

MPUMALANGA PROVINCIAL GOVERNMENT



DEPARTMENT OF CO-OPERATIVE GOVERNANCE, HUMAN SETTLEMENTS & TRADITIONAL AFFAIRS

BID NUMBER: COGHSTA/013/25/MP

**APPOINTMENT OF ACCREDITED
ASBESTOS INSPECTION AUTHORITIES
(AIA) INTO A PANEL FOR AN AUDIT
ASSESSMENT AND COMPLIANCE
MONITORING OF ASBESTOS REMOVAL
CONTRACTORS IN THE THREE (03)
DISTRICTS OF MPUMALANGA PROVINCE
FOR A PERIOD OF THREE (03) YEARS**

ISSUED BY:

Department of Co-operative Governance, Human Settlements & Traditional Affairs
Private Bag X11328
Mbombela
1200

NAME OF BIDDER:
TOTAL BID PRICE (all inclusive) :
(Also in words):
.....

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF CO-OPERATIVE GOVERNANCE, HUMAN SETTLEMENTS & TRADITIONAL AFFAIRS					
BID NUMBER:	COGHSTA/013/25/MP	CLOSING DATE:	12 December 2025	CLOSING TIME:	12H00
DESCRIPTION	APPOINTMENT OF ACCREDITED ASBESTOS INSPECTION AUTHORITIES (AIA) INTO A PANEL FOR AN AUDIT ASSESSMENT AND COMPLIANCE MONITORING OF ASBESTOS REMOVAL CONTRACTORS IN THE THREE (03) DISTRICTS OF MPUMALANGA PROVINCE FOR A PERIOD OF THREE (03) YEARS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
MBOMBELA , Riverside Government Complex, Building No 9, Government Boulevard, Mbombela, 1200, PIET RETIEF , No. 11 Measroch Street, Piet Retief Office, KWAMHLANGA , KwaMhlanga Government Complex, Department of Finance, Building No. 12, Computer Centre. SECUNDA No 5 Van Eck Street, Secunda (opposite Sasol Value Gas Garage) Secunda, 2302, BUSHBUCKRIDGE , Bushbuckridge Advice Centre, Department of Finance, Protea building (old Telkom building), MIDDELBURG , Department of Public Works, Cnr. Lillian Ngoyi and Dr Beyers Naudé Streets – Old TPA Building, Upper ground floor, Office numbers A20, 21 and 25, MALELANE , 17 Lorencio Street, Malelane, ELUKWATINI , Elukwatini Sub Regional offices, Office numbers A49 and A50 (opposite Elukwatini Community Hall) Stand number 12 Extension A, Elukwatini 1192. SIYABUSWA Old Parliament Building, Building No.1, Job Skhosana Street, Siyabuswa 0472					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr. R.S Motsilanyana		CONTACT PERSON	Mr U. Okon	
TELEPHONE NUMBER	013 766 6426		TELEPHONE NUMBER	013 766 6892	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	rs Motsilanyana@mpg.gov.za		E-MAIL ADDRESS	UMokon@mpg.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				☐ YES ☐ NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B TERMS AND CONDITIONS FOR BIDDING

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

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

(Proof of authority must be submitted e.g. company resolution)

DATE:

.....

SPECIFICATION

APPOINTMENT OF ACCREDITED ASBESTOS INSPECTION AUTHORITIES (AIA) INTO A PANEL FOR AN AUDIT, ASSESSMENT & COMPLIANCE MONITORING OF ASBESTOS REMOVAL CONTRACTORS IN THE THREE (3) DISTRICTS IN MPUMALANGA PROVINCE FOR A PERIOD OF THREE (3) YEARS

1. SCOPE OF SERVICE

Introduction

During 2008 in South Africa, the manufacturing, production, and usage of asbestos cement fibre as a construction material was banned as it was identified as a hazardous and contaminant material causing lung cancer and other serious respiratory ailment.

Asbestos was widely used for the manufacturing of asbestos cement roof sheet which despite its ban, has left a legacy of thousands of asbestos roofed houses scattered across the entire country, mainly in old townships. A desktop survey has revealed that more than 14 000 low-cost houses constructed in the province are roofed with asbestos cement.

The Asbestos Regulations was promulgated in 2002 and then amended as the Asbestos Abatement Regulations 2020 to prescribe the method of working with and demolishing asbestos containing materials.

Due to growing health concerns, the National Department of Human Settlement has made the eradication of asbestos roofed houses a national priority.

