

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)							
BID NUMBER:	ITAC 01-2023/2024	CLOSING DATE: 9 June 2023	CLOSING TIME:	11am			
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO DEVELOPMENT, IMPLEMENTATION, MAINTAINANCE, HOSTING AND SUPPORT OF AN ENTERPRISE SOFTWARE SOLUTION FOR A METAL TRADE LICENSING SYSTEM FOR ITAC FOR A PERIOD OF 60 MONTHS						
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)							
The DTIC Campus, Block E First floor							
77 Meintjies Street							
Sunnyside							
Pretoria, 0002							
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO				TECHNICAL ENQUIRIES MAY BE DIRECTED TO:			
CONTACT PERSON	PS Mkhungo			CONTACT PERSON	R Nelson		
TELEPHONE NUMBER	012 3943700			TELEPHONE NUMBER	012 3943642		
FACSIMILE NUMBER				FACSIMILE NUMBER			
E-MAIL ADDRESS	pmkhungo@itac.org.za			E-MAIL ADDRESS	rnelson@itac.org.za		
SUPPLIER INFORMATION							
NAME OF BIDDER							
POSTAL ADDRESS							
STREET ADDRESS							
TELEPHONE NUMBER	CODE		NUMBER				
CELLPHