



sport, arts, culture & recreation

Department of
Sport, Arts, Culture and Recreation
FREE STATE PROVINCE

REQUEST FOR PROPOSAL

GOODS	
SERVICES	X

DESCRIPTION:	APPOINTMENT OF A TRAVEL MANAGEMENT AGENCY FOR THE DEPARTMENT OF SPORTS, ARTS, CULTURE AND RECREATION (DSACR) FOR A PERIOD OF THIRTY-SIX (36) MONTHS.		
RFQ NUMBER:	SACRTMC2024		
CLOSING DATE AND TIME:	11H00		
QUOTATIONS TO BE SUBMITTED TO:	SUPPLY CHAIN MANAGEMENT OFFICE ZANA BUILDING CNR: HENRY AND HILL STREET		
PREFERENCE POINTS SYSTEM:	80/20		
DELIVERY INFORMATION - N/A			
LOCATION:	BLOEMFONTEIN		
Enquiries relating to bidding procedures may be directed to:		Technical enquiries may be directed to:	
Contact person:	Mr MASISI	Contact person:	Mr RAMABULANA
E- Mail address:	masisi@sacr.fs.gov.za	E- mail address:	ramabulana.ta@sacr.fs.gov.za
Telephone No:	066 474 7494	Telephone No:	083 707 0210



BID SPECIFICATION

**APPOINTMENT OF A TRAVEL MANAGEMENT AGENCY FOR THE DEPARTMENT OF
SPORTS, ARTS, CULTURE AND RECREATION (DSACR) FOR A PERIOD OF
THIRTY-SIX (36) MONTHS. TENDER NO: DSACRTMC 2024**

COMPANY INFORMATION

BUSINESS INFORMATION	
Title (Prof./Dr/Mr/Mrs/Ms and Surname	
Business Trading Name (as per CIPRO)	
Previous Name of Business (if Applicable)	
PHYSICAL ADDRESS OF THE BUSINESS	POSTAL ADDRESS OF BUSINESS
CONTACT DETAILS	
Office	
Mobile	
Accounts Department	
Business Email	
Business Registration Number	
Tax Number	
VAT (if applicable)	
Authorised Signature	



1. THE PROJECT BACKGROUND AND GOALS

1.1. The user background to the project effort.

The DSACR requires a service of obligatory quality to be delivered in all instances in line with the defined requirements outlined in this document. It should be noted by tendering companies that quotations will be requested from successful companies on a rotational basis. The contract will be managed with an open procurement approach with unrestricted competition. Any company within a pool of companies may make a bid or refrain at will and will be allowed to compete as per SCM prescripts. The contract will be for three (3) years.

The Department of Sport, Arts, Culture, and Recreation (DSACR) saw the need to outsource the service to a panel of Travel Management Company services to assist with travel arrangements. This RFP does not constitute an offer to do business with the department but merely serves as an invitation to the bidder(s) to facilitate a requirements-based decision process.

1.2. Goals of the project.

The DSACR plans to appoint a panel of pre-qualified travel management companies to coordinate and arrange travel for officials and non-government officials based on the needs of programmes in the department. In the quest to grow the Sports, Arts, and Culture sector and to contribute significantly to the economy while fostering a more cohesive and united society, the DSACR is involved more than activities and initiatives frequently year-round. Naturally, the planning and overall management of traveling form a big part of the scope of work. It's therefore crucial that the travel not only satisfies the functional/technical objective but also contributes to the department's key strategic objectives that apply to traveling.

2. GENERAL CONDITIONS OF BID

2.1 PROPRIETARY INFORMATION

- 2.1.1 The Department of Sports, Arts, Culture, and Recreation (SACR) considers this Request for Proposal (RFP) and all written or verbal information provided to the respondent proprietary to SACR. The respondent and its officers, employees, agents, and representatives shall keep it confidential. The respondent shall not disclose, publish, or advertise this RFP or related information to any third party without the prior written consent of SACR.
- 2.1.2 Any award made to a bidder(s) under this bid is conditional, amongst others, upon –
 - (a) The bidder(s) accepting the terms and conditions contained in the General Conditions of Contract as the minimum terms and conditions upon which the department is prepared to enter into a contract with the successful Bidder(s).
 - (b) The bidder is submitting the General Conditions of Contract to the department, and an authorized representative of the bidder duly signs its bid.
 - (c) Penalties incurred due to a travel consultant's inefficiency or fault will be for the Travelling Management Company's account, subject to the outcome of a formal dispute process.



3. ENQUIRIES

- 3.1 Any enquiry regarding this bid invitation and specification shall be submitted in writing to: masisi@sacr.fs.gov.za. copying ramabulana.ta@sacr.fs.gov.za with tender number as reference or subject.
- 3.2 Enquiries shall only be entertained until 5 working days before the closing date of the tender and will not be entertained after **16h00 daily**.
- 3.3 The inquiries will be consolidated, and SACR will issue one response, which will be posted within two days after the last day of inquiries.
- 3.4 The SACR may respond to any inquiry in its absolute discretion, and the bidder acknowledges that it will have no claim against the department because its bid was disadvantaged by a lack of information or an inability to resolve ambiguities.

4 BID VALIDITY PERIOD AND GENERAL REQUIREMENTS

- 4.1 The proposal shall be valid for at least four months (120 days) calculated from the closing date.
- 4.2 Appointment as a successful bidder shall be subject to parties agreeing on mutually acceptable contractual terms and conditions.
- 4.3 DSACR reserves the right to appoint an alternative supplier if parties disagree.
- 4.4 No regret letters will be sent to unsuccessful bidders.
- 4.5 All documentation submitted in response to this tender must be in English.

5 TERMS OF CONTRACT

The term of the contract will be for the duration of the event but appointment for three years.

5.1 TERMS & CONDITIONS OF TENDER

- 5.1.1 The Department reserves the right to reduce or increase the total items required in the tender.
- 5.1.2 The successful tenderer will be required to allow Department personnel to carry out reference checks about his/her performance elsewhere before a tender is awarded.
- 5.1.3 DSACR does not necessarily have to appoint the highest-scoring bidder; it reserves the right to appoint anyone.
- 5.1.4 Sub-service providers/sub-contracting will be allowed with the approval of the department



- 5.1.5 All returnable documents must be in a separate file, clearly indexed and separated by marked sheets.
- 5.1.6 Initials must be on all pages of the tender document.
- 5.1.7 All proposals are to be sealed. No open proposal will be accepted.
- 5.1.8 All proposals must be marked with the Bid number and the bidder's name.
- 5.1.9 Each bidder must submit 2 files: the Tender Document and the List of Returnable Documents (clearly separated by file dividers).
- 5.1.10 No tender will be considered after the closing date and time as stipulated in the bid document

6. DSACR RESERVES THE RIGHT TO,

- 6.1 Extend the closing date through the same communication medium used for the invitation.
- 6.2 Extend the tender validity period before the expiry date of the original validity period.
- 6.3 Verify any information contained in the tender proposal.
 - 6.4 Request any further documentary proof regarding any declaration.
 - 6.5 Verify if the Service Provider has the necessary expertise, experience, and knowledge in the field.
 - 6.6 To reduce or increase the total quantity of items required in the tender.
 - 6.7 Award to multiple bidders based either on size or geographic considerations.
 - 6.8 Invite short-listed suppliers/companies to Bloemfontein at their own cost as part of the evaluation process or when necessary.
 - 6.9 Negotiate with one or more preferred bidder(s) identified in the evaluation process regarding any terms and conditions.
- 6.10 To accept part of a tender rather than the whole tender.
 - 6.11 To conduct site inspections, product evaluations, or explanatory meetings to verify the nature and quality of the services offered by the bidder(s) before or after adjudication of the Bid.
 - 6.12 To correct any mistakes at any tender stage that may have been in the Bid documents or occurred at any stage of the tender process.
 - 6.13 To cancel or terminate the tender process at any stage, including after the Closing Date or after presentations have been made, or after tenders have been evaluated, or after the preferred bidder(s) have been notified of their status as such.



