

Reg Name: Postbank (SOC) Ltd  
Registration number: 2017/177755/30  
NPC Building, Jeff Masemola Street, Pretoria, 0002: PO Box 10 000, Pretoria, 0001

### REQUEST FOR BIDS/PROPOSALS

<b>RFB/P REF. NO:</b>	<b>RFP 01/05/2023</b>
<b>DESCRIPTION</b>	Appointment of a Panel of Strategic Research Partners for a period of 3 Years.
<b>RFB/P ISSUING DATE</b>	21 June 2023
<b>CLOSING DATE FOR QUESTIONS / ENQUERIES</b>	5 July 2023
<b>RFB/P CLOSING DETAILS</b>	Date: 13 July 2023 Time: 11:00am (South African Time)
<b>RFB/P SUBMISSION ADDRESS</b>	Place: South African Post Office SOC Limited Corner James Drive and Moreleta Street SILVERTON PRETORIA
<b>RFB/P VALIDITY PERIOD</b>	<b>180 Days</b> from the Closing Date
<b>ENQUIRIES</b>	Nokulunga Moloi: <a href="mailto:Nokulunga.Moloi@postbank.co.za">Nokulunga.Moloi@postbank.co.za</a> Lwandle Mgidlana: <a href="mailto:Lwandle.Mgidlana@postbank.co.za">Lwandle.Mgidlana@postbank.co.za</a>

**PROSPECTIVE BIDDERS MUST BE REGISTERED ON THE CENTRAL SUPPLIER DATABASE PRIOR TO SUBMITTING BIDS/PROPOSALS.**

**PART A  
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE POSTBANK SOC LIMITED					
BID NUMBER:	RFP 01/05/2023	CLOSING DATE:	13 JULY 2023	CLOSING TIME:	11:00am
DESCRIPTION	Appointment of a Panel of Strategic Research Partners for a Period of 3 Years				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
Place: South African Post Office SOC Limited Corner James Drive and Moreleta Street SILVERTON PRETORIA					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO					
CONTACT PERSON	Nokulunga Moloi				
E-MAIL ADDRESS	Nokulunga.Moloi@postbank.co.za				
SUPPLIER INFORMATION					
NAME OF BIDDER					
PHYSICAL 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
1..1.1 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]		1..1.2 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:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.

#### 2. TAX COMPLIANCE REQUIREMENTS

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

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

SIGNATURE OF BIDDER:.....

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

DATE: .....

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## SECTION 1 BIDDER'S DETAILS

### 1. Bidding structure

Indicate the type of bidding structure by marking with an 'X':	
Individual bidder	
Joint Venture	
Consortium	
Subcontractors	
Other	
If the bid is submitted as a Consortium or Joint Venture or Sub Contracting, list the members of such Consortium or Joint Venture and Sub Contractors below:	
1.	
2.	
3.	
4.	

### 1.2 Entity Directorship

No.	Director name	Identity number
1.		
2.		
3.		
4.		
5.		
6.		

### 1.3 Entity Ownership

Ownership Category	% of Ownership
Black or Historically Disadvantage Individual Owned	
Black Women	
Youth	
People Living with Disability	
Military Veteran	
Other Ownership	

Ownership Category	% of Ownership
Total (100%)	

**I certify that the information furnished on this form is true and correct.**

**I further accept that, in addition to cancellation of a contract, action may be taken against me should this declaration prove to be false.**

\_\_\_\_\_  
**Name of bidder (duly authorised)**

\_\_\_\_\_  
**Signature of bidder**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Capacity under which this bid is signed**

## **SECTION 2**

### **BID TERMS OF REFERENCE**

## **2. General rules and instructions**

### **2.1 Precedence of documents**

- 2.1.1 This RFB/P consists of a number of sections (see list). Where there is a contradiction in terms between the clauses, phrases, words, stipulations or terms and herein referred to generally as stipulations in this RFB/P and the stipulations in any other document attached hereto, or the RFB/P submitted hereto, the relevant stipulations in this RFB/P shall take precedence.
- 2.1.2 Where this RFB/P is silent on any matter, the relevant stipulations addressing such matter and which appear in the PPPFA shall take precedence. Bidders shall refrain from incorporating any additional stipulations in its proposal submitted in terms hereof other than in the form of a clearly marked recommendation that POSTBANK may in its sole discretion elect to import or to ignore. Any such inclusion shall not be used for any purpose of interpretation unless it has been so imported or acknowledged by POSTBANK.
- 2.1.3 It is acknowledged that all stipulations in the PPPFA are not equally applicable to all matters addressed in this RFB/P. It, however, remains the exclusive domain and election of POSTBANK as to which of these stipulations are applicable and to what extent. Bidders are hereby acknowledging that the decision of POSTBANK in this regard is final and binding. The onus to enquire and obtain clarity in this regard rests with the Bidder(s). The Bidder(s) shall take care to restrict its enquiries in this regard to the most reasonable interpretations required to ensure the necessary consensus.

### **2.2 Preferential procurement reform**

- 2.2.1 POSTBANK supports B-BBEE as an essential ingredient of its business. In accordance with government policy, POSTBANK insists that the private sector demonstrates its commitment and track record to B-BBEE in the areas of ownership (shareholding), skills transfer, employment equity and procurement practices (SMME Development) etc.

- 2.2.2 POSTBANK shall apply the principles of the Preferential Procurement Policy Framework Act, (Act No. 5 of 2000) to this proposal read together with the Preferential Regulations, 2017.

### **2.3 National Industrial Participation Programme**

- 2.3.1 The Industrial Participation policy, which was endorsed by Cabinet on 30 April 1997, is applicable to contracts that have an imported content. The NIP is obligatory and therefore must be complied with. Bidders are required to sign and submit the Standard Bidding Document (SBD).

### **2.4 Local Content and Local Production**

- 2.4.1 POSTBANK promotes the use of local production and content in accordance with the prescribed thresholds in the designated sectors directed by Department of Trade and Industry, and as instructed by the NT, for the acquisition of Goods, Services and Works for all the designated sectors.

### **2.5 Objection to brand specific requirements**

- 2.5.1 Any bidder who has reasons to believe that the RFB/P specification is based on a specific brand must inform POSTBANK within seven (7) days after the publication of the RFB/P.

### **2.6 Instructions for submitting bids**

- 2.6.1 Bid responses must be submitted as follows to the email address as stipulated on the cover page



## **SECTION 3**

### **3. Special Conditions of the Bid**

- 3.1 POSTBANK shall not make upfront payment.
- 3.2 The preparation of response shall be made without obligation to acquire any of the items included in any bidder's proposal or to select any proposal.
- 3.3 POSTBANK may request written clarification regarding any aspect of this proposal. The bidders must supply the requested information in writing within the specified time frames after the request has been made, otherwise the proposal shall be disqualified.
- 3.4 POSTBANK reserves the right to; cancel or reject any proposal and not to award the proposal to the lowest bidder or award parts of the proposal to different bidders, or not to award the proposal at all.
- 3.5 By submitting a proposal in response to this RFB/P, the bidders accept the evaluation criteria as it stands.
- 3.6 Where applicable, POSTBANK reserves the right to conduct benchmarks on product/services offered during and after the evaluation.
- 3.7 Failure or neglect by either party to (at any time) enforce any of the provisions of this proposal shall not, in any manner, be construed to be a waiver of any of that party's right in that regard and in terms of this proposal. Such failure or neglect shall not, in any manner, affect the continued, unaltered validity of this proposal, or prejudice the right of that party to institute subsequent action.
- 3.8 Should the bidder change any wording or phrase in this document, the RFB/P shall be evaluated as though no change has been effected and the original wording or phrasing shall be used.
- 3.9 POSTBANK shall at any time during procurement process require additional information that was not part of the bid as part of due diligence. Similarly bidders may be required to give an oral presentation, which may include, but is not limited to, an equipment/service demonstration of their proposal to POSTBANK. This provides an opportunity for the vendor to clarify or elaborate on the proposal. POSTBANK shall schedule the time and location of these presentations.
- 3.10 This RFB/P is subject to Government Procurement: General Contract Conditions – July 2011, Special Contract Conditions and any other contract conditions to be finalised during contracting.
- 3.11 Late bids shall not be accepted.

