

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DPSA							
BID NUMBER:	DPSA001/2023	CLOSING DATE: 28 APRIL 2023		CLOSING TIME: 11:00			
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT THE HOUSING STOCK SURVEY FOR PUBLIC SERVANTS ON SALARY LEVELS SCALE 1-6 AND INVESTIGATE THE TYPOLOGIES OF HOUSING NEEDS REQUIRED BY PUBLIC SERVANTS CLASSIFIED AS THE GAP MARKET.						
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)							
Batho Pele House,							
546 Edmond Street,							
(C/O Hamilton Street),							
Arcadia							
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO				TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON	Lorraine Masenya / Mmapula Kotsokoane			CONTACT PERSON	Nomsa Tsabedze		
TELEPHONE NUMBER	012 336 1126/1389			TELEPHONE NUMBER	012 336 1209		
FACSIMILE NUMBER	N/A			FACSIMILE NUMBER	N/A		
E-MAIL ADDRESS				E-MAIL ADDRESS	nomsat@dpsa.gov.za		
SUPPLIER INFORMATION							
NAME OF BIDDER							
POSTAL ADDRESS							
STREET ADDRESS							
TELEPHONE NUMBER	CODE			NUMBER			
CELLPHONE NUMBER							
FACSIMILE NUMBER	CODE			NUMBER			
E-MAIL ADDRESS							
VAT REGISTRATION NUMBER							
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:			OR	CENTRAL SUPPLIER DATABASE No:	MAAA	
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]			ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS							
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?						<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?						<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?						<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?						<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?						<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.							

PART B TERMS AND CONDITIONS FOR BIDDING

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

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

SIGNATURE OF BIDDER:

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

DATE:

NB: THERE WILL BE A COMPULSORY BRIEFING SESSION ON THE 19TH APRIL 2023 @10H00; 3RD FLOOR AUDITORIUM; BATHO PELE HOUSE; 546 EDMOND STREET ;(C/O HAMILTON STREET); ARCADIA.

FAILURE TO ATTEND THE BRIEFING SESSION WILL RESULT IN YOUR TENDER/PROPOSAL BEING DISQUALIFIED.

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO.: DPSA001/2023

CLOSING TIME 11:00 CLOSING DATE... 28/04/2023

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

DESCRIPTION: APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT THE HOUSING STOCK SURVEY FOR PUBLIC SERVANTS ON SALARY LEVELS SCALE 1-6 AND INVESTIGATE THE TYPOLOGIES OF HOUSING NEEDS REQUIRED BY PUBLIC SERVANTS CLASSIFIED AS THE GAP MARKET.

NO 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.....
.....	R.....
.....	R.....
.....	R.....
.....	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.....

Name of Bidder:

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

- 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.
.....
.....
.....

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

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

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

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

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

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

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

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

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

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

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

1. GENERAL CONDITIONS

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

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

1.2 The applicable preference point system for this tender is the **80/20** preference point system.

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

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

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

	POINTS
PRICE	80
B-BBEE (Status Level of Contributor)	20
Total points for Price and SPECIFIC GOALS	100

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

1.6 Failure on the part of a tenderer to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African National Accreditation System (SANAS), or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.7 The organ of state reserves the right to require of a tenderer, either before a tender is

adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (d) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;
- (e) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (f) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (g) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (h) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

3.2.1. POINTS AWARDED FOR PRICE

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

80/20

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

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2) and 6(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

B-BBEE Status Level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	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 20 points)

(Points claimed in respect of paragraph 6.1 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.

DECLARATION WITH REGARD TO COMPANY/FIRM

7.1. Name of company/firm.....

7.2. Company registration number:

7.3. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

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

(e) forward the matter for criminal prosecution, if deemed necessary.

.....