It is to the above course that this tender seeks to respond to the eradication programme with the aim of providing a safe and healthy living environment for the people of Mpumalanga.

1. The Tender

The tender calls for prospective bidders to be enlisted in the panel of accredited Asbestos Inspection Authorities for the audit, assessment, and compliance monitoring of Asbestos Removal Contractors for a period of three (3) years.

The top **five (05) bidders** who score the highest points will be shortlisted onto the panel.

The panel shall serve the entire province with call-offs or Instruction to Perform Works issued to any district.

On enlistment, bidders will be issued call-offs or Instruction to Perform Works for specific priority areas as shall be determined by the Department.

2. Project Objectives

The project mainly seeks to eradicate asbestos roofed houses in the province through the removal, disposal, and replacement of identified roof structures.

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As required by the Asbestos Abatement Regulation, Asbestos Inspection Authorities (AIA) are required to ensure environmental compliance by the Asbestos Removal Contractors. For that reason, the AIAs form a crucial partner for the realization of the objectives of this project.

3. Project Location

From preliminary survey data obtained from the seventeen (17) local municipalities in 2022, a total of 20 056 affected houses were identified. As a result of the most recent intervention by the province 19 300 houses remain in the municipalities indicated below. However, these houses still need to be verified and confirmed as asbestos cement roofed houses by a competent person.

An indication of the outstanding areas as received from the municipalities (*but not limited*) is presented below: -

Table: Preliminary survey of list of asbestos roofed houses in the province

Nr	Local Municipality	Identified Areas	Total Number of Houses
		Ehlanzeni District	
1	City of Mbombela	Matsulu, Kabokweni & Kanyamazane	2 539
2	Thaba Chweu	Mashishing Ward 1, 2 & 3, Kellysville Ward 5, Sabie, Graskop	454
	TOTAL: Ehlanzeni		2 993
		Gert Sibande District	
1	Dr Pixley Ka Isaka Seme	Ward 8 (Ezamokuhle), Ward 2 (Vukuzakhe), Ward 3 (Vukuzakhe), Ward 5 (Esizameleni) Siyazenzela	664
4	Govan Mbeki	Kinross Ext.25, Emzinoni, Embalenhle	1 025
5	Lekwa	Loss (Ward 1 & 2) Draaihoek (Ward 5) Phalama (Ward 5) Jabavu (Ward 5)	120
6	Mkhondo	Thokozane, Sgodiphola, Richardsbay	600
7	Msukaligwa	Wesselton, Kwazanele, Kwadela	3 465
	TOTAL: Gert Sibande		5 874
		NKANGALA DISTRICT	
1	Emakhazeni	Ward 7 (Emgwenya), Ward 1 & 3 (Siyathuthuka) Ward 4 (Sakhelwe)	870
2	Emalahleni	Tushanang Ext. 1, 2, & 3 Hostel Blocks 3 & 4 Lynnville Ext. 1 to 11	7 204

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Nr	Local Municipality	Identified Areas	Total Number of Houses
		Schoongezicht Ackerville (Ext.1 to 17, Hostel 2 Blocks 1,2,3,4 & 5; Hostel 3 Blocks 1,2,3,4,5,6,7,8 & 9; Hostel 4 Blocks 1,2,3,4,5,6,7 & 8) Ogies / Phola (Hostel 1 Block) Ga-Nala (Kriel Ext.10) Hlalanikahle (Ext. 1 &2)	
3	Victor Khanye	Ward 2	236
5	Thembisile Hani	Twefontein A1, Mzimuhle, Verena, Thembaletu, Gemsbokspruit, Kwaggafontein D	422
6	Steve Tshwete	Tokologo, Nasaret, Kwazamokuhle Ext.1, Mhluzi Ext.1, Kwazamokuhle Hostel Complex, Reabotha Block A, B, C & E, Thembisa, Vuka, Phumula, Riverside	1 601
	Total: Nkangala		10 433
	TOTAL: PROVINCE		19 200

The above information is the basis in which this tender is developed.

A detailed list of beneficiaries, stand number and locality is available as received from the municipalities.

4. Scope of Services

The Department requires the service of a professional registered Asbestos Inspection Authority to fulfill the role and responsibility articulated in the Asbestos Abatement Regulation.

