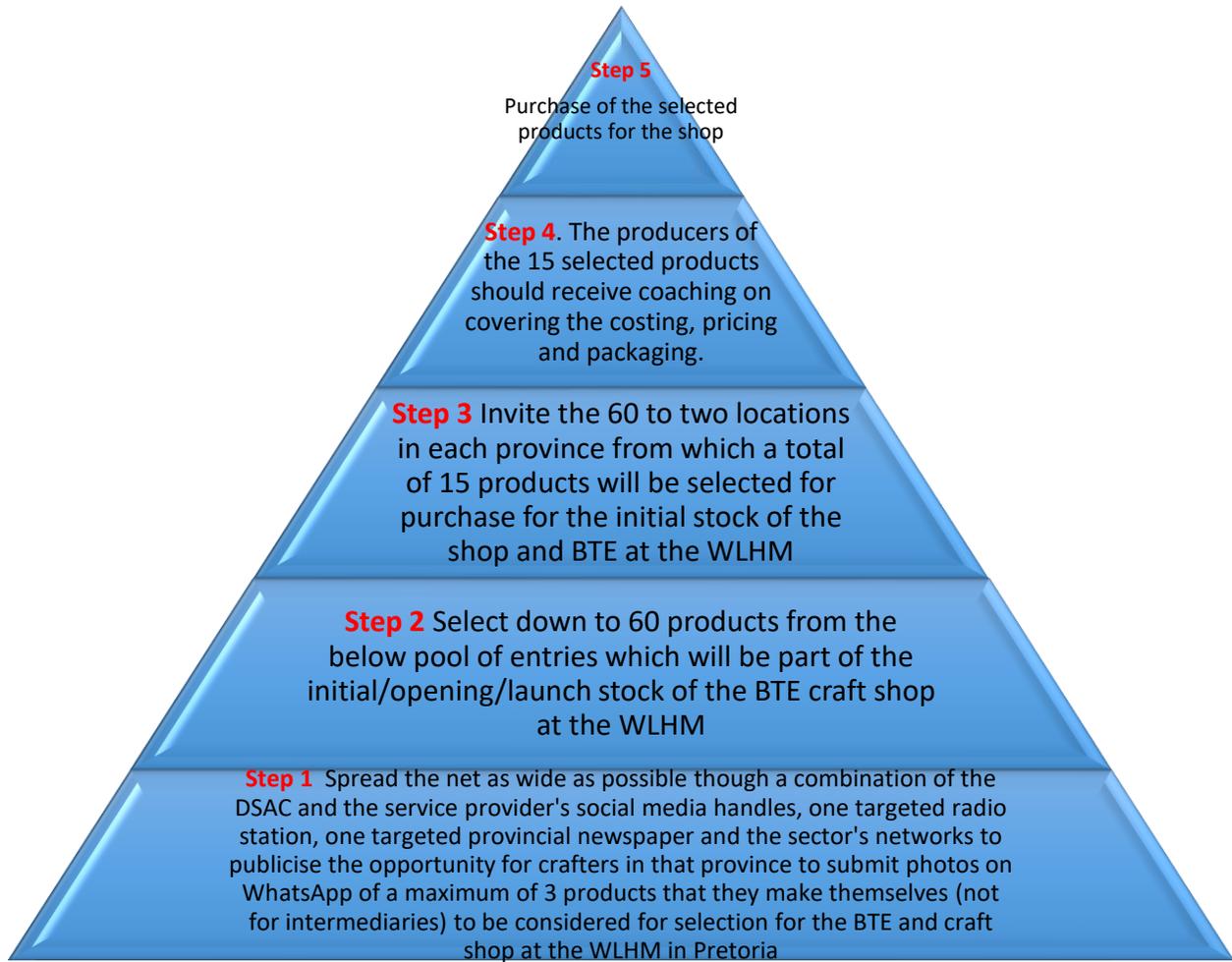
| NO | CRITERIA | WEIGHT | VALUE RATING | TOTAL |
|-----|---|--------|---|-------|
| 9.1 | <p><u>Project Plan</u></p> <p>In not more than six (6) pages outline a clear project plan which must include the curation of both the exhibition and shop, logistics and the opening event.</p> | 30 | <p>0-5 = poor</p> <p>6-12=below average</p> <p>13-18 = average</p> <p>19-24= above average</p> <p>25-30 =good</p> | |
| 9.2 | <p><u>Exhibition and shop design</u></p> <p>Provide a basic outline of the proposed exhibition and the craft shop concept/design in the identified spaces (visual sketch) of the WLHM, namely the design and set up (layout of the exhibition and shop. Provide a sense of what you will design if appointed and how you will use lighting to enhance the ambience of the exhibition. Do not exceed 2 pages.</p> | 25 | <p>0-4 = poor</p> <p>5-9=below average</p> <p>10-14 = average</p> <p>15-19 above average</p> <p>20-25 =good</p> | |
| 9.3 | <p>Branding communication and marketing Outline your communication and marketing strategy in not more than 3 pages.</p> | 25 | <p>0-4 = poor</p> <p>5-9=below average</p> <p>10-14 = average</p> <p>15-19 above average</p> | |