7. INSTRUCTIONS ON SUBMISSION OF BIDS

- 7.1 Bids should be submitted in PDF format, bound in a sealed envelope endorsed by SACRTMC2024 and marked APPOINTMENT OF TRAVELING MANAGEMENT AGENCY SERVICE PROVIDERS TO BE ON PANEL OF THE DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION FOR THIRTY—**SIX (36) MONTHS**.
- 7.2 The sealed envelopes must be placed in the bid box at the Main Reception area of the SACR-Zana Building, Cnr. Hill and Henry Street, Bloemfontein, by no later than **11:00 noon on FRIDAY, 31st OCTOBER 2024**, and be placed in a tender box on the ground floor stipulated in the tender description. Bids must be submitted in the prescribed response format, herein reflected as **Response Format**.
- 7.3 All bidders submitting their response as stipulated in 7.2 above must register their documents with security officials next to the box, and the department is not liable for any miscommunication with the person(s) submitting on your behalf, be it courier services or your officials
- 7.4 The bid closing date, bidder name, and the return address must also be endorsed on the envelope. Suppose a courier service company is being used to deliver the bid response. In that case, the bid description must be endorsed on the delivery note/courier packaging, and the courier must ensure that documents are placed/deposited into the bid box. **The SACR will not be held responsible for delays and wrong addresses in submitting bid documents to the SACR-SCM Office.**
- 7.5 Where a bid response is not in the bid box at the bid closing, such a bid document will be regarded as a late bid. **The SACR's policy is not to consider late bids for tender evaluation.**
- 7.6 Amended bids may be sent in an envelope marked "Amendment to bid" and should be placed in the bid box before the closing time.
- 7.7 Bidders shall provide full and accurate answers to all (including mandatory) questions posed in this document and are required to explicitly state either "Comply" or "Not Comply" or "Partial" (with a ✓) regarding compliance with the requirements. Where necessary, the bidder shall substantiate their response to a specific question.
- 7.8 A non-compulsory briefing session will be held. During the briefing session, enough information will be provided to possible tenderers to allow them to provide a detailed tender proposal to the department
- 7.9 **It is mandatory for the bidders to comply with the bid conditions.**



8. LEGISLATIVE FRAMEWORK OF THE BID

8.1 Tax Legislation

- (a) Bidder(s) must be tax compliant when submitting a proposal to DSACR and remain compliant with all applicable tax legislation for the entire contract term, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and the Value Added Tax Act, 1991 (Act No. 89 of 1991).
- (b) This bid requires the successful bidder's tax matters to be in order or satisfactory arrangements have been made with the South African Revenue Service (SARS) to meet the bidder's tax obligations.
- (c) The Tax Compliance status requirements also apply to foreign bidders/individuals who wish to submit bids.
- (d) Bidders must grant a written confirmation when submitting this bid that SARS may disclose the bidder's tax compliance status on an ongoing basis during the tenure of the contract. By submitting this bid, such confirmation is deemed to have been granted.
- (e) Bidders must be registered on the Central Supplier Database, and the National Treasury shall verify the bidder's tax compliance status through the Central Supplier Database.
- (f) Where Consortia, Joint Ventures, or Subcontractors are involved, each party must be registered on the Central Supplier Database, and their tax compliance status will be verified through the Central Supplier Database.

8.2 PROCUREMENT LEGISLATION

The department has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act, No. 1 of 1999), the Preferential Procurement Policy Framework Act 2000 (Act, No.5 of 2000) and the Broad-Based Black Economic Empowerment Act, 2003 (Act, No. 53 of 2003).

8.3 TECHNICAL LEGISLATION AND STANDARDS

Bidder(s) should recognize the legislation and/or standards specifically applicable to the services.

9. SPECIFICATION BACKGROUND

9.1 INVITATION FOR PROPOSAL

Proposals are hereby invited to provide travel management services to the department.

- 9.2 The purpose of the Request for Proposal (RFP) is to obtain capability, pricing, and general information on potential Servicers' businesses so that the department can determine the Contractors most capable of providing the service.
- 9.3 This RFP document details and incorporates, as far as possible, the potential bidder's tasks and responsibilities as required by the department.
- 9.4 This RFP does not constitute an offer to do business with the department but merely serves as an invitation to bidders to facilitate a requirements-based decision process.
- 9.5 Responses to this Request for Proposal (RFP) (hereinafter referred to as a Bid or a Proposal) are requested from suitably qualified entities (hereinafter referred to as a Respondent or Bidder for the provision of Travel Management Services (TMC) for a period of three (3) years based on off-site management fee model.
- 9.6 The department requires a travel management service to manage all travel (air travel, accommodation, ground transportation, and all travel-associated services). It seeks to engage bidders who will provide highly responsive, quality-oriented service to all travelers.
- 9.7 The department expects the selected TMC to be able to leverage its consolidated buying power to obtain optimum discounts for all services.



10. PROPOSAL REQUIREMENTS

All proposals must be submitted in the format specified in this inquiry. Additional and supporting information can be provided.

10.1 TECHNICAL PROPOSAL

The following must be submitted as part of the technical proposal:

- 10.1.1 Provide a company profile that includes an organogram, domestic and international affiliations, and staffing profile;
- 10.1.2 Provide a completed technical evaluation criteria scorecard and compliance checklist, including supporting information;
- 10.1.3 Provide a detailed transition plan for implementing the service, ensuring minimal service interruption;
- 10.1.4 Provide testimonials/reference letters from at least three (3) written contactable existing/recent clients (within the past three years) for travel-related services of similar spending and volume of transactions;
- 10.1.5 Provide an International Air Transport Association (IATA) and Association of Southern African Traveling Agents (ASATA) license/ certificate (certified copy) at the closing date. Where a bidding company is using a 3rd party license, proof of the agreement must be attached and a copy of the certificate to that effect at the closing date and
- 10.1.6 Any other supplementary information about the bid marked to confirm which section of the bid the supplementary information relates to.

10.2 FINANCIAL PROPOSAL

The following must be submitted as part of the financial proposal:

- 10.2.1 Cover Letter;
- 10.2.2 Management Fee without SBT Cost;
- 10.2.3 Management Fee with SBT Cost;
- 10.2.4 Three (3) latest Audited Annual Financial Statements (Only the latest Audited Annual Financial Statements for the period between years 2018 and 2022 would be considered); and
- 10.2.5 Recent CSD registration report within the advert period and closing date of the bid (RSA suppliers only).

11. SCOPE OF WORK

This RFP is for the delivery of comprehensive travel services to the department. The awarded service provider(s) will be informed of service requirements.

12. CRITERIA FOR PARTICIPATION IN THE COMPULSORY BRIEFING SESSION

The bidder must meet the following mandatory criteria for participation in the compulsory briefing session:

- 12.1 Submit a fully completed and signed Expression of Interest Form to be furnished at the briefing session
- 12.2 The team compiling the bid (e.g., Bid manager and/or Operations Manager) must be available to attend the briefing session as the bid is **highly technical**.