Prime amongst others are: -

- Preparing and developing an inventory (i.e., an audit) of asbestos roofed houses in the assigned area. The inventory **must include** the names, ID number, stand number, footprint, location, GPS coordinates, type of asbestos material, estimated quantity, size and risk of exposure. The inventory must provide photographic evidence showing the physical condition and state of roof deterioration of each house.
- Monitoring compliance, sampling, and supervision of the Asbestos Removal Contractors in accordance with the Occupational Health and Safety Act, (Act 85 of 1993), and Asbestos Abatement Regulations 2020.
- Through a developed work plan, control measures associated with the identification, encapsulation, stripping / removal, maintenance / repairs, clean-up, and safe disposal of asbestos and associated waste in the identified areas.

4.1 Detailed Scope of Works

The detailed scope of works as documented in the AAR are as follows: -

- i. Asbestos risk assessment as per regulation 5 of the Asbestos Abatement Regulations;
- ii. Produce an Asbestos Management Plan;
- iii. Input and review of the Asbestos Work Plan produced by the certified Asbestos Removal Contractor;
- iv. Perform planned asbestos air monitoring (before, during and after removal) – more preferably representative sampling (i.e., zonal or area) downwind;
- v. Perform employee air monitoring to determine employee exposed to asbestos fibres;
- vi. Provide Occupation Hygiene Specialist to monitor the works undertaken by the Asbestos Removal Contractor to ensure compliance with the work plan and safety procedures during construction;
- vii. Carry out background sampling and weekly personal sampling and issue reports on the air quality on a regular basis during construction;
- viii. Asbestos cleanup and issuance of Asbestos Clearance Certificate;
- ix. Provide any clarity on the services of and the legal requirements of the AARs in the execution of the works.
- x. Stoppage of asbestos type 3 work for any registered asbestos contractor which poses a health or safety risk to persons until such time that the risk has been appropriately mitigated in line with the regulations;
- xi. Medical surveillance before and during the works; and
- xii. Mandatory compliance documentation.

The scope shall also cover supervision, sampling and monitoring procedures required in accordance with the Occupational Health and Safety Act, (Act 85 of 1993), and Asbestos Abatement Regulations 2020.

As the AIA's are expected to form a panel, based on the nature of works (which the full extent cannot be determined at the time of tender), the short-listed bidders will be required to submit a Request for Proposal taking into consideration the peculiar nature of the area. The documents will be evaluated, and the most cost-effective approach shall be selected to execute the works.

5. EVALUATION PROCESS

The evaluation process comprises of the following phases:

the Department of CoGHSTA shall for all Bids between the value of **R2 000 and R50 000 000.00**, which, conform to the specifications evaluate in accordance with the Preferential Procurement Policy Framework, 2000 (Act 5 of 2000) and the revised Preferential Procurement Regulations 2022, therefore 80 points for price and 20 points for the specific goals points.

6.1 Phase I: Initial screening process

Compulsory Returnable Documents

The following documents must be submitted with the tender:

- a) Fully completed and signed Standard Bidding Documents (SBD 1, SBD 4 and SBD 6.1).
- b) Attendance of compulsory breiffing session and signing of attendance register.
- c) Bill of quantity must be fully completed and signed.
- d) Joint Venture Agreement and or power of attorney (in case of a JV)
- e) Valid COIDA (Compensation for Occupational Injuries and Diseases) registration certificate, e.g. Letter of Good Standing issued by Department of Labour.
- f) Valid UIF Registration Certificate
- g) Company Profile, including previous work done, value of the work and contactable references per contract
- h) Copy of contractor Registration for Incorporation of Company Registration Document (CIPC).
- i) Original Certified Copies (not copy of copy) of Identity documents of Owners / Directors / Members / Shareholders (certification date should not be more than 3 months old).
- j) Proof of professional registration with the Department of Employment & Labour as an Occupational Health & Hygiene Approved Inspection Authority

All bidders must be registered with the Central Supplier Database (CSD) failure to do so will be automatically disqualified

- **NB:** It is the responsibility of the bidder to ensure that the following key information is in order on CSD to avoid disqualification during the bid evaluations:
 - The Business registration status in order- Active or In Business

-Bid restrictions and defaulters status – not registered as tender defaulters
- Identification number and the service of the state status - No government employee Directors

Note: Failure to submit the required compulsory documents as listed above shall result in your bid being non responsive and disqualified.

Returnable Schedule required only for phase two - Tender functionality Evaluation Purposes .