| NO | CRITERIA | WEIGHT | VALUE RATING | TOTAL |
|-----|--|--------|--|-------|
| | | | 20-25 =good | |
| 9.4 | <p><u>REFERENCE TO SHOW COMPANY EXPERIENCE</u></p> <p>Tabulate projects of a similar nature you have undertaken and also provide references from a minimum of three contactable clients to demonstrate experience in this area of work.</p> | 20 | <p>0-3 = poor</p> <p>4-7=below average</p> <p>8-11 = average</p> <p>12-15 above average</p> <p>16-20 =good</p> | |
| | | 100 | | |

Procurement and scope for the implementation of the National Craft Incubator

The National Department of Sport Arts and Culture (DSAC) has also set aside funds to put out a call for proposals to registered and duly accredited creative industries incubators to submit proposals for an incubator programme which lay the foundations and feed into the BTE as outlined in this concept document.

The service provider/incubator that will be appointed for this task will be sign a Service Level Agreement (SLA) with the Department (DSAC) which will stipulate an incubator programme from March to September 2023.



In addition to the above the incubator should recruit nine (9) incubation candidates nationally, one from each province, to be part of this programme and incubation on how the craft sector value chain operates.

| | TASKS | <i>YES/NO/NOTED</i> |
|------------|--|---------------------|
| | SCOPE OF DELIVERABLES | |
| 3.1 | <u>PROJECT PLAN</u> Using the outlined task directives and concept outline a | |

| | | |
|--|---|--|
| | <p>clear project plan which includes;</p> <ul style="list-style-type: none"> • The recruitment of nine (9) incubation candidates (one from each province). The incubation programme will be largely virtual but will involve direct and physical participation for the candidate in whose province product identification and procurement is taking place. • Provide the detail of topics covered in the above listed 10 learning areas as well as learning outcomes for each of them. • Build in a budget of R 900 000.00 for the purchase of craft products which will be added to the already existing products in the BTE and craft shop. • Work with the 9 candidates as part of their learning to add to the exhibition products and craft shop stock to the value of R 900 000.00 which should form part of the bid price. • Design an incubation process with practical application for the nine candidates which they will apply during the selection of products in their province for the BTE and shop. • Provide a minimum of three weeks practical application of knowledge gained for each of the nine (9) incubation candidates at the BTE and craft shop at the WLHM in Pretoria. • Coaching should be provided to the suppliers of the products on proper costing and pricing of their products. • Issue a certificate of completion to the incubation | |
|--|---|--|

| | | |
|-------------------|--|--|
| | <p>candidates.</p> | |
| <p>3.2</p> | <p><u>COMMUNICATION AND MARKETING</u></p> <ul style="list-style-type: none"> • Outline your communication and marketing strategy in not more than 3 pages which should include, communication of the opportunity to recruit nine (9) incubates, one in each province in each province, opportunity to craft producers to present their products for possible selection and inclusion in the BTE and craft shop. • Develop a communication strategy to publicise the selection process and opportunity for incubation as outlined in the concept document. • Communication on these opportunities must be province specific by using 1 print media and 1 radio station in each province, as well as working with the DSAC and other partners to use sector networks in each province. • Provide incubation with practical application for the nine incubation candidates to market the BTE and shop in social media. | |
| <p>3.3</p> | <p><u>REPORTING</u></p> <ul style="list-style-type: none"> • Report monthly to the DSAC on the previous month’s activities and also adhere to the reporting schedule as outlined in the Service Level Agreement (SLA) that will be signed with the DSAC. | |
| <p>3.4</p> | <p><u>TIMEFRAME</u></p> <ul style="list-style-type: none"> • The project will commence on signing of a Service Level Agreement (SLA) with the DSAC. | |

Assessment: The National Craft incubator

The expected National Craft Incubator deliverables are the following;

- Provide coaching for the producers of the items selected at Stage 4 of the pyramid above in the areas of costing and pricing (retail and wholesale) and packaging.
- Incubation for 9 incubator candidates on the full spectrum of the craft value chain, figure 2 below on page 25.
- Use the BTE Exhibition and craft shop at the WLHM as a learning platform from its launch in February of 2023 the end of July 2023.
- Both activities (the coach for selected producers and the incubation for the 90 can be delivered using the hybrid methods (physical and online) with opportunities for practical application at the BTE and shop at the WLHM.

The proposals will be evaluated in line with the below criterial.

| NO | CRITERIA | WEIGHT | VALUE RATING | TOTAL |
|-----|--|--------|--|-------|
| 9.1 | <p><u>Project Plan</u></p> <ul style="list-style-type: none"> • Drawing from 3.1 above outline in not more six (6) pages the project plan from the moment you take over from the BTE service provider to the end of September 2023 how you | 30 | 0-5 = poor 6-12=below average 13-18 = average 19-24= above average 25-30 =good | |

| NO | CRITERIA | WEIGHT | VALUE RATING | TOTAL |
|-----|---|--------|---|-------|
| | <p>will effectively manage the BTE and shop while you use them as anchors for the incubation and coaching programme.</p> <ul style="list-style-type: none"> The project plan must be inclusive of relevant logistics and applicable logistics, travel and accommodation, purchase of products for the exhibition and shop and the opening of the exhibition and shop. | | | |
| 9.2 | <p>Incubation and coaching material</p> <p>Select any two incubation and coaching areas listed in the 2. Introduction above and provide a lesson plan for them with a view to providing a sense of the envisaged lessons and outcomes of those lessons for the incubation candidates. It could be a lesson plan from past programmes.</p> | 25 | <p>0-4 = poor</p> <p>5-9=below average</p> <p>10-14 = average</p> <p>15-19 above average</p> <p>20-25 =good</p> | |
| 9.3 | <p>Branding communication and marketing Outline your</p> | 25 | <p>0-4 = poor</p> <p>5-9=below average</p> | |

| NO | CRITERIA | WEIGHT | VALUE RATING | TOTAL |
|-----|--|--------|---|-------|
| | communication and marketing strategy in not more than 3 pages in line with 3.3 above. | | 10-14 = average 15-19 above average 20-25 =good | |
| 9.4 | <p><u>COMPANY EXPERIENCE</u></p> <ul style="list-style-type: none"> • Tabulate projects of a similar nature you have undertaken and also provide references from a minimum of three contactable clients to demonstrate experience in this area of work. • In addition, please include CVs to outline the relevant qualification and experience of the trainers involved in the incubation. • Indicate if any aspect of your training is accredited and also provide supporting documents to that effect. | 20 | 0-3 = poor 4-7=below average 8-11 = average 12-15 above average 16-20 =good | |
| | TOTAL | 100 | | |

Timeframes

The start date of the projects is depended on the procurement process which is estimated to be about three months from the date of the advert of the tender for the BTE and craft shop and the call for proposals for the National Craft Incubator.

Key considerations are as follows:

- The BTE design and installation of the BTE and Shop be ready to be launch in the month of February 2023.
- The National Craft Incubator provider will manage the BTE and shop as part of an incubator programme from handover in to the end of September 2023.

Consignment vs cash

In past editions of the Beautiful Things and other exhibitions, exhibition items/products were obtained from producers for use in the exhibition, and if unsold at the end of the exhibition, returned to the producers. This made sense because the exhibition ran over a few days, three (3) to five (5) days thereabout. In this instance the plan is to be put up an ongoing sustained exhibition and outlet. For that reason this concept proposes that the initial/opening/launch stock should be purchased from the producers and not obtained on consignment. Once the exhibition and the shop's systems are in place additional stock can be obtained on consignment to boost the variety/diversity and quality of what is showcased and retailed at the BTE and craft shops, thereby giving access to more and more crafters throughout the country to participate and earn revenue.