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

THE DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION

BID CHECK LIST

Have you submitted a valid Tax Clearance Certificate? (Failure to submit a valid Tax Clearance Certificate may result in the invalidation of your bid)	YES	NO
In case of consortium, have all parties to the consortium/joint venture submitted a valid Tax Clearance Certificate? (Failure to submit a valid Tax Clearance Certificate for each party of the consortium/joint venture WILL result in the invalidation of your bid)	YES	NO
Is the SBD 6.1 form signed by the duly authorized person? (Failure to sign the SBD 6.1 will result in the invalidation of your bid)	YES	NO
Are the following forms completed and/or signed? 1. SBD 1 2. SBD 3.3 3. Declaration of Interest (SBD 4) 4. SBD 6.1		

.....
Signature

.....
Date:



the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA

INFORMATION SESSION CERTIFICATE

This is to certify that the company.....
attended a briefing session at **DPSA** @ Third Floor, Auditorium on **19 April 2023**.

Signed for the DPSA

Date

Signed for the Bidder

Date

**NB: THIS CERTIFICATE MUST BE SIGNED BY BOTH PARTIES AND
MUST FORM PART OF THE BID DOCUMENT**



GOVERNMENT EMPLOYEES HOUSING SCHEME (GEHS)

TERMS OF REFERENCE

FOR

**THE APPOINTMENT OF A SERVICE PROVIDER
TO CONDUCT THE HOUSING STOCK SURVEY
FOR PUBLIC SERVANTS ON SALARY LEVELS
SCALE 1 - 6 AND INVESTIGATE THE
TYPOLOGIES OF HOUSING NEEDS REQUIRED
BY PUBLIC SERVANTS CLASSIFIED AS THE
GAP MARKET.**

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1. PURPOSE

- 1.1. The Department of Public Service and Administration (DPSA) seeks to appoint a service provider to conduct the GEHS housing stock survey for public servants on salary level scale 1 - 6 and investigate the typologies of housing needs required by public servants classified as the gap market.
- 1.2. The research and recommendations will also propose operational mechanisms/modalities on how affordable housing can be provided, accessed and owned by government employees who some of them continue to find it impossible to access home ownership within their affordability range.

2. BACKGROUND ABOUT THE GOVERNMENT EMPLOYEES HOUSING SCHEME (GEHS)

- 2.1 In 2015, through PSCBC Resolution 7, government and labour unions agreed to establish a Government Employees Housing Scheme (GEHS). It is in this agreement wherein the parties noted that a significant number of employees who receive Housing Allowance as part of their conditions of employment are still finding it extremely difficult to acquire home loans without additional assistance. It was also noted that many employees find it difficult to find houses within their affordability range in their preferred areas.
- 2.2 As a result, the GEHS was established with the aim of achieving the following objectives:
 - 2.2.1 To support, educate and advise employees on housing options and opportunities;
 - 2.2.2 To enhance employees' access to affordable housing;
 - 2.2.3 To promote home ownership and facilitate asset security among employees;
 - 2.2.4 To assist employees to rent houses with a view to buy and own homes;
 - 2.2.5 To assist employees to access affordable housing loans and finance.
- 2.3 In terms of Clause 4.3 of the PSCBC Resolution 7 of 2015, the GEHS shall facilitate availability of housing stock both for rental and ownership, by implementing the following initiatives:

- 2.3.1 Maintaining a comprehensive database of demand for and supply of housing;
 - 2.3.2 Aggregation of employees' housing demand to inform and match the supply of housing stock to employees' housing needs based on available and planned housing units.
 - 2.3.3 Engage and coordinate with housing supply-side role players to ensure development of housing stock to meet the needs of employees; and
 - 2.3.4 Undertaking project management and sourcing services for housing developments aimed at accommodating employees.
- 2.4 GEHS provides support to government departments, by assisting them to properly administer the Housing Allowance in compliance with PSCBC Resolution 7 of 2015 (especially Clause 4.5), The Directive and Determination on Housing Allowance, as well as Circulars provide policy guidelines in relation to the administration of the Housing Allowance by national departments and provinces.
- 2.5 *As at 1 October 2022, number of employees eligible to receive Housing Allowance as tenants on levels 1 – 6 equaled to 195 891 with 9 746 employees not linked to salary scale, bringing the total number to 205 637.*

Item	2015	As at 1 Oct 2022
Housing Allowance Amount	R900.00	R1 578.37
Employees eligible but not receiving housing allowance	305 193	211 905
Employees still receiving old housing allowance	44 530	5 872
Employees receiving housing allowance as home-owner	352 103	763 321
Employees receiving housing allowance as tenants	569 000	195 891

- 2.6 Many employees who are receiving housing allowance are not homeowners. Those who are struggling to acquire home ownership attribute their condition to a number of factors, ranging from poor financial health, which leads to failure to obtain housing loans. But most importantly, many of these employees are finding it impossible to access housing stock which is priced within their affordability range and closer to work.