13. DEFINITIONS

- 13.1 **Accommodation** means renting lodging facilities away from one's domicile but on official business.
- 13.2 **After-hours service** refers to an inquiry or travel request that is actioned after regular department working hours, from 16h30 until 08h00 the next day on Mondays to Fridays and twenty-four (24) hours on weekends and public holidays.
- 13.3 **Agreement** shall mean the written agreement between the department and service provider, as recorded in the contract form signed by the parties, including all attachments, appendices, and documents incorporated by reference.
- 13.4 **Air travel** means travel by airline on authorized official business.
- 13.5 **Approver** means the employee delegated the authority to authorize travel concerning travel requests and expenses, e.g., the traveler's line manager.
- 13.6 **Bidder** is an individual or entity that provides services to another party and is interchangeably used with TMC, respondent, and tenderer.
- 13.7 **Bill-back** refers to the service provider sending the bill back to the TMC, who, in turn, invoices the department for the services rendered.
- 13.8 **Car Rental** means renting a vehicle for a short period by a Traveller for official business.
- 13.9 **Domestic travel** means travel within the borders of the Republic of South Africa.
- 13.10 **Emergency service** means booking travel when unforeseen circumstances necessitate an unplanned trip or a diversion from the initially planned trip.
- 13.11 **Global Distribution System (GDS)** is a travel system used in the travel industry.
- 13.12 **International travel** refers to travel outside the borders of the Republic of South Africa.
- 13.13 **Management Fee** is the fixed negotiated fee payable to the service provider in monthly installments to deliver travel management services, excluding any indirect costs not included in the management fee structure (visa, refund, frequent flyer tickets).
- 13.14 **Merchant Fees** are fees charged by the credit card company at the point of sale for billback charges for ground arrangements.
- 13.15 **The National Travel Framework (NTF)** seeks to promote consistent decision-making by public sector institutions when facilitating travel, accommodation, and related expenditures by travelers.
- 13.16 **Net and non-commissionable rates** mean rates that do not include any third-party reward, i.e., rates that are not marked up or include commissions.
- 13.17 **Official business** means travel and related costs associated with performing the department's functions in terms of their mandate and strategic, operational, and performance plans.
- 13.18 **A Purchase Order** is the department's official document to obtain and confirm authorization for an official trip. This form confirms the particulars of the trip, including start and end dates, accommodation dates, method of travel, etc.
- 13.19 **Service Level Agreement (SLA)** is the agreement reached between the TMC and the department, which quantifies the minimum quality of service to meet department needs. Such service quality expectations are defined in measurable terms and accompanied by Key Performance Indicators and Reporting requirements to ensure that performance can be continuously assessed.
- 13.20 **Transfers/Shuttle Service** means the service offered to transfer a Traveller from one point to another, for example, from a place of work/home to the airport.
- 13.21 **Third-party fees** are fees payable to third-party service providers that provide travel-related services on an ad hoc basis that the bidder does not directly provide. These fees include visa fees and forex fees.



13.22 **Traveller refers** to an employee, consultant, or contractor that has been duly authorized to travel on official business on behalf of the department

13.23 **Travel Booker** coordinates travel reservations with the bidder on behalf of the Traveller.

13.24 **Travel Management Company**, or TMC, refers to the Company contracted to provide travel management services (Travel Agents). For purposes of this tender, TMC and Bidder are used interchangeably.

13.25 **Travel Voucher** is a document issued by the Travel Management Company to confirm the reservation and/or payment of specific travel arrangements.

13.26 **Value-added services**, such as airport rules and procedures, enhance or complement general travel management services.

13.27 **VAT** means Value Added Tax.

13.28 **VIP or Executive Service** means the specialized and personalized travel management service a dedicated consultant provides to selected department employees.

13.29 **SBT**—Self-Booking Tool is a web-based, secure portal allowing the travel booker to perform self-service transactions.

14. BACKGROUND

14.1 The department's current Travel Management Companies (TMC) manages the travel management services within the department's travel management lifecycle. The current TMC manages third-party services (car rental, shuttles, etc.), which will be handled by the appointed service provider in the future.

14.2 The current travel management processes are as follows:

14.2.1 All travel requests are submitted to the TMC via an official purchase order.

14.2.2 Quotes are provided for all requests, local accommodation, and other travel-related services.

14.2.3 The purchase order includes all relevant information to enable the TMC to issue the flight ticket and transport and accommodation vouchers.

14.3 The department's primary objective in issuing this RFP is to agree with the successful bidder who will achieve the following:

14.3.1 Provide the department with consistent and reliable travel management services to maintain a high level of traveler satisfaction per the service level agreement.

14.3.2 Achieve significant cost savings for the department without degrading services.

14.3.3 Providing an efficient SBT to streamline all travel services for the department for possible implementation during the contract period.

14.3.4 Provide accurate reporting, early warnings, and travel advice.



15. TRAVELING PORTFOLIO

15.1 VOLUME DRIVEN INCENTIVES

It is important for bidders to note the following when determining the pricing:

- 15.1.1 TMCs are to book negotiated rates or the best fare available, whichever is the most cost-effective for the department.
- 15.1.2 No override commissions earned through department reservations will be paid to the TMC.
- 15.1.3 These amounts are to be declared by the TMC and returned to the department **every quarter**.
- 15.1.4 An open book policy will apply, and any commissions earned through the department volumes will be reimbursed to the department

16. SERVICE TYPES

The bidder must provide travel management services to the department as described in this scope of work.

The department seeks to appoint a TMC based on the following service requirements.

16.1 SERVICE REQUIRED

- 16.1.1 Complete Travel Management Service based on a Management Fee model.
- 16.1.2 If acceptable, required, and agreed upon, a web-based self-booking tool (SBT) will be provided for implementation during the contract period.

16.2 SELF-BOOKING TOOL INFORMATION

The department reserves the right to implement a Self-Booking Tool for the organization during the next three (3) years if required. It will be a phased-in implementation. The information requested will provide further insight into the credentials and viability of your available SBT and whether these will suit the department's needs.

17. SERVICE REQUIREMENTS

17.1 GENERAL SERVICE REQUIREMENTS

The service provider will be required to provide travel management services. The following deliverables, without limitations, are needed from the TMC:

- 17.1.1 Travel services are to be provided to all travelers traveling on behalf of the department to any destination as required by the department.
- 17.1.2 Provide travel management services during normal office hours from Monday to Friday (08h30 – 16h30) and provide after-hours and emergency support from 16h30 until 08h00 the next day on Mondays to Fridays and twenty-four (24) hours on weekends and public holidays.
- 17.1.3 Knowledge of and adherence to the National Travel Framework and other applicable legislation and implementation of controls to ensure compliance. Penalties incurred because of a travel consultant's inefficiency or fault will be for the bidder's account, subject to the outcome of a formal dispute process.
- 17.1.4 Implementation of controls to ensure compliance with the department's Travel policy.
- 17.1.5 Assist in managing third-party service providers by addressing service failures and complaints.
- 17.1.6 Ensure sound communication with all stakeholders.



- 17.1.7 Ensure that complete electronic integration with all department systems is established. This includes valid electronic invoicing.
- 17.1.8 Provide an efficient way for travel bookers and travelers to upload traveler's profiles.
- 17.1.9 Once implemented, provide an efficient SBT for the department's Travel Bookers to make travel bookings and update Travellers' profiles.
- 17.1.10 Ensure valid with IATA (International Association of Travel Agents) and ASATA (Association of Southern African Travel Agents certification throughout the contract's lifespan.

17.2 RESERVATIONS

The Travel Management Company will:

- 17.2.1 Receive travel requests from travelers and travel bookers and respond with quotations (confirmations) and availability. Upon receiving the relevant approval, the TMC will immediately issue the required e-tickets and vouchers and forward them to the travel booker and traveler via the agreed communication medium.
- 17.2.2 The Travel Management Company will diligently compare the best price of the day for various airline fares and accommodation establishment rates before confirming a booking. This commitment to maintaining competitiveness and cost-effectiveness is a key part of supporting the department's cost optimization initiatives, providing reassurance of our shared financial goals.
- 17.2.3 Advise the traveler of alternative plans that are more cost-effective or more convenient where necessary.
- 17.2.4 Obtain a minimum of three (3) price comparisons for international travel, local accommodation, and other travel-related requests where the routing or destination permits. Book the best-discounted fares and rates wherever possible and implement Government rates where applicable.
- 17.2.5 All rates offered by TMC to the department for domestic air and land arrangements must be net and non-commissionable. This will include rates offered by domestic airlines, hotels, and the informal accommodation market, e.g., Guest Houses, Bed & Breakfasts, or similar establishments.
- 17.2.6 Make appropriate adjustments for any changes in flight schedules before or during the traveller's official trip.
- 17.2.7 The Travel Management Company is unwavering in its commitment to promptly and accurately processing all queries, requests, changes, and cancellations. This dedication to efficiency and reliability is a cornerstone of our service, designed to instill confidence in the procurement team about our ability to meet the department's travel needs.
- 17.2.8 The Travel Management Company is fully prepared and flexible to facilitate group bookings for meetings, conferences, events, or any other gathering. This support is a testament to our adaptability and aims to instil confidence in the procurement team about our ability to meet their diverse event planning needs.
- 17.2.9 Issue all necessary travel documents, itineraries, and vouchers timeously to the traveller (s) before departure dates.
- 17.2.10 Assist with the arrangement of foreign currency and the issuing of travel insurance for international trips.
- 17.2.11 Invoice-only services as approved and described on the Purchase Order for the department account. The department may instruct the TMC to invoice all other unauthorized expenses separately. The department may settle the account and, if the Traveller is found liable, recover the amount from the Traveller, subject to the applicable prescripts.
- 17.2.12 Advise the traveller of all visa and inoculation requirements well in advance. The TMC is not responsible for visa applications.