## **SECTION 4**

### **SPECIFICATION**

#### **4. Purpose of the bid**

In pursuit of its mandate of promoting financial inclusion, Postbank seeks to attain a deeper understanding of both the market in which it operates and the diverse needs of its customers. This understanding will help facilitate the development of products and services that are relevant to the people and market segments the bank serves. The bank's strategic direction also entails the establishment of new business areas including retail, business, and public sector banking. While Postbank is currently operating in the retail banking realm, the bank's strategy entails venturing into other business areas including business banking and public sector banking.

Central to both the product development and strategic planning and alignment objectives is Postbank having access to bespoke, tested, relevant market related research and data on not only the unbanked and under-banked individual consumers within the predominantly rural and informal market segments but also on small business and public sector participants in line with the bank's strategic direction. Currently, Postbank does not have this capability and the bank thus seeks to establish and operationalise, through appointment, a research panel structure through which the sought research capabilities will be facilitated on a 3 year partnership agreement.

#### **4.1 Objective of the Bid**

The objective of this bid is to solicit interested qualifying service providers to submit proposals for selection to be part of a "Postbank Panel of Strategic Research Partners" (Research Panel). The Research Panel will help conduct and provide detailed evidence based market research/ insights/ intelligence and related data within the commercial banking industry/sector. The scope of work will cover varying areas of banking - including product development and management (retail, business, public and lending); channels and sales development and management; as well as marketing and strategic planning and development - while also focused on various research themes as outlined herein below.

#### **4.2 Contractual Period**

The partnership agreement with each of the appointed Strategic Research Partner (SRP) will be for a contract period of three (3) years.

**Contractual conditions:**

Prospective bidders must note that the Panel will be refreshed after a period of one and half years to allow new additional qualifying Strategic Research Partners to participate in the Strategic Partnership.

**4.3 Scope of Work**

- The appointment of research service providers to form part of a Postbank Panel of Strategic Research Partners will assist the bank through conducting and providing detailed, evidence based and actionable market research, building on any key

Research that has already been done internally or filling key research gaps, and covering the following 8 research themes:

**Table 1: Research themes and description**

Research Theme	Description	Key Words/ Phrases	Tick (✓) Theme(s) Bidding For
Theme 1: Know your customers & products framework, and benchmarking	This theme focuses more on the banking market research in order to establish a Market, Customer and Competitor Intelligence knowledgebase for Postbank, covering a variety of topics including determining which attributes are important to the customer; understanding customer spending behaviour; consumer preference analysis; product innovation and differentiation (including product rationalization, segmentation, etc.); how state banks in other countries achieve success (benchmarking study); etc.	Transactional and savings/investment products, customers satisfaction, market and customer segmentation, competitiveness, individual & group customers, and informal Micro, Small, Medium Enterprises (MSMEs), product innovation and differentiation, government, state bank, etc.	
Theme 2: Financing (Credit and Lending)	This research theme will focus on lending and credit related market research, covering various research topics including inputting into Micro, Small, Medium Enterprises (MSMEs) & informal cash flow, affordability and related models, ratio analysis, etc.	Financing (lending, credit and policies), financing and cash flow models, etc.	
Theme 3: Bancassurance	This research theme will cover market research topics that will input into bancassurance policies, strategies, awareness, market trends, customer preferences, etc.	Bancassurance.	