- 2.7 This has led to a situation where housing finance becomes available, but there continues to be a lack of affordable housing stock, mainly for employees who are on salary level scale 1 - 6.
- 2.8 The “Gap market” refers to **government employees that earn too much to qualify for a subsidised house**, but too little to secure a mortgage loan.

3. PROJECT OVERVIEW

- 3.1 According to the 2022 Infrastructure South Africa (ISA) report, government’s subsidy programme does not adequately respond to the diverse needs of low and middle income households. Generally, the programme has resulted in limited uniform housing development with a limited range of typologies and tenure types.
- 3.2 The COVID-19 pandemic has impacted the housing market adversely especially with respect to the availability of affordable housing stock priced below R700 000.00. This was due to hard economic lockdown in the past three years, which has subdued the construction activity.
- 3.3 Due to shortage of affordable housing stock, the majority of employees are spending many years on rental accommodation, thereby being deprived an opportunity to become homeowners.
- 3.4 The situation is further exacerbated by the overall building cost, which usually is a combination of the rate per square meter combined with construction and interior fittings costs. The higher the square meter count, the higher the price.
- 3.5 The GEHS, as an employer assisted scheme, has a mandate of facilitating availability of housing stock for the benefit of government employees throughout the country. It is designed to benefit both renters and homeowners.
- 3.6 Therefore, the DPSA seeks to appoint a service provider to conduct the GEHS housing stock survey for the public servants on salary levels 1 - 6 and investigate the typologies of housing needs required by public servants classified as the gap market.

4. SCOPE OF WORK

The appointed service provider will engage in the following activities:

- 4.1 Design and conduct a survey that will determine the housing needs of the public servants who are currently receiving the housing allowance as tenants.
- 4.2 The survey should also highlight the socio-economic conditions of the public servants.
- 4.3 The study should also investigate the pricing patterns and the factors that are making it difficult to have enough affordable houses within the price range that can be afforded by lower level government employees.
- 4.4 Determining strategies that can be employed in ensuring the availability of affordable housing stock, more especially for employees in the gap market category.
- 4.5 Determine interventions that are needed to reduce the costs of affordable housing units, in such a way that lower level employees can be accommodated, that is, which costs can be eliminated to significantly reduce the cost of a house.
- 4.6 Develop sample house plans and house pictures, project cost structure and estimate costs of key housing components (stand cost, engineering services costs, building materials cost, roofing costs, bond registration and transfer costs, and insurance cover costs), for public service salary scale levels 1 - 6, in both urban and rural settings. This should help determine how many rooms and garages a house in each salary band could have.
- 4.7 Conduct consultations with key stakeholders and experts in the field.
- 4.8 Conduct a benchmark study to determine the roles of other employer assisted housing schemes in facilitating the availability of housing stock for their employees.
- 4.9 Recommend different housing typologies for this gap market.

5. PROJECT DESIGN

5.1 METHODOLOGY AND APPROACH

The service provider must develop an applied methodological approach and tools that respond to the scope of work and determine the appropriate research design and applicable instrument.

6. EXPERTISE AND SKILLS REQUIRED

The project requires policy, legislation and programme expertise with high-level skills and in-depth knowledge in the following:

- 6.1 A minimum of five (5) years of experience in the field of residential property market, architecture and the broader human settlements space;
- 6.2 Extensive knowledge and experience in the human settlements sector especially in areas of applied research which includes the application of relevant statistical analysis packages;
- 6.3 Excellent verbal and written communication skills including effective application of infographics; and
- 6.4 A proven track record of having performed similar assignments plus strong project management skills.

Key personnel may only be replaced during the contract with written permission of the DPSA.