- 17.2.13 Ensure confidentiality in respect of all travel arrangements.
- 17.2.14 Not charge commission on negotiated airline fares, accommodation establishment rates, car rental rates, etc., negotiated directly or established by the National Treasury or the department
- 17.2.15 Ensure electronic voucher retrieval via the web and smartphones.
- 17.2.16 Implement SMS communication and other notifications for travel confirmations.

17.3 AIR TRAVEL

The TMC will:

- 17.3.1 Track and manage unused e-tickets per the department's agreement and provide a report on refund management once a quarter.
- 17.3.2 Ensure that the relevant deal codes assigned to the Government by the airlines are loaded onto the TMC's implemented booking system to make full use of the corporate discounts,
- 17.3.3 Provide proof that bookings were made against the discounted rates on the published fares, where applicable, in their report to the department
- 17.3.4 For International flight bookings, the TMC shall provide a detailed booking process for how international flights are booked (offline through a travel consultant or on SBT). Three quotes are required, and they should include the rules and conditions of airfares and luggage.
- 17.3.5 Quotations should be the most cost-effective and be the best routings for the travel program provided.
- 17.3.6 Book full-service carriers as well as low-cost carriers.
- 17.3.7 Plan, book, arrange, and amend domestic, regional, and international air travel at the lowest acceptable fares.
- 17.3.8 Ensure the airline ticket includes the applicable airline agreement number and the traveler's individual loyalty program number.
- 17.3.9 Deliver airline tickets electronically (SMS/WA and email format) to the traveler (s) and travel bookers and load them in the TMC's App once the booking has been finalized.
- 17.3.10 Timeously confirm bookings electronically via email and SMS, with the relevant reference number, the traveler (s), and the travel booker
- 17.3.11 Endeavor to obtain meaningful savings through negotiating preferential rates for both national and international travel products,
- 17.3.12 Enable travel Bookers to use the TMC's preferred SBT to book domestic/regional flights for full Travel Bookers. Flight options from multiple service carriers will be available, and the lowest-cost option will be selected (where possible).

17.4 ACCOMMODATION

The TMC will:

- 17.4.1 Plan, book, arrange, and amend accommodation with hotel groups, private hotels, and guesthouses, and address any concerns.
- 17.4.2 Negotiate the best rates available with all accommodation establishments on behalf of the department and ensure rates do not exceed the maximum allowable rates as per the legislation.
- 17.4.3 Ensure that the department travel policy or instruction books are accommodated. A department representative must authorize deviations from this policy or instruction.



- 17.4.4 Obtain three price comparisons from accommodation establishments that provide the best available rate within the maximum allowable rate and are as close as possible to the traveler's venue/office/location/destination.
- 17.4.5 In instances where a "no rate agreement" is not in place for a particular destination, the TMC will source suitable accommodation, bearing in mind the traveler's requirement of convenience and confirmation of acceptable costs, or as stipulated in written directives issued from time to time by the National Treasury or department
- 17.4.6 Issue accommodation vouchers to all Travellers for accommodation bookings and create the invoice according to the terms of the agreement and as stipulated in the SLA.
- 17.4.7 For domestic or international accommodation, choose the lowest rate available at suitable accommodation establishments within a reasonable distance from the place of duty.
- 17.4.8 Cancel accommodation bookings promptly to guard against no-shows and late cancellation fees.
- 17.4.9 For international accommodation bookings, provide a detailed booking process on how international accommodation bookings are made. Three quotations are required and should include cancellation and conditions of accommodation bookings. Quotations should be the most cost.

17.5 VEHICLE RENTAL

The TMC will

- 17.5.1 Plan, book, arrange, and amend vehicle requests with car rental companies for domestic, regional, and international travel arrangements.
- 17.5.2 In accordance with the cost containment measures, book the approved category vehicle with the department-appointed car rental service providers from the closest rental location (airport, hotel, and venue).
- 17.5.3 Ensure that relevant information is shared with Travellers regarding rental vehicles, such as e-tolls, refueling, keys, rental agreements, damages, accidents, etc.
- 17.5.4 Book the approved category vehicle with the appointed car rental service provider by the Travel Policy (based on NTF).
- 17.5.5 the TMC may offer alternative ground transportation to the Traveller for international travel, including rail, buses, and transfers.

17.6 SHUTTLE/TRANSFER SERVICE/RAIL

The TMC will

- 17.6.1 Plan, book, arrange, and amend shuttle/transfer/chauffeur service. Normally, such services are required to and from the traveler (s) residence(s), airport, or place of work.
- 17.6.2 Book transfers align with the departmental Travel Policy. Transfers can also include bus and coach services.
- 17.6.3 Plan, book, arrange, and amend other road, water, and rail transport forms for domestic, regional, and international travel requests.
- 17.6.4 Manage shuttle companies on behalf of the department and ensure compliance with minimum standards.
- 17.6.5 Negotiate discounts on standard tariffs with all available shuttle/ transfer/chauffeur service and car rental companies.



17.7 CONFERENCING/EVENTS VENUE AND RELATED FACILITIES (OPTIONAL)

The TMC will:

- 17.7.1 Facilitate the arrangement of conference requirements as per department instruction.
- 17.7.2 **Source three (3) quotations** from various venues as close as possible to the venue/office/location where the Event will occur.
- 17.7.3 Consider this an optional service, as the department is not obliged to book conferences and related requirements via the TMC.

17.8 AFTER HOURS AND EMERGENCY SERVICES

- 17.8.1 The TMC must provide a consultant or team to assist Travellers with after-hours and emergency reservations, including changes to travel plans.
- 17.8.2 A call center facility or after-hours contact number should be available to all Travellers.
- 17.8.3 After-hours services must be provided from Monday to Friday outside the official hours (08h00 to 16h30) and twenty-four (24) hours on weekends and Public Holidays.
- 17.8.4 The TMC to provide a standard operating procedure for managing after-hours and emergency services.

17.9 COMMUNICATION

- 17.9.1 The TMC must always use different communication methods to keep stakeholders informed. The business Traveller, Travel Booker, and TMC must be linked in one smooth, continuous workflow.
- 17.9.2 The department must investigate all inquiries and provide prompt feedback by the Service Level Agreement.

17.10 VALUE-ADDED SERVICES

The TMC must provide the following value-added services at a minimum.

- 17.10.1 Destination information for domestic, regional, and international destinations
 - 17.10.1.1 Travel alerts.
 - 17.10.1.2 Health warnings.
 - 17.10.1.3 Visa information.
 - 17.10.1.4 Airport transit-related requirements; and
 - 17.10.1.5 Rules and procedures of the airports.
 - 17.10.1.6 Travel audits
 - 17.10.1.7 Global Travel Risk Management.

The bidder must indicate other Value-Added Services that will be offered to Travellers. Value-added services do not attract a fee.



17.11 COST MANAGEMENT

The National Treasury cost containment initiative and the Department Travel Policy form a foundation for a cost savings culture.

- 17.11.1 The TMC must always advise on the most cost-effective option, and costs should be within the framework of the National Treasury's cost containment instructions.
- 17.11.2 The TMC is important in providing high-quality travel-related services to balance effective cost management, flexibility, and traveler satisfaction.
- 17.11.3 The TMC should have in-depth knowledge of the relevant supplier(s)' products to be able to provide the best option and alternatives that are by department Travel Policy to ensure that the Traveller reaches his/her destination safely, in reasonable comfort, with minimum disruption, cost-effectively and in time to carry out his/her business.

17.12 CHANGE MANAGEMENT AND TRAINING

- 17.12.1 Bidders will provide the department with a detailed Change Management and Training Plan (including timelines) for implementing the contract without interruptions and ensuring a smooth transition between the current department system and the appointed TMC.
- 17.12.2 The TMC will be required to partner with the department to conduct workshops and training sessions for Travel Bookers and Travellers.