The following documents must be submitted for tender evaluation purposes:

- a) Copy of CSD Report
- b) Schedule of Tenderer's Experience (Proof of experience, e.g., appointment letter, purchase orders, and valid completion certificates)
- c) Key Personnel (attach CV and certified copies of proof of qualifications) (certification date should not be more than 3 months old)
- d) Proof of business address or municipal services not less than 3 months old
- e) Occupational Health and Safety Plan .

6.2 Phase II: Functionality evaluation as per attached Terms of Reference

- a) Bids will be evaluated strictly according to the bid evaluation criteria stipulated in the terms of reference
- b) Bidders must as part of their bid documents, submit supportive documentation for all technical requirements as indicated hereunder.
- c) The panel responsible for scoring for the respective bids will evaluate and score all bids based on their submissions and the information provided.
- d) Bidders will not rate themselves but need to ensure that all information is supplies as required. The Bid Evaluation committee (BEC) will evaluate and score all responsive bids and will verify all documents submitted by the bidders.
- e) The panel members will individually evaluate the responses received against the following criteria as set out below.
- f) Points for functionality will be determined in relation to the bidder's ability to meet the terms of reference as set out in this bid document and the submission will be evaluated in terms of the following criteria:

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CRITERIA	SUB-CRITERIA	WEIGH TING/ POINTS
CV's and certified copies of Qualifications of Lead Project Manager/ team leader	Demonstrable skills and capacity in Asbestos Removal projects, Level of Relevant Knowledge and Experience. • Occupational Health, Safety and Hygiene specialist • Hazardous material specialist National diploma (NQF level 6) = 10 points Advance diploma/ bachelor's Degree (NQF level 7) = 15 points Postgraduate Qualification(s) (NQF level 8 and higher) = 25 points Attach CV's and certified Qualification of OHS and other relevant skills to be used in the project.	25
Previous Experience and work history	Submission of previous related work completed (i.e., projects) as the lead company on similar scale of work. 5 or more projects completed= 35 points 2-4 projects completed = 25 points 1 project completed = 10 points Attach orders or appointment letters with completion certificates	35
Lead Company profile (Attach Organogram)	Company profile (s) related to the work to be submitted (in case of a joint Venture, all companies must submit separate profiles) indicating the Lead Company Attach • Quality Management – ISO 9001 or Company Quality Management Procedures (3) • Organogram of the project team (3) • Company Profile with relevant experience (4)	10
Approach, Methodology, Work Plan and Process	Attach; Work programme, plan and allocation of resources and tasks (3 points) • Meeting deliverables and timeframes (2 points) • Methodology, roadmap, and clear understanding of information to be collected and the rationale thereof (5 points)	10

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Locality This is in respect to the area where the company's head office or main address is located, e.g. Local municipality within Mpumalanga province	• Mpumalanga 10 points • National 3 points Attach Company Registration document or valid lease agreement with Municipal or service Account statement	10
Bank Rating	The points will be allocated as follows: 1. A & B grading- 10 points 2. C grading- 8 points 3. D grading- 5 points 4. E grading and below- 0 points attach Bank Rating letter from a reputable bank recognized by RSA government) the letter must have a bank stamp	10
Total		100

Only bidders who attain a minimum of 70 percent on Functionality will qualify to proceed for further evaluation on Price and Specific Goals points.

6.3 Phase III: Price / Financial stage

- Price / Financial proposal must be submitted in South African Rand.
- The following formula will be used to calculate the points for price in respect of this bid :

$$P_s = 80 (1 - \frac{P_t - P_{min}}{P_t - P_{min}})$$

P min

Where

P_s= Points scored for comparative price of bid under consideration

P_t= Comparative price of bid under consideration

P min = Comparative price of lowest acceptable bid

- The responsive bids will be adjudicated by the State on the 80/20-preference point for Specific Goals in terms of which points are awarded to bidders on the basis of:
 - The bid price (maximum 80 points)

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- specific goals (maximum 20 points)
- d) The department reserves the right to arrange contracts with more than one contractor.
- e) The Preferential Procurement Policy Framework Act 2000 (PPPFA) Preferential Procurement Regulations 2022
- f) A maximum of 20 points may be awarded to a bidder for specific goals

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

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.

Note to tenderers: The tenderer must indicate how they claim points for each Specific Goal point system on the pre-determined criteria below .)