For this project, a different approach has to be adopted because the exhibition is ongoing. This concept proposes that items for the “opening/initial/starting” stock for the exhibition and the craft shop be bought up front. The proceeds from the sale of this initial stock should then sustain adequate stock levels.

The BTE, which is designed to be a showcase, would require/incorporate big items such as sculptures which are usually very expensive. In that case the items can be obtained on consignment (the supplier can then be paid once the item is sold).

To achieve all the above, the BTE Exhibition and craft shop prospective curator/service provider is to include/factor in their bid price a budget of R 700 000.00 to purchase products for the BTE.

In the same manner the prospective incubator/ service provider is to include/factor in their bid price a budget of R 900 000.00 to purchase the initial/starting/opening stock for the Craft shop.

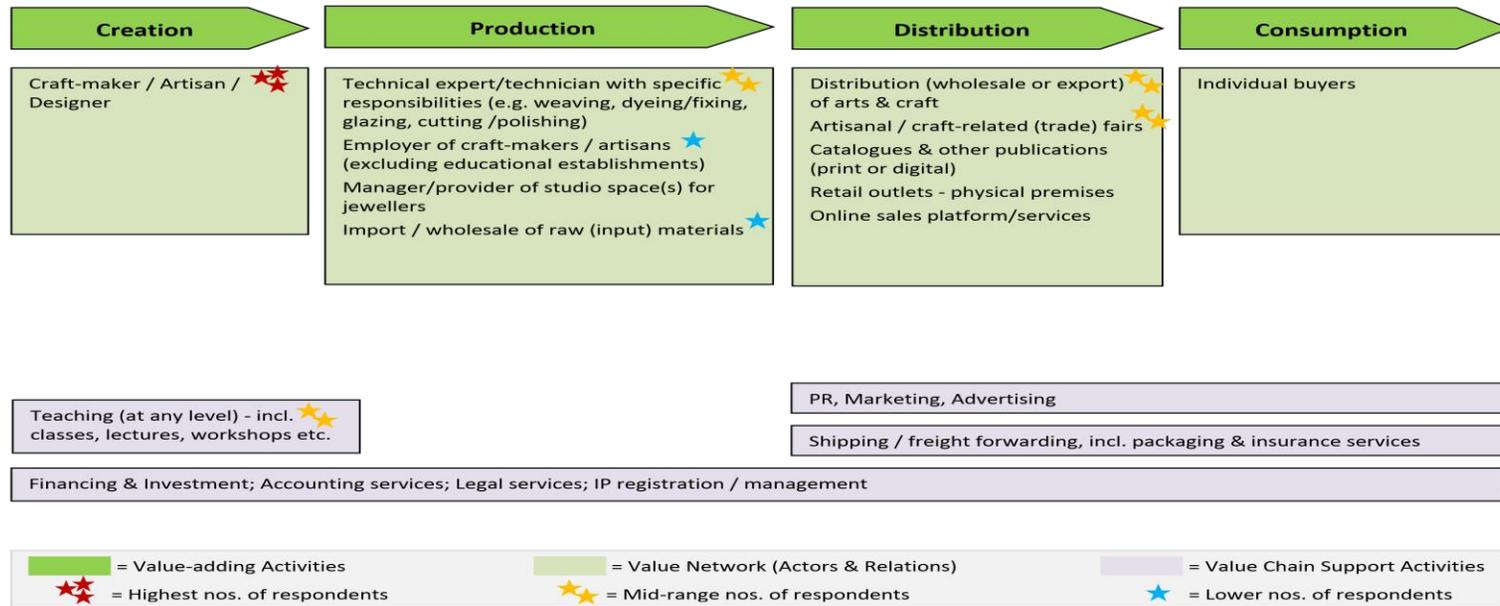
For fairness it is important to indicate and be prescriptive on the above specific amounts for uniformity among the bidders because price is an important competitive aspect of any bid. If the amount is not specified, the bidder who allocates the lowest amount to this budget item will gain an unfair competitive advantage over the bidder who allocates the highest amount to this budget item in their bid price. For that reason, guidance on the budget resources to be allocated is important.

Sources & References

Canadian Framework for Cultural Statistics (2011).

Growing your creative Business: A guide for craft producers designers and other creatives

Figure 2: Mapping of respondents along Value Chain for CARIFORUM Arts & Craft



Figur

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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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.
- 34 Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.