17.13 FINANCIAL MANAGEMENT

- 17.13.1 Upon receipt of the department's approved purchase order, TMC will purchase air travel tickets and make reservations for accommodation, vehicle rental, and shuttle/transfer services.
- 17.13.2 The TMC's Management Fee will be paid monthly in arrears.
- 17.13.3 Only invoices received in the name of the appointed TMC, addressed to the department, and reflecting the purchase order number will be processed.
- 17.13.4 All invoices must adhere to SARS requirements.
- 17.13.5 The TMC will manage the third-party service provider accounts, including the timely receipt of invoices.
- 17.13.6 The TMC must be reported, and proof must be provided during monthly and quarterly reviews to enable savings on total annual travel expenditures.
- 17.13.7 The TMC will process and pay prepayments if they are required for local accommodation needs. These amounts are to be included in the consolidated bill-back account for payment.
- 17.13.8 The department will receive consolidated invoices, i.e., third-party supporting documentation, over the agreed-upon period (e.g., weekly/monthly). This includes attaching the required supporting documentation to the invoices reflected on the Service provider bill-back report.

17.14 QUARTERLY AND ANNUAL REVIEWS

The TMC shall hold meetings with the department to address any issues or problems.

- 17.14.1 The TMC must present quarterly reviews of the department's travel activity over the previous three months. These reviews should be comprehensive and presented to the department's Procurement and Finance teams as part of the performance management reviews based on the agreed service levels.
- 17.14.2 Annual Reviews are required to be presented to department Management



17.15 TECHNOLOGY, MANAGEMENT INFORMATION AND REPORTING

The implementation of the TMC's SBT to facilitate domestic/regional bookings is essential to the department to optimize the services, but it will only be implemented during the course of the contract period as agreed upon between the department and the TMC.

- 17.15.1 The TMC will provide a mobile application where Travellers can access all their booking information and be kept informed of any travel news regarding airlines (like baggage policies and checking arrangements). TMC to advise on their current mobile app capabilities (i.e., travel requests, approvals, and workflows).
- 17.15.2 The TMC is to provide a tracking system where the traveler's movement is monitored and recorded unless there is a perceived safety risk or emergency. The final approver for the travel request must be notified of any perceived safety risk or issues, and the TMC will arrange a plan to assist the traveller.
- 17.15.3 The TMC must be able to consolidate all management information related to travel expenses into a single source document with automated reporting tools. All management information and data input must be accurate.
- 17.15.4 The TMC will implement all the necessary processes and programs to ensure that all data is secure and not accessible by any unauthorized parties and that information is only used for its intended purpose, as per POPIA.
- 17.15.5 The successful TMC will be required to develop all the user profiles and transfer all data to the TMC's SBT system if and when implemented.
- 17.15.6 A procedure document to be provided on how the data will be migrated.
- 17.15.7 Bidders must demonstrate compliance with Data Protection legislation (e.g., POPIA) and best practices by explaining how the organization processes, protects, and retains data and how this would apply to the department when rendering the required service.
- 17.15.8 Reports must be accurate per department requirements at the agreed time.
- 17.15.9 Information must be available on a transactional level, including the traveler's name, travel date, and spend category (for example, air travel, shuttle, accommodation).
- 17.15.10 The department may request the TMC to provide additional management reports. The reports must be available in electronic format, such as Microsoft Excel.
- 17.15.11 The TMC will be required to provide the department with a minimum of four (4) standard monthly reports that align with the National Treasury's Cost Containment Instructions reporting template requirements at no cost.
- 17.15.12 Reports must be provided on the agreed-upon dates and include information as agreed in the Service Level Agreement.

17.16 ACCOUNT MANAGEMENT

- 17.16.1 The TMC must provide the department with a dedicated Account and Business Manager to manage the department's Travel Portfolio.
- 17.16.2 A complaint-handling procedure must be implemented to manage and record the compliments and complaints of the TMC and other travel service providers.
- 17.16.3 The TMC must ensure that the department's Travel Policy is enforced.
- 17.16.4 Comprehensive reports on the travel spend and the performance in terms of the SLA must be presented



18. GENERAL NOTICES AND NOTICES ABOUT TARIFFS/DISCOUNT ADJUSTMENTS

18.1 The TMC must:

- 18.1.1 Furnish the department with notices of imminent tariff adjustments, especially concerning air travel and
- 18.1.2 Provide the department with notices that the TMC receives from the airlines and the airport's company about anything that may cause inconvenience to the traveler (s), including, but not limited to, notices of new security and baggage regulations, notices of strikes by relevant personnel, and notices of airport refurbishments or changes to the airport's terminal.

19. OFFICE MANAGEMENT

- 19.1.1 The TMC always delivers high-quality service to the department Travellers.
- 19.1.2 The TMC is required to provide the department with highly skilled and qualified human resources for the following roles but not limited to:
 - 19.1.2.1 Strategic Account Manager
 - 19.1.2.2 Senior, Junior and Intermediate Consultants;
 - 19.1.2.3 Admin Back Office Support (Creditors / Debtors/ Finance Processors); and
 - 19.1.2.4 System Administrator (General Admin).

20. EVALUATION CRITERIA

20.1 TECHNICAL EVALUATION

- 20.1.1 The department will review all proposals based only on evidence submitted as part of the proposals submitted. Provide evidence and describe processes where applicable to assist the department with its evaluation. The final interpretation of evidence and proposed solutions resides with the department, and this interpretation will be used as the basis for assessment against the requirements in Annexure A and the functional criteria described in this document.
- 20.1.2 Bidders should note that information provided in the submitted proposals will be reflected in the service level agreement signed by the successful service provider.
- 20.1.3 The bidders will be evaluated according to the functional/technical evaluation criteria in the table below. Bidders must indicate their ability to do the following and substantiate as required with supporting documentation

20.2 EVALUATION PROCEDURES AND BASIS OF SELECTION

- 20.2.1 The technical functional evaluation (functionality) will comprise of Two (2) phases:
- 20.2.2 Phase 2. A will measure the responsiveness of proposals as per submission on or before the closing date and time.
- 20.2.3 Phase 2. B will comprise of presentation & online booking tool system demonstration technical, functional evaluation
- 20.2.4 Phase 2 C Desktop technical, functional evaluation- A bidder will be evaluated out of 125 points and must score a minimum threshold of 100 out of 125 points (80%) to qualify for presentation and online booking tool demonstration in Phase 2. B



FUNCTIONALITY CRITERIA

Phase 2 A Desktop Technical Evaluation Criterion: Points will be allocated based on the satisfaction of the criterion below; no points will be scored for failure to submit satisfactory information.		Point
GENERAL		30
Provide a detailed transition plan for implementing the service without interruptions and engage with the incumbent service provider to ensure a smooth transition.		5
<p>Provide the reference letters from at least three (3) contactable existing/recent clients (within the past three years from the closing date of the bid) corresponding with the appointment letters of a similar size to the department whom we may contact for references.</p> <p>0-2 years : 5 points (Amounting to R500,000.00)</p> <p>3-4 years : 10 points (Amounting to R1000,000.00)</p> <p>5 years and above: 15 points (Amounting above R1000,000.00)</p> <p>The department reserved the right to contact the institution provided the reference letter(s) and any misrepresentation will constitute to disqualification of the entire bid</p>		15
International Air Transport Association (IATA) and ASATA (Association of South African Travel Agents) Membership. Provide proof of such membership. (IATA 2 points and ASATA 3 points)		5
Demonstrate how you will assist the department, where possible, with the implementation of the Preferential Procurement Regulations, 2022, issued in terms of section 5 of the Preferential Procurement Policy Framework Act, Act Number 5 of 2000 (PPPFA) when procuring services from 3 rd party suppliers on behalf of the department		5
COMMUNICATION		5
Describe how you will ensure that travel bookers know the travel booking processes.		5
Describe your communication process where the traveler, travel coordinator/booker, and travel management company will be linked in one smooth, continuous workflow.		
FINANCIAL MANAGEMENT		10
Describe how you will implement the negotiated and maximum allowable rates established by the department or the National Treasury.		10
Describe how you will manage the 30-day bill-back account facility.		
Describe how pre-payments will be handled where it is required for more small Bed & Breakfast /Guest House facilities and SMMEs.		
Describe how invoicing will be handled, including the process of rectifying discrepancies between purchase orders and invoices, supporting documentation, reconciliation of transactions, and the timely provision of invoices to the department		
Please describe the credit card (Lodge card) reconciliation process, timing, and deliverables.		