Specific goals allocated points in terms of this tender.	Criteria	Number of points allocated (80/20 system)	Proof Required
Women-owned enterprises	≥ 51% women ownership	4	CSD and or Date of birth
Youth-owned enterprises	≥ 51% youth ownership	4	CSD and or date of birth
Persons with disabilities	≥ 51% ownership or employment	3	Medical proof
Local (township/rural) enterprises	Operating in Mpumalanga Province rural/township area	3	Attach- Business Registration Document or Lease Agreement or PTO with Municipal Account or Water / lights Statement of account)
Black-owned (HDI)	≥ 51% black ownership	4	CSD or B-BBEE certificate
Military veterans	Registered with DMV*	2	DMV certificate
Total HDI Participation	Combination of above	20	Verified through CSD/supporting documents

6. Phase IV: Confirmation/ verification of Submitted Information

Shortlisted bidders may be required to undergo the vetting or verification process to verify the authenticity of the submitted documents during the submission period and bidder can be eliminated if discovered that false information was submitted and this doesn't mean that the bid is automatically awarded to you.

7. Deliverables & Outputs

The following are expected as tangible deliverables associated with the above scope of service:

- i. Inventory / audit report
- ii. Risk Assessment Report
- iii. Asbestos Management Plan
- iv. Approved Work Plan
- v. Air Monitoring reports i.e., pre, during the works and post (airborne Asbestos dust and sampling)
- vi. Final Inspections and Clearance reports
- vii. Certificate of Safe Disposal from the Asbestos Removal Contractor
- viii. Health and Safety reports
- ix. Updates to the Asbestos Risk Plan
- x. Issuing of Asbestos Clearance Certificates
- xi. Clearance Sampling reports – environmental Air Sampling
- xii. Any other deliverables as required in terms of the AARs
- xiii. Records of labor training and medical examinations
- xiv. Weekly, Monthly reports as and when required by the client.

8. Duration

The duration of the project shall be directly linked to the duration of the appointed Registered Asbestos Removal Contractors except for the audit / inventory which shall commence before the actual removal of asbestos roof. However, the panel is valid a period of three (3) years.

9. Pricing

The short-listed bidders are expected to form a panel with work orders or call-out issued for specific works and areas. The bidders are expected to price the schedule given below with the appropriate rates.

Note, the quantities used below are indicative and for the purpose of tendering to establish the contract price. The exact quantities shall be established from the agreed and approved number of asbestos roofed houses received from the municipality and confirmed by the AIA.

A price negotiation process shall be carried out for the short-listed bidders to arrive at uniform, consistent and cost effective rates.

10. SPECIAL CONDITIONS APPLICABLE TO THIS BID

This bid and all contracts will be subject to the General Conditions of Contract issued by the National Treasury

The Department and appointed Service Provider will sign a Contract of Service upon appointment.

The Service Provider should commence rendering services to the Province and place from the date as agreed with the Department after receiving the letter of appointment, Instruction and signed the Contract of Service

Copyright in respect of all documents and data prepared or developed for the purpose of the project by the Service Provider shall be vested in the Department.

The successful Service Provider agrees to keep all records and information of, or related to the proposal confidential and not discloses such records or information to any third party without the prior written consent of the Department

The short-listed Service Provider may be required to do a presentation, should the department deemed it necessary to do so

The department reserves a right NOT to appoint any service provider if it deems fit that the bid is non-responsive.

The Department reserves a right to appoint one or more service provider.

The department reserves the right to appoint per specific site or scope.

No bidder will be appointed with a Non-Compliant Tax status

The Department reserves the right to appoint service provider(s) on the agreed negotiated rates.

The Department reserves the right to use the information provided by bidders to engage banks, credit rating agencies and the relevant government institutions to obtain information on credit records, criminal records, pending court cases, etc. Suppliers with proven a history of poor financial/credit management and/or criminal behavior will not be considered.

All Intent pre requisites requirements must be concluded and have valid contract within 30 days of issuance of appointment.

The geographic area which applies to local labour is Mpumalanga Province

Table: Pricing Schedule for Audit, Assessment & Compliance Monitoring for Asbestos Removal

Item No.	Activity Description	Unit	Quantity	Rate VAT EXCL	Amount
STAGE 1: PREPARATION AND INCEPTION					
1,1	Development of inventory / Audit (inc. of obtaining test samples limited to 4 samples per area)	Per House	100		
1,2	Risk assessment and documentation	Per House	100		
TOTAL: Preparation and Inception					
STAGE 2: SUPERVISION & MONITORING					
2,1	Review and approval of the Asbestos Work Plan	Per House	100		
2,2	Air monitoring (before,during,after) and supervision in accordance with the OHS Act and AAR 2020; Asbestos clean-up and final inspection (Site inspection frequency of at least 3 times a week with a minimum of 4 samples per area)	Per House	100		
2,3	Regular mandatory compliance reporting and documentation	Per House	100		