7. EXPECTED DELIVERABLES

The following are the deliverables of this project:

- 7.1 The appointed service provider will be expected to develop survey/research questions;
- 7.2 A detailed analytical report of the survey conducted on the housing needs of the public servants on salary level scale between 1 - 6 with recommendations and inclusive of the following:
 - 7.2.1 Cost breakdown of an affordable house;
 - 7.2.2 Typologies, including schematic pictures per salary level. Including the project cost structure and estimate costs of key housing components (stand cost, engineering services costs, building materials cost, roofing costs, bond registration and transfer costs, and insurance cover costs), for public service salary scale levels 1 - 6, in both urban and rural settings. This should help determine how many rooms and garages a house in each salary band could have;
 - 7.2.3 Socio-economic conditions of public servants on salary levels 1-6 who are currently receiving housing allowance as tenants;

- 7.2.4 Report on the investigation of the pricing patterns and the factors that are making it difficult to have enough affordable houses within the price range that can be afforded by lower level government employees;
- 7.3 Risk assessment report, including risk mitigation measures;
- 7.4 Benchmark study report on the roles of other employer assisted housing scheme;
- 7.5 Report on the identified strategies that can be employed in ensuring the availability of affordable housing stock, more especially for employees in the gap market category; and
- 7.6 Report on the consultation with key stakeholders and expert in the field.

8. PROJECT PLAN AND PAYMENT

8.1 PROJECT PLAN

This project should be completed within **six (6) months** after the service provider has been appointed.

8.2 BUDGET AND PAYMENT SCHEDULE

- 8.2.1 This is a fixed term contract and therefore fees shall be fixed for the duration of the contract. Notwithstanding the Service Level Agreement (SLA) terms and conditions, payment for delivery of the work will be undertaken on the basis of identified milestones, projected cash flows and project plan as agreed in the Service Level Agreement with the service provider.
- 8.2.2 Payment for delivery of the work will be advanced on the basis of identified milestones and timelines as well as project plan as agreed with the service provider.

9. PROJECT MANAGEMENT ARRANGEMENTS

- 9.1 The Chief Directorate: Macro Benefits and Government Employees Housing Scheme will manage the project.
- 9.2 The DPSA and the National Department of Human Settlements (NDHS) will oversee the project and establish a Project Steering Committee for this purpose.

- 9.3 The service provider will be expected to present the inception report, project plan as well as the draft project report to the Project Steering Committee and other relevant stakeholders.
- 9.4 Supplier performance will be conducted in line with the DPSA Supply Chain Management Policy and National Treasury Regulations.

10. SERVICE LEVEL AGREEMENT

The successful bidder will be required to sign a Service Level Agreement detailing the following:

- 10.1 Service standards
- 10.2 Fee structure
- 10.3 Payment Schedule (referenced above)
- 10.4 Terms and conditions
- 10.5 Penalties for unsatisfactory performance
- 10.6 Dispute resolution
- 10.7 Termination of contract

11. COPYRIGHT

- 11.1 The copyright of all material collected and packaged and the final report to be delivered by the service provider will rest with the DPSA.
- 11.2 The service provider will not use material, whether in part or whole, without the written permission of the DPSA.

12. BID PROPOSAL

A detailed proposal containing the following:

- 12.1 Understanding of the Terms of Reference;
- 12.2 Approach and methodology;
- 12.3 Team composition and competency (attach abridged CVs and indicate roles of individuals);
- 12.4 Capacity development elements (meaningful use of Previously Disadvantaged Individuals (PDIs) and young professionals in the team);
- 12.5 Quality assurance measures (process and control);

- 12.6 Reference letters (not older than 5 years);
- 12.7 Summary of projects executed and completed within specified timelines; and
- 12.8 A Project Plan with proposed milestones and deliverable dates. The Project Plan should indicate key tasks and activities (including the associated estimated costs of each milestone).

Note: Abridged CVs and any related information, personal details, including name, e-mail address will be utilised by the DPSA for the purpose of evaluation of the current bid and not made available to a third party.

13. DOCUMENTS TO BE SUBMITTED

The following documents are required to be submitted by prospective service providers:

- 13.1 During the past five (5) financial years, the service provider must have successfully completed three (3) research projects and advisory services in a related field. The bidder must submit a summary of the projects in the format presented in the table below:

PROJECT DETAILS	
Name of Project:	
Name of Client:	
CLIENT CONTACT DETAILS	
Contact Person:	
Role in Project:	
Office Number	
Cell Phone Number:	
Email Address:	
Project Start Date:	
Project Completion Date:	
Contract Amount (Incl. VAT):	
Summary of Project: <i>(maximum of 200 words)</i>	
NOTE: Please attach a reference letter from the client indicating successful completion of the Project as per the client's brief	

IMPORTANT: The DPSA may request reports of previous projects.