ACCOUNT MANAGEMENT		10
	Provide the proposed Account Management structure/organogram.	10
	Describe what quality control procedures/ processes you have to ensure your clients receive consistent service.	
	Describe how queries, requests, changes, and cancellations will be handled. What is your mitigation and issue resolution process? Please provide a detailed response indicating performance standards concerning resolving service issues. Complaint handling procedure must be submitted.	
	What is in place to enforce departmental travel Policy?	
	How will you manage the service levels in the SLA, and how will you conduct customer satisfaction surveys? Indicate what workshops/training will be provided to Travelers and Travel Bookers.	
COST MANAGEMENT		5
	Describe your detailed strategic cost savings plan for the contract duration. What items do you target for maximum cost savings results?	5
	Describe how you will assist department in realizing cost savings on annual travel spending.	
OFFICE MANAGEMENT		5
	Provide an overview of your back-office processes detailing the degree of automation for air tickets workflow, ground arrangements, and bill back workflow.	5
	Describe the roles and responsibilities of assigned staff. Please provide the management hierarchy.	
	Describe how you will submit invoices for the payment process, including matching of supporting documents including, but not limited to Purchase orders, copies of e-tickets, quotations, 3rd party invoices, etc.	
	Describe the type of training provided to travel agency personnel.	
	Describe the forecasting system employed to staff operations in response to volume changes owing to conferences, project-related volumes, etc.	
PHASE 2 A TOTAL		75
PHASE 2 B PRESENTATION AND ONLINE BOOKING SYSTEM DEMONSTRATION		50
PRESENTATION		
RESERVATIONS		15
	Manage all reservations/ bookings (Corporate).	5
	Describe how all travel reservations/ bookings are handled, e.g., Hotel (accommodation), car rental, flights, etc.	
	This will include, without limitation, an example of a detailed complex itinerary confirmation that provides for air, car, hotel, passport requirements, confirmation numbers, and additional proof of competency.	



	<p>Manage group bookings.</p> <p>Describe your capabilities for handling group bookings (e.g., meetings, conferences, events, etc.) on behalf of department (on a competitive price basis) at any given point in time</p> <ul style="list-style-type: none"> • Trips & Hosting • Project Management of events and other similar large-scale events 	3
	<p>Directly negotiated rates</p> <p>Negotiated airline fares, accommodation establishment rates, car rental rates, etc., that are negotiated directly or established by the National Treasury or department are non-commissionable</p> <p>Where commissions are earned for department bookings, all these commissions should be returned to the department quarterly.</p> <p>Describe how these specific rates will be secured. Describe any automated tools that will be used to assist with the maintenance and processing of the said negotiated rates.</p>	3
	<p>Manage airline reservations.</p> <p>Describe in detail the process of booking the most cost-effective and practical routing for the traveler.</p> <p>This will include, without limitation, the refund process, how you manage the unused non-refundable airline tickets, and your ability to secure special airline services for the traveler (s), including preferred seating, waitlist clearance, special meals, travelers with disabilities, etc.</p>	2
	<p>After-hours and emergency services</p> <p>The bidder must provide reliable and consistent after-hours and emergency support to the traveler (s).</p>	2
	<p>Please provide details/a standard operating procedure for your after-hours support, e.g.,</p> <ul style="list-style-type: none"> • How Travelers access it, • Where it is located, centralized/ regionalized, in-country (owned)/ outsourced etc. • Is it available 24/7/365 • Reminders to [Institution name] to process purchase orders within 24 hours to reduce queries on invoices 	
TECHNOLOGY, MANAGEMENT INFORMATION AND REPORTING		10
	<p>Describe the proposed booking system(s)</p> <p>Describe how travel consultants' access and book web airfares, i.e., non-GDS inventories (low-cost carriers/ consolidators) and hotel web rates.</p> <p>Describe how you will manage data and management information such as traveler profiles, tracking of savings and missed savings, tracking of unused airline tickets, cancellations, traveler behavior, transaction-level data, etc.</p> <p>Describe how you will implement all the necessary processes and programs to ensure that all the data is secure and not accessible by any unauthorized parties. (The data security should be in the Data Protecting Act)</p> <p>Give actual examples of standard reports that you currently have available. Indicate if reports can be customized.</p>	10



	Provide a description of all technology and reporting products proposed for the department.	
	Can the TMC comply with the department's monthly reporting requirement as the National Treasury prescribes? See the Monthly Reporting Template Prescribed by National Treasury Instruction No. 3 of 2016/17.	
	Describe the compatibility of your online solution. Indicate the turnaround time to complete this process and a breakdown of the expected cost that will be associated with it (in case the department decides to implement it)	
	QUARTERLY AND ANNUAL TRAVEL REVIEWS	5
	Provide a sample of a Quarterly and Annual review used for performance management during the contract's life cycle.	5
	TRAVELING MANAGEMENT COMPANY	20
	Free State based company Recent municipal rates statement within bid duration, lease agreement	20
	TOTAL FOR PHASE 2 (A+B)	125

21. SPECIAL CONDITIONS OF THIS BID

21.1 DEPARTMENT REQUIRES BIDDER(S) TO DECLARE

21.1.1 In the Bidder's Technical response, the bidder(s) are required to declare the following:

Confirm that the bidder(s) is to: –

- 21.1.1.1 Act honestly, fairly, and with due skill, care, and diligence in the interests of the department;
- 21.1.1.2 Have and employ effectively the resources, procedures, and appropriate technological systems for the proper performance of the services;
- 21.1.1.3 Act with circumspection and treat the department fairly in a situation of conflicting interests;
- 21.1.1.4 Comply with all applicable statutory or common law requirements applicable to the conduct of business;
- 21.1.1.5 Make adequate disclosures of relevant material information, including disclosures of actual or potential own interests, about dealings with the department;
- 21.1.1.6 Avoidance of fraudulent and misleading advertising, canvassing, and marketing;
- 21.1.1.7 To conduct their business activities with transparency and consistently uphold the interests and needs of the department as a client before any other consideration and
- 21.1.1.8 To ensure that any information acquired by the bidder(s) from the department will not be used or disclosed unless the client's written consent has been obtained.



22. OBLIGATIONS OF THE SERVICE PROVIDER

- 22.1.1 The Service Provider shall provide management services regarding quality and quantity control and supervision of the preparations.
- 22.1.2 The Service Provider shall manage and control its staff on the premises where the function is to be catered for.
- 22.1.3 The Service Provider to deliver the service upon receiving an official order.
- 22.1.4 The Service Provider shall submit its account directly after the function.
- 22.1.5 Payment claims shall be submitted on official invoices with supporting third-party invoice(s).

23. SERVICE PROVIDER'S TERMS OF REFERENCE

- 23.1.1 DSACR intends to enter a formal Service Level Agreement with the successful Service Provider(s) to provide the services described hereunder.
- 23.1.2 The Terms of Reference (ToR) would guide the selection and appointment of a qualified service provider by ensuring a match between DSACR's specification requirements and the service provider's knowledge and experience.
- 23.1.3 These ToRs and the service provider's proposal will form the basis of the service level agreement to be entered into between the parties.

24. COMPLETION OF TENDER DOCUMENTS

- 24.1.1 To validate the tender, the original document must be completed by hand in black ink and signed by the authorized signatory. The declaration must also be completed, signed by the authorized signatory, and returned. Failure to do so will result in the tender's disqualification.

25. TENDER DOCUMENTS MAY NOT BE RETYPED.

- 25.1 Retyped documents will result in the disqualification of the tender.
- 25.2 The complete original tender document must be returned. Missing pages will result in the tender being disqualified.
- 25.3 No unauthorized alteration of this set of tender documents will be allowed, and any unauthorized alteration will automatically disqualify the tender. Any ambiguity must be cleared with the contact person before closing the tender.

**26. MANDATORY SUBMISSIONS – STAGE****PLEASE COMPLETE THE TABLE BELOW AND ATTACH SUPPORTING DOCUMENTS**

NO	DESCRIPTION	Yes/ NO	Office use only
1	Company Registration Certificate – CIPC		
2	Valid SARS Tax Pin and Certificate		
3	Comprehensive Company Profile		
4	Proof of Business Address		
5	Fully Initiated & Completed all tender document pages		
6	Signed Declaration of Interest		
8	Audited Annual Financial Statement within 12 months (2022/2023)		
9	Completion of the Standard Bidding Forms (SBD1, 3.1, 4, 6.1 or 6.2)		
10	The CVs of the project team (Key Account Manager and travel coordinator) Indicate at least three (3) years of relevant experience.		
12	Certified ID of Directors (not older than 3 months)		
13	Public Liability Insurance (minimum of R 10 million)		

All relevant sections have been completed and signed, and all pages of the tender document have been initialled by an authorized signatory. Proof should be attached that the signatory is duly authorized to enter into a contractual agreement with the Department on behalf of the organization.

DECLARATION

I declare that all relevant documentations have been included with the bid document and all the tender conditions have been adhered to and give consent for all documents submitted to be verified by means of any government processes.

.....
Name	Signature	Date
.....	
Capacity	Name of Firm	



27. PROHIBITION OF RESTRICTIVE PRACTICES

- 27.1 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).
- 27.2 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.
- 27.3 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.

28. RIGHTS RESERVED

- 28.1 Bidders should note that DSACR reserves the right to negotiate terms and conditions after selecting the successful tender(s).
- 28.2 DSACR reserves the right to accept any proposal submitted or reject all proposals.
- 28.3 DSACR may request written clarification on any aspect of a response to this invitation.
- 28.4 DSACR reserved the right to appoint more than one service provider

29. PARENT/SUBSIDIARY COMPANY

A Company shall be defined as a legal persona and tender documents submitted shall reflect those of the registered Company in terms of the Companies Act. A Subsidiary Company tendering shall not submit the Parent Company's information in terms of Company Registration, BBBEE certificate or Sworn Affidavit, SARS certificate and financial statements. All Directors of the tendering Company, all Members of the Close Corporation and partners in a Partnership or Joint Venture must enclose a certified copy of their Identity Document and proof of their share of ownership.

30. TAXES AND DUTIES

No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid SARS must have certified that the tax matters of the preferred bidder are in order, i.e. a valid SARS Tax pin.



31. DECLARATION OF INTEREST

The Tender document must include a signed declaration of interest.

32. SUBMISSION OF FINANCIAL RECORDS

Regarding the New Companies Act, the Tenderer is to submit Audited Financial Statements (AFS), the most recent AFS not older than 12 months. Certain Companies may not require Audited Financial Statements, such as Sole Traders, Partnerships, and Close Corporations, as long as they abide by the New Companies Act. The Financial Statements are to be attested by a qualified Chartered Accountant (SA).

33. ACCEPTANCE OR REJECTION OF A TENDER

The Department reserves the right to withdraw any invitation to tender and/or to re-advertise or to reject any tender or to accept a part of it. The Department does not bind itself to accept the lowest or the tender scoring the highest points.

34. FINANCIAL IMPLICATIONS

- 34.1 The Department will not receive service until an official order has been issued to the supplier or service provider.
- 34.2 The service provider should be aware that the department only pays after the services have been rendered.
- 34.3 Payments will be made within 30 days of receipt of an invoice with all required supporting documents as per the Service Level Agreement.
- 34.4 The department will make payments after the service provider submits an invoice supported by all requisite documents.
- 34.5 Regarding Treasury Regulations, the department cannot make advance payments. Payments will be made only upon completion of work. Companies will, therefore, have to have a cash flow guarantee of at least to deliver the services of the category chosen

35. PROMOTION OF ACCESS TO INFORMATION ACT 2 OF 2000

In relation to section 37 (1) (a) (b) and s9 (b) (i) of this Act, the Bidder 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 extend only as far as necessary for such performance.

36. PROTECTION OF PERSONAL INFORMATION ACT, 2013

The successful Service Provider shall abide by the protection of the Department's personal information. Privacy includes the right to protection against unlawful collection, retention, dissemination, and use of personal information. The successful bidder shall heed this Act's right to privacy, which is subject to justifiable limitations aimed at protecting other rights and important interests.



37. COST OF BIDDING

- 37.1 The bidder shall bear all costs associated with preparing and submitting its bid, and the Department will under no circumstances be held responsible or liable for these costs, regardless of the conduct or outcome of the tender process.
- 37.2 The bidder will not be entitled to claim for travel and subsistence expenses from the Department. If such expenses are applicable, these charges must be included in the bid price.

38. PRESENTATION

- 38.1 All service provider(s) are expected to present their proposal before the evaluation committee as part of the evaluation criteria mentioned above in paragraph 20.

39. SUPPLIER DUE DILIGENCE

- 39.1 The department reserves the right to conduct supplier due diligence before the final award or during the contract period. Bidders must note that the Department will verify the information submitted, and any misrepresentation will result in automatic disqualification.

40. LEGITIMACY OF INFORMATION

Bidders declare the information furnished in this tender to be precise, accurate, and bonafide. In the event where a contract has been awarded on the strength of the information furnished by the bidder which, after the conclusion of the relevant agreement, is proved to have been incorrect, the Department may, in addition to any other legal remedy it may have, recover from the contractor all costs, losses or damages incurred or sustained by the Department as a result of the award of the contract.

41. NATURE OF SERVICE

The nature of service the Department enters with the successful bidder is based on the price offered and accepted for the contract duration if prices increase due to external environmental factors, such as Industry factors in relation to an increase in international prices.

42. PROTECTION OF PERSONAL INFORMATION ACT NO.4 OF 2013 (POPIA)

Bidders agree to comply with the provisions of the POPIA when dealing with or exchanging personal information with each other.



42.1 PROSPECTIVE BIDDERS MUST NOTE THE FOLLOWING:

- 42.1.1 The department may request additional information, clarification or verification in respect of any information contained in or omitted from the proposal. This information will be requested in writing;
- 42.1.2 The department may conduct due diligence on any Service provider, which may include interviewing customer references or other activities to verify a Service provider's information and capabilities (Including visiting the Service provider's various premises and/or sites to verify certain stated information and in this instance the Service) provider will be obliged to provide the department with all necessary access and assistance;
- 42.1.3 The department may enforce whatever measures it considers necessary to ensure the confidentiality and integrity of the contents of the Proposal;
- 42.1.4 The department will evaluate the Proposals using a reference set and approved evaluation criteria, guided by the procurement policy, as indicated.
- 42.1.5 The department reserves the right to appoint a specialist/consultant to perform such evaluations.

43. TECHNICAL CHARACTERISTICS

- 43.1 The minimum score required to succeed to the next level is 80%.
- 43.2 Suppliers achieving points below the set 80% shall be disqualified from further assessment.

44. FINANCIAL ARRANGEMENTS

- 44.1 The service provider shall provide a detailed cost breakdown of the Terms of Reference
- 44.2 This bid aims to create a prequalified list/panel of Travel Management Service Providers for three (3) years; therefore, pricing will be requested on an ad hoc basis per specific event.
- 44.3 Regarding Treasury Regulations, the DSACR cannot make advance payments. Payments will be made only upon completion of the work.
- 44.4 The service provider should note that cost-effectiveness is critical in evaluating bids.

45. LOBBYING AND CANVASSING

To influence the evaluation process and award of the tender, no lobbying and canvassing by tenderers in any form to staff members of the DSACR will automatically disqualify the tenderer from the evaluation process and subsequent consideration.

46. EVALUATION PROCESS AND CRITERIA

- 46.1 Criteria for preferential procurement shall be stated as when in our bid documents:

47. QUALIFICATIONS, SKILLS AND EXPERIENCE

- 47.1 Bidders are to indicate what experience and capacity they have to deliver the services required by the DSACR. The experience of the company's team to be allocated to the project must be assigned. The Company must provide a skilled and experienced team and the necessary equipment to perform the traveling management service. The Project Manager and team managers must submit CVs.



- 47.2 The Project Manager must have at least years of experience in project management, communication, traveling management, or public relations, as outlined in the functionality. Certified copies of these qualifications must be attached to the proposal as proof. Functionality points will be forfeited if evidence is not attached.
- 47.3 The Project Manager must have at least three (3) years of experience in a similar project(s) outlined.
- 47.4 Team members must have a minimum Certificate in Project Management, Communication, tourism Management, or Public Relations. Certified copies of qualifications must be attached to the proposal as proof. Functionality points will be forfeited if proof is not attached.
- 47.5 Team members must have at least one (1) year of experience in traveling management or similar project(s) as outlined.