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Item No.	Activity Description	Unit	Quantity	Rate VAT EXCL	Amount
2,4	Training of asbestos contractor's employees as asbestos workers (Estimated for a total of 20 employees)	Lump sum	1		
TOTAL: Supervision & Monitoring					
3. CLOSE-OUT					
3,1	Asbestos clearance certificate	Per House	100		
TOTAL: Close-out					
4	Disbursement	Per House	100		
	TOTAL (CARRIED FORWARD)				

ENQUIRIES

Mr. S.A. Brown

Tel (017) 817 9600 / 017 811 9600

Email address: SABrown@mpg.gov.za

Supply Chain Management Enquiries:

Ms. R.S. Motsilanyana

Tel (013) 766 6426

Email address: rs Motsilanyana@mpg.gov.za

VALIDITY PERIOD 120 DAYS

Particulars of tender (If applicable)Tender number Estimated Tender amount R Expected duration of the tender year(s)**Particulars of the 3 largest contracts previously awarded**

Date started	Date finalised	Principal	Contact person	Telephone number	Amount
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AuditAre you currently aware of any Audit investigation against you/the company? YES NO

If "YES" provide details

Appointment of representative/agent (Power of Attorney)I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

Date

Name of representative/agent **Declaration**

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer

Date

Name of applicant/Public Officer **Notes:**

1. It is a serious offence to make a false declaration.
2. Section 75 of the Income Tax Act, 1962, states: Any person who
 - (a) fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - (b) without just cause shown by him, refuses or neglects to-
 - (i) furnish, produce or make available any information, documents or things;
 - (ii) reply to or answer truly and fully, any questions put to him ...
 As and when required in terms of this Act ... shall be guilty of an offence ...
3. **SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
4. Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

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

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

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

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

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

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

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

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

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

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

1. GENERAL CONDITIONS

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

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

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

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the 90/10 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

- (a) Price; and
- (b) Specific Goals.

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

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	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 or 90 points is allocated for price on the following basis:

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) \quad \text{or} \quad Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

80/20 or 90/10

Where

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

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

3.2.1. POINTS AWARDED FOR PRICE

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

$$\begin{array}{ccc} 80/20 & \text{or} & 90/10 \\ P_s = 80 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) & \text{or} & P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right) \end{array}$$

Where

- P_s = Points scored for price of tender under consideration
 P_t = Price of tender under consideration
 P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

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

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

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

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

The specific goals	Criteria	Max Points	Proof Required	Number of points (claimed 80/20 system) (to be completed by the tenderer)
Black-owned (HDI's)	≥ 51% black ownership	4 points	CSD or B-BBEE certificate	
Woman-owned enterprise	≥ 51% women ownership	4 points	CSD and or date of birth	
Persons living with Disabilities Attach Proof	≥ 51% ownership or employment	3 points	Medical proof	
Military Veterans	Registered with Department of Military Veterans (DMV)	2 points	DMV certificate	
Youth-owned enterprise	≥ 51% youth ownership	4 points	CSD and or date of birth	
<u>Locality:</u> Mpumalanga province: 3 Points (Attach Proof of Company Business Address; Business Registration Document or Lease Agreement or PTO With Municipal Account or Water / lights Statement of account)	Operating in Mpumalanga province rural/township area	3 points	Attach- Business Registration Document or Lease Agreement or PTO with Municipal Account or Water / lights Statement of account)	
Total HDI Participation	Combination of above	20 points	Verified through CSD/supporting documents	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –

- (a) disqualify the person from the tendering process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution, if deemed necessary.

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

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

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

obligations of the supplier covered under the contract.

- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

- 5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

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

8. Inspections, tests and analyses

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

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any

person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

**25. Force
Majeure**

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

**26. Termination
for insolvency**

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

**27. Settlement of
Disputes**

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

**28. Limitation of
liability**

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

		(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1	The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1	The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	31.1	Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
	31.2	The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
32. Taxes and duties	32.1	A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
	32.2	A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
	32.3	No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
33. National Industrial Participation Programme (NIP)	33.1	The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34 Prohibition of Restrictive practices	34.1	In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
	34.2	If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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

Js General Conditions of Contract (revised July 2010)