14. EVALUATION CRITERIA

- 14.1 The evaluation criteria for the assessment of the proposals will be based on both qualitative and financial aspects of the proposal.
- 14.2 The Department will make use of the respective Broad-Based Black Economic Empowerment Score Card in terms of the Broad-Based Black Economic Empowerment Act and its associated Regulations in terms of specific goals referenced in the Preferential Procurement Regulations, 2022. The Preference point system will therefore be based on Price and points scored for Broad-Based Black Economic Empowerment Status Level Contributor Responsive bids will be adjudicated by the Department on the 80/20-preference point for Broad-Based Black economic empowerment in terms of which points are awarded to bidders on the basis of:
- (a) The lowest price (maximum 80 points).
 - (b) Broad-Based Black Economic Status Level Contributor (maximum 20 points).

The bid documents will be evaluated individually on score sheets, by representatives in the evaluation panel and according to the evaluation criteria indicated in the Terms of Reference. **All bidders who score less than 65 out of 100 points on functionality will not be considered further.**

- 14.2.1 A maximum of 20 points may be awarded to a bidder who meets requirements for Broad-Based Black Economic Empowerment and/or subcontracting with a Broad-Based Black Economic Empowerment stipulated in the Preferential Procurement regulations. For this bid, the maximum number of Broad-Based Black Economic Empowerment status points that could be allocated are indicated in the table below.

B-BBEE Status level of Contributor	Number of points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4

8	2
Non-compliant contributor	0

- 14.2.2 Failure to capture the required status level and to submit the required B-BBEE status level certificates/affidavits will lead to a zero (0) status level for non-compliant Service Providers.
- 14.2.3 The points scored by a bidder in respect of the points indicated above will be added to the points scored for price.
- 14.2.4 Bidders are requested to complete the various preference claim forms in order to claim preference points.
- 14.2.5 Only a bidder who has fully completed and signed the declaration part of the preference claim form will be considered for B-BBEE status.
- 14.2.6 Supply Chain Management may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to B-BBEE status.
- 14.2.7 Points scored will be rounded off to the nearest 2 decimals.
- 14.2.8 In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of points for B-BBEE status. In the event that two or more bidders are equal in all respects, the award shall be decided by drawing of lots.
- 14.2.9 A contract may, on reasonable and justifiable grounds, be awarded to a bidder that did not score the highest number of points.
- 14.3 The applicable values that will be utilised when scoring each criteria are reflected in the table below:

1. Proven experience and capability of the Service Provider in conducting similar projects			Weighting: 60%
Criteria		Scoring Indicators	Score
1.1	Organisational/company track record. Note: In the case of joint ventures and consortia, the combined years of operation will be taken into account.	5 and more years in operation	(5)
		4 years in operation	(4)
		3 years in operation	(3)
		2 years in operation	(2)
		1 year in operation	(1)

1.2	Qualifications and experience of team members including abridged CVs of all Team Members.	Team members possess qualifications with 20 – 24 years collective experience in the relevant field of expertise.	(5)
		Team members possess qualifications and 15 – 19 years collective experience in the relevant field of expertise.	(4)
		Team members possess qualifications and 11 – 14 years collective experience in the relevant field of expertise.	(3)
		Team members possess qualifications and 8 – 10 years collective experience in the relevant field of expertise.	(2)
		Team members possess qualifications and 5 – 7 years collective experience in the relevant field of expertise.	(1)
2.	Understanding and conceptualization of the assignment (technical approach and procedures)		Weighting: 40%
Criteria		Scoring Indicators	Score
2.1	Appropriateness and quality of proposed work plan.	A comprehensive high level work plan describing all activities in logical sequence with clear time frames commensurate with the terms of reference.	(5)
		Work plan describes all high level activities, supplemented with further sub-activities in logical sequence with clear time frames commensurate with the terms of reference.	(4)
		Work plan describes all high level activities in logical sequence with clear time frames commensurate with the terms of reference.	(3)
		Work plan describes high level activities with timeframes not compatible with the terms of reference.	(2)