48. SERVICE LEVEL AGREEMENT

The service provider must enter into a Service Level Agreement with the Department of Sport, Arts, Culture, and Recreation to perform all functions in the project specifications or Terms of Reference.

49. INSTRUCTIONS FOR THE PROPOSAL

- 49.1 This Request for Proposal does not constitute an offer. The RFP intends to provide enough information for the Bidders to prepare and submit comparable proposals.
- 49.2 The DSACR requires a clear, concise, and factual response. Bidders shall consult, in writing, with the DSACR official responsible should there appear to be any discrepancy, ambiguity, or uncertainty pertaining to the meaning or effect of any description, dimension, quality, quantity, or any other information contained in this RFP.
- 49.3 Proposals must be compiled in the following manner:
 - 49.3.1 Clear indexing of the proposal content must be included. One (1) original proposal (marked 'original') must be submitted.
 - 49.3.2 One (1) copy of the proposal (marked 'copy') must be submitted.
 - 49.3.3 One (1) electronic copy on **USB** must be submitted
- 49.4 All proposals must be delivered sealed. The following information must appear outside of the sealed proposal.
 - 49.4.1 Name of Bidder
 - 49.4.2 Description of proposal
 - 49.4.3 Closing date
- 49.5 In the case of Joint Ventures, proposals must contain:
 - 49.5.1 Teaming Agreements
 - 49.5.2 Proposed revenue split and,
- 50. B-BBEE status and proof of CSD registration for all members of the Joint Venture**
- 50.1 The Bidder will be liable for all costs incurred in response to this request.
- 50.2 Bidders are expected to fully acquaint themselves with the conditions, requirements, and specifications of the DSACR before submitting a completed response. Failure to do so will be at the Bidder's own risk, and the Bidder cannot secure relief on the grounds of any mistake.
- 50.3 The DSACR reserves the right to engage in pre-post tender negotiations with the Bidder(s) on the shortlist and to do business with the vendor(s) that best meet the requirements and will be obliged to give reasons in writing for such exclusions or during the public adjudication process.
- 50.4 The selected Bidder(s) must enter into a written agreement with DSACR. This RFP or any part thereof may be incorporated into and made part of such an agreement. DSACR shall not incur any obligation or liability towards the selected Bidder(s) until a written contract has been signed by the duly authorized DSACR representative and the Bidder(s).
- 50.5 Proposals submitted after the specified closing date and time will not be considered.



INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (SPORT, ARTS, CULTURE AND RECREATION)					
BID NUMBER:	SACRTMC224	CLOSING DATE:	31OCT 2024	CLOSING TIME:	11H00
DESCRIPTION	APPOINTMENT OF TRAVELING MANAGEMENT COMPANY TO BE ON THE PANEL OF THE DEPARTMENT OF SPORT, ARTS, CULTURE AND RECREATION FOR THIRTY - SIX (36) MONTHS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
ZANA BUILDING					
34 CORNER HILL AND HENRY STREET					
BLOEMFONTEIN					
9300					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr MASISI		CONTACT PERSON	Mr RAMABULANA	
TELEPHONE NUMBER	066 474 7494		TELEPHONE NUMBER	083 707 0210	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	masisi@sacr.fs.gov.za		E-MAIL ADDRESS	ramabulana.ta@sacr.fs.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 NO					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					



PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

- 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, 2022, 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:

.....



SBD 3.1

PRICING SCHEDULE – FIRM PRICES

(PURCHASES)

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

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

Name of bidder..... Bid number **SACRTMC2024**
Closing Time **11:00** Closing date **31 OCTOBER 2024**

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

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

_____ % _____ overall Percentage

-
- - Required by:
 - At:
.....
 - Brand and model
 - Country of origin
 - Does the offer comply with the specification(s)? *YES/NO
 - If not to specification, indicate deviation(s)
 - Period required for delivery
*Delivery: Firm/not firm
 - Delivery basis

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

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



PRICE SCHEDULE

NO	DESCRIPTION	BIDDING- PERCENTAGE (Service Fee to be charged in Percentage, not in rands) FIRST-YEAR	BIDDING- PERCENTAGE Service Fee to be charged in Percentage, not in rands) SECOND -YEAR	BIDDINGPERCENTAGE Service Fee to be charged in Percentage, not in rands) THIRD -YEAR
1	Rendering of traveling Management Services regarding Air travel, Car Hire, or Shuttle Service and Accommodation for domestic travel within the Republic of South Africa (RSA). Traditional or Online Bookings			
2	Change booking fee			
3	Cancellation fee			
4	24-hour emergency call Charges (18h00-08h30) during the week, including weekends and public holidays.			
5	Conferencing facilities As when required			

**3. EVALUATION PROCESS**

Phase 1:	Administrative compliance / submission of all returnable documents and completion of all returnable schedules
Phase 2	Functionality (specification evaluation)
Phase 3:	80/20 preferential point system in terms of PPPR22 <ul style="list-style-type: none">- 80 – Price (vat and all taxes included)- 20- Specific goals Refer to SBD6.1 <ul style="list-style-type: none">- Specific goals: <i>relevant in accordance with the PPPFA that are contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender, or disability</i>

Phase 1: Administrative Compliance

All returnable documents marked mandatory ('M'), must be completed or submitted by service providers in order to proceed to be evaluated further in Phase 2.

Returnable Document/ Schedule	Mandatory (M) / Optional (O)
Signed SBD 1 form	M
Signed and completed SBD 3.1 form (pricing schedule)	M
Signed and completed SBD 4 form	M
Signed and completed SBD 6.1 form	M
Signed SBD 7.2	O
SPECIFIC GOALS	O (preference points will not be allocated if not submitted)



SBD4

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

Any person (natural or juristic) may make an offer or offer regarding 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, the bidder is required to make this declaration in respect of the details required hereunder.

Where a person/s is 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 proprietors/directors/trustees/shareholders / members/ partners or any person having a controlling interest in the enterprise in the table below.

Full Name	Identity Number	Name of State institution

- 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

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.



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 institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so

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.



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 of the bidder

.....
Date

.....
Position

.....
Name of bidder



SBD 6.1

**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

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

(delete whichever is not applicable for this tender).

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

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	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 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.



2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

80/20 or

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

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 is allocated for price on the following basis:

80/20 or

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

Where

Ps = Points scored for price of tender under consideration



Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2), 5(2), 6(2), and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender, the tenderer will be allocated points based on the goals stated in Table 1 below, as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

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

(b) any other invitation for tender, that either the 80/20 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

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

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

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

The specific goals allocated points in terms of this tender (BBBEE 10 points, Specific goals 10 points)	Number of points allocated(80/20 system)(To be completed by the organ of state)	Number of points claimed(80/20 system) (To be completed by the tenderer)	Supporting documents to be attached as a proof of points claimed
Women Owned	10		South African Identity document supported by company registration documents and CSD report (Certified within date of advert and closing date)
Youth	5		South African Identity document supported by company registration documents and CSD report Certified within date of advert and closing date
Historical Disadvantage Individuals	5		South African Identity document supported by company registration documents and CSD report Certified within date of advert and closing date



DECLARATION ABOUT COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

[TICK APPLICABLE BOX]

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

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

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

SURNAME AND NAME:

DATE:

ADDRESS:



THE NATIONAL TREASURY

Republic of South Africa





GOVERNMENT PROCUREMENT:

GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

July 2010



NOTES

The purpose of this document is to:

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

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

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



TABLE OF CLAUSES

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 obligation.
- 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 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 that 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; (b) or 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 agree 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 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 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 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:

- (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 wilful misconduct, and in the case of infringement pursuant to Clause 6;
- 50.6 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
- 50.7 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
- 32.3 the purchaser.
- 32.4 No contract shall be concluded with any bidder whose tax matters are
- 32.5 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.
- 32.6 This certificate must be an original issued by the South African Revenue Services.
33. National Industrial Participation (NIP) Programme
- 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34. Prohibition of restrictive practices
- 34.1 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.