Theme 4: Know your banking channel framework	This research theme will expand to market research topics including the analysing/ evaluating customer-channel preferences (i.e. physical, digital, retail merchants, ATMs, POS systems, etc.), the effect/impact of various banking channels (physical and digital channels) on customer satisfaction and banking behaviour, among others.	Banking channels (physical and digital channels), customer satisfaction, customer behaviour, etc.	
Theme 5: Revenue and deposits growth	This theme will cater for market research that will input into the following (among others): improving strategies and insights on growing revenue and deposits, enhancing the asset-liability management strategies, among others.	Interest margin, capital structure, monetary policy.	
Theme 6: Pricing and interest rates	This theme will cover market research topics that input and feeds into improving competitive pricing and price sensitivity models, strategies & provide insights on pricing innovation and trends, improving interest margin, etc.	Competitive pricing models, etc.	
Theme 7: Marketing & sales	This research area will focus on market research covering (but not limited to) a variety of customer and related surveys and usage of the Net Promoter Score; provision of insights on enhancing advertising as a promotional tool including brand awareness, brand health and positioning; insights on optimizing customer engagements and service delivery; providing intelligences on improving sales & customer relationship management (CRM), etc.	Customer surveys, Net Promoter Scores, promotional tool, incentivize, sales, customer relationship management, etc.	
Theme 8: Corporate governance, banking law, risks and fraud	This research theme will cover market research topics talking to improving and supporting corporate governance, provision of intelligence market developments relating to banking policy/ regulation	Corporate governance, banking law, banking policy, banking regulation, banking risks, banking fraud, etc.	

	or change in banking policy/ regulation, trends in banking risks and fraud, etc.		
--	--	--	--

NOTE: Even though Bidders could apply for more than one research theme, Bidders are advised to consider bidding only for those research areas in respect of which they possess the required skills and expertise.

### 4.3 Evaluation Criteria

The bid will be evaluated as follows:

#### 4.3.1 Mandatory/Gatekeeping requirements

#### 4.3.2 Bid Conditions

#### 4.3.3. Functionality Requirements

#### 4.3.4 Commercial – Net Lowest Price = 100 points.

##### 4.3.1.1 Mandatory/Gatekeeping requirements

Bidders must indicate by ticking (√) in the correct box indicating that they **Comply** or **Do Not Comply**.

Failure to comply with the following will result in disqualification of the bid

Requirements	Comply	Do Not Comply
<b><u>Bidder's Experience</u></b> The bidder must be a reputable research house with experience (5 years or more) in conducting research within the banking/financial services sector. <ul style="list-style-type: none"><li>• The bidder should provide Portfolio of Evidence (company profile) and complete Appendix A in full; and</li><li>• Bidder's company profile to include the following:<ul style="list-style-type: none"><li>○ Number of years the firm is in existence;</li><li>○ Number of years the firm has been conducting research;</li><li>○ List of Professionals in the firm;</li><li>○ Detailed list of services offered by the firm; and</li><li>○ List of company clientele (past and present).</li></ul></li></ul>		

##### 4.3.2.1 Bid Conditions

- The appointed bidder will be required to provide a suitably qualified and experienced research project team for every research assignment undertaken;
- The research project team leader/lead researcher will be required to have a post-graduate qualification (NQF Level 8 or above) in either social sciences, development

studies, economics, statistics, econometrics, finance, banking, entrepreneurship or business management;

- Other research project team members will be required to have a minimum of a degree (NQF Level 7) in social sciences, economics, statistics, econometrics, banking or finance related, business management or related fields;
- The research project team leader/lead researcher will be required to have a minimum of five (5) or more years' demonstrable experience in conducting and leading teams undertaking various research projects – with competencies in delivering the following:
  - socio-economic or financial management research;
  - banking or related programme/ products & service offering design and development
  - developing target market and customer segmentation models,
  - positioning and/ rebranding model; and
  - conducting banking or related feasibility studies;
- The research project team leader/lead researcher will be required to demonstrate knowledge and understanding of the socio-economic or financial management related challenges facing South Africa and relevant policies and programmes put in place to address these challenges, especially within the financial and banking sector;
- The research project team leader/lead researcher will be required to have at least five (5) published research or related work within banking/ financial services sector/ industry should be provided (i.e. research reports/ working papers/ articles/ policy briefs, etc.);
- Other research project team members will be required to demonstrate experience in banking or finance models development, project management, strategic planning and business planning within the financial and banking sector; and
- Other research project team members will be required to have at least two (2) published research or related work within banking/ financial services sector/ industry should be provided (i.e. research reports/ working papers/ articles/ policy briefs, etc.).

**NB:**

- **The appointed service provider/s is required to adhere to all the above-stated requirements whenever they are assigned research work**
- **All these requirements will form part of the service level agreement (SLA) to be concluded with the successful bidder/s.**



- The appointed service provider/s is required to furnish all relevant proof of compliance with the above requirements (i.e. documentation, traceable list of publications, resume/CV with traceable references, etc.

#### 4.3.3.1 Functionality Requirements

No.	Criteria	Weight (Score) 100 Points	Reference page & section where the response is found in the bid						
1.	<p><b><u>Caliber of the bidder</u></b></p> <p>The bidder/s must be an established and reputable research house(s), particularly in the field of banking/financial services, associated to a recognised local and/or international research bodies.</p> <ul style="list-style-type: none"><li>• The bidder must provide at least one (1) certificate of industry membership or association.</li></ul> <table><tr><th>Membership and Association</th><th>Score</th></tr><tr><td><ul style="list-style-type: none"><li>• No certificate of industry membership or association.</li></ul></td><td>0</td></tr><tr><td><ul style="list-style-type: none"><li>• 1 certificate of industry membership or association submitted.</li></ul></td><td>25</td></tr></table>	Membership and Association	Score	<ul style="list-style-type: none"><li>• No certificate of industry membership or association.</li></ul>	0	<ul style="list-style-type: none"><li>• 1 certificate of industry membership or association submitted.</li></ul>	25	25	
Membership and Association	Score								
<ul style="list-style-type: none"><li>• No certificate of industry membership or association.</li></ul>	0								
<ul style="list-style-type: none"><li>• 1 certificate of industry membership or association submitted.</li></ul>	25								

2.

**Bidder's delivery capability:**

Bidder/s must demonstrate their ability to deliver by proposing assignment of a suitably qualified project team lead/lead researcher who is published and has the requisite skills, experience and traceable track record of delivering quality research outputs within the field of banking/financial services.

- The bidder must submit a detailed Resume of their research project team leader/lead researcher:
  - The Resume must clearly demonstrate the following:
    - Qualifications;
    - Industry background and experience;
    - Details of research projects delivered;
    - References with contact details
- The bidder must submit project team leader/lead researcher's publishing portfolio of evidence (PoE) comprising at least five (5) published research or related work within the field of banking/financial services.
  - The required PoE should include the following:
    - Research reports/ working papers/ articles/ policy briefs, etc.).

Lead Researcher/s Resume	Score
<ul style="list-style-type: none"><li>No resume submitted/attached</li></ul>	0
<ul style="list-style-type: none"><li>Resume submitted/attached but with a qualification below the minimum requirement of NQF Level 8</li></ul>	10
<ul style="list-style-type: none"><li>Resume submitted/attached with a required qualification of NQF Level 8 or above</li></ul>	15
Lead Researcher/s Publications	Score
<ul style="list-style-type: none"><li>No publications submitted/attached</li></ul>	0
<ul style="list-style-type: none"><li>≥ 3 &lt; 5 publications submitted/attached</li></ul>	15
<ul style="list-style-type: none"><li>≥ 5 publications attached</li></ul>	25

40

3.	<p><b><u>Bidder's service quality and impact:</u></b></p> <p>Bidder/s research outputs within the field of banking/financial services must be of recognisable quality and impact, demonstrated by the bidder's recommendation by previous clients and recognitions/awards received.</p> <ul style="list-style-type: none"><li>The bidder/s must submit the following:<ul style="list-style-type: none"><li>A minimum of two 2 signed reference or testimonial letters from clients for whom relevant research service/s were provided successfully and to the clients' satisfaction - preferably, in the past five (5) years.</li><li>The signed client reference letters must be in a client's company letterhead and should include the following:<ul style="list-style-type: none"><li>Name of company or organisation;</li><li>Contact person and details;</li><li>Description of research service provided;</li><li>Duration of the project including start and end dates; and</li><li>Statement of satisfaction with the service provided.</li></ul></li><li>At least one (1) certified copy of a certificate of award or recognition.</li></ul></li></ul>	35														
<table><tr><th>References</th><th>Score</th></tr><tr><td>• No signed reference letter</td><td>0</td></tr><tr><td>• 1 &lt; 2 signed reference letter with required information.</td><td>10</td></tr><tr><td>• ≥ 2 signed reference letters with required information.</td><td>15</td></tr><tr><th>Recognition</th><th>Score</th></tr><tr><td>• No certified certificate/ letter of award/recognition</td><td>0</td></tr><tr><td>• ≥ 1 certified certificate/letter of award or recognition</td><td>20</td></tr></table>		References	Score	• No signed reference letter	0	• 1 < 2 signed reference letter with required information.	10	• ≥ 2 signed reference letters with required information.	15	Recognition	Score	• No certified certificate/ letter of award/recognition	0	• ≥ 1 certified certificate/letter of award or recognition	20	
References	Score															
• No signed reference letter	0															
• 1 < 2 signed reference letter with required information.	10															
• ≥ 2 signed reference letters with required information.	15															
Recognition	Score															
• No certified certificate/ letter of award/recognition	0															
• ≥ 1 certified certificate/letter of award or recognition	20															
	<b>TOTAL</b>	<b>100</b>														

Only bidders scoring 70 points and above on functionality are eligible for further evaluation.

#### 4.3.4 Commercial

##### Price (100)

Criteria	Weight	Sub-criteria
Total Price	100 points	Benchmark against lowest quote

## Appendix A

**Table A: Bidders Experience**

[illegible]

**SECTION 5**  
**PRICING SCHEDULE/COSTING MODEL**

A detailed (but itemized) hourly rate or cost of each research team resource quoted in Rand value (i.e. South African currency - ZAR) inclusive of VAT and linked to the role to be played by each resource in the team. The following pricing template is to be completed in full:

Resource Description	Rate per Hour (ZAR)
Team Leader/Lead Researcher	R
Support Lead Researcher	R
Research Coordinator	R
Research Assistant	R

The bidder warrants that the pricing quoted above is free of any errors and omissions and that the service will be executed at the price quoted.

- Pricing schedule will form part of the bidder's proposal and bidders must submit a detailed pricing for every item that carries a cost, be it a once off cost, monthly subscription and/or pay-as-you-use.
- All prices must be VAT inclusive and must be quoted in South African Rand (ZAR).

**NAME OF DELEGATED SIGNATORY:** .....

**(PRINT)** in his capacity of

**DESIGNATION OF SIGNATORY:** .....

**(PRINT)** who warrants his authority to sign on behalf of

**SIGNATURE:**.....

**NAME OF BIDDER (COMPANY) :** .....

**DATE:** .....

**DECLARATION**

I, \_\_\_\_\_, hereby declare that the information provided above is correct and that there is no misrepresentation of facts

## SECTION 6

### STANDARD BID DOCUMENTS (SBDs)

SBD 4

#### 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 interest<sup>1</sup> 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 institution	State

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

2.2.1 If so, furnish particulars:

.....  
.....

---

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

2.3 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 consortium<sup>2</sup> 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 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

---

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



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

## **SBD 6.2**

### **DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS**

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

#### **1. General Conditions**

1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) on the date of advertisement of the bid as indicated in paragraph 3.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

**2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

Description of services, works or goods      Stipulated minimum threshold

\_\_\_\_\_ %

\_\_\_\_\_ %

\_\_\_\_\_ %

- 3. Does any portion of the goods or services offered have any imported content?  
(Tick applicable box)**

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

- 3..1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on [www.resbank.co.za](http://www.resbank.co.za)

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

- 4.** Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

**LOCAL CONTENT DECLARATION**  
**(REFER TO ANNEX B OF SATS 1286:2011)**

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

IN RESPECT OF BID NO. ....

ISSUED BY: (Procurement Authority / Name of Institution):

NB

1. The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/ip.jsp). Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, ..... (full names),  
do hereby declare, in my capacity as .....  
of .....(name of bidder entity), the following:

1. The facts contained herein are within my own personal knowledge.
2. I have satisfied myself that:

the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and

3. The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.**

**The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 above and the information contained in Declaration D and E.**

4. I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
5. I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** .....

**WITNESS No. 1** .....

**DATE:** .....

## **SECTION 6**

### **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT – JULY 2011**

#### **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 GCC 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 GCC. Whenever there is a conflict, the provisions in the SCC shall prevail.

#### **TABLE OF CLAUSES**

- 1. Definitions
- 2. Application
- 3. General
- 4. Standards
- 5. Use of contract documents and information; inspection
- 6. Patent rights
- 7. Performance security
- 8. Inspections, tests and analysis
- 9. Packing
- 10. Delivery and documents
- 11. Insurance
- 12. Transportation
- 13. Incidental services
- 14. Spare parts
- 15. Warranty
- 16. Payment
- 17. Prices

- 18. Contract amendments
- 19. Assignment
- 20. Subcontracts
- 21. Delays in the supplier's performance
- 22. Penalties
- 23. Termination for default
- 24. Dumping and countervailing duties
- 25. Force Majeure
- 26. Termination for insolvency
- 27. Settlement of disputes
- 28. Limitation of liability
- 29. Governing language
- 30. Applicable law
- 31. Notices
- 32. Taxes and duties
- 33. National Industrial Participation Programme (NIPP)
- 34. Prohibition of restrictive practices

## **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 anything of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is 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 organisation purchasing the goods.
- 1.22 “Republic” means the RSA.
- 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, SCC are also laid down to cover specific supplies, services or works.
- 2.3 Where such SCC 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](http://www.treasury.gov.za)

## **4 Standards**

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



## **1 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:
- 7.3.1 a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in

the form provided in the bidding documents or another form acceptable to the purchaser; or

7.3.2 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 organisation acting on behalf of the Department.

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

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and 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:
  - 13.1.1 performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - 13.1.2 furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - 13.1.3 furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - 13.1.4 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
  - 13.1.5 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:
  - 14.1.1 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
  - 14.1.2 in the event of termination of production of the spare parts:
    - 14.1.2.1 Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
    - 14.1.2.2 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 fulfilment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in rand unless otherwise stipulated in SCC.

## **17 Prices**

- 17.1 Prices charged by the supplier for goods delivered and 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 authorised in SCC or in the purchaser's request for bid validity extension, as the case may be.

## **18 Contract amendments**

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

## **19 Assignment**

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

## **20 Subcontracts**

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

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

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied

in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22 Penalties**

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

## **23 Termination for default**

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- 23.1.1 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;
  - 23.1.2 if the Supplier fails to perform any other obligation(s) under the contract; or
  - 23.1.3 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:
- 23.6.1 the name and address of the supplier and / or person restricted by the purchaser;
  - 23.6.2 the date of commencement of the restriction
  - 23.6.3 the period of restriction; and
  - 23.6.4 the reasons for the restriction.
- 23.7 These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.
- 23.8 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,
- 27.5.1 the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- 27.5.2 the purchaser shall pay the supplier any monies due the supplier.

## **28 Limitation of liability**

- 28.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;
- 28.1.1 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
- 28.1.2 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 SARSs.

## **33 National Industrial Participation (NIP) Programme**

- 33.1 The NIP Programme administered by the DTI 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

The above General Conditions of Contract (GCC) are accepted by:

<b>Name:</b>	
<b>Designation:</b>	
<b>Bidder:</b>	
<b>Signature:</b>	
<b>Date:</b>	