		Work plan activities do not commensurate with the deliverables in the terms of reference.	(1)
2.2	Proposed methodology and approach to achieve required outputs	<p>The methodology and approach includes a high level exposition and motivation in support of the proposal. It includes the full scope of the deliverables (outputs) in the ToR and clearly unpacks the anticipated risks, challenges and appropriate mitigating strategies.</p> <p>The methodology and approach includes a high level exposition and motivation in support of the proposal. It includes the full scope of the deliverables (outputs) in the Terms of Reference (ToR) and touches on anticipated risks, challenges and mitigating strategies.</p> <p>The methodology and approach includes the exposition and motivation in support of the proposal. It includes the full scope of the deliverables (outputs) in the ToR and touches on anticipated risks, challenges and mitigating strategies.</p> <p>The proposed methodology and approach is a verbatim repeat of the ToR.</p> <p>Failed to align the proposed methodology with the required outputs of the project.</p>	<p>(5)</p> <p>(4)</p> <p>(3)</p> <p>(2)</p> <p>(1)</p>
Total functionality score			100%
Minimum threshold for function			65%

15. RULES OF BIDDING

- 15.1 The DPSA reserves the right not to procure from the service provider with the lowest price.
- 15.2 The DPSA reserves the right not to award the bid/contract.
- 15.3 The DPSA reserves the right to call for a presentation from short-listed bidders at their own cost before final selection. Prospective service providers will be re-evaluated on individual score cards in terms of the functionality criteria.
- 15.4 Late submissions will not be considered.
- 15.5 There will be a compulsory briefing session.

16. MANDATORY DOCUMENTS TO BE SUBMITTED

- 16.1 Company profile and proposal.
- 16.2 A list of relevant references with detailed contact details in terms of paragraph 13.1.
- 16.3 All Standard Bidding Documentation (SBD) form to be fully completed and duly signed.
- 16.4 Provide clearly marked one (1) original proposal and four (4) copies including all fully completed SBD forms.
- 16.5 Provide qualifications and experience including abridged CVs of all team members. Prospective bidders must be registered as a service provider on the Central Supplier Database (CSD). If the company is not registered on the CSD, proceed to complete the registration of your company prior to submitting your proposal. Refer to <https://secure.csd.gov.za> to register the company. Ensure that all documentation on the database is updated and valid. Evidence of registration of the CSD must be provided.

No bid will be awarded to a service provider who has not registered on the CSD.

NB: Failure to provide any of the above-mentioned mandatory submission requirements and attendance of the compulsory briefing session will lead to disqualification and the bidder will not be considered for further evaluation.

Note: All information provided in response to this bid will be solely used for evaluation purposes and will not be made available or known to any third party.

17. CONTACT DETAILS

Any request of clarification must be submitted by e-mail to the relevant contact person.

17.1 Supply Chain Management enquiries

Ms Lorraine Masenya

Email: Lorraine@dpsa.gov.za

Telephone: 012 336 1126

Ms Mmapula Kotsokoane

Email: mmapulak@dpsa.gov.za

Telephone: 012 336 1389

17.2 Technical enquiries

Ms Nomsa Tsabedze

Email: Nomsat@dpsa.gov.za

Telephone: 012 336 1209

17.3 Delivery address

The proposals should be clearly labelled:

APPOINTMENT OF A SERVICE PROVIDER TO CONDUCT THE HOUSING STOCK SURVEY FOR PUBLIC SERVANTS ON SALARY LEVEL SCALE 1 - 6 AND INVESTIGATE THE TYPOLOGIES OF HOUSING NEEDS REQUIRED BY PUBLIC SERVANTS CLASSIFIED AS THE GAP MARKET.

The proposal should be hand delivered and placed into the bid/tender box at:

Department of Public Service and Administration

Batho Pele House (Ground Floor)

546 Edmond Street

Arcadia

0083

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.

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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	<p>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</p> <p>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.</p>
32. Taxes and duties	<p>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.</p> <p>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.</p> <p>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.</p>
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	<p>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).</p> <p>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.</p>

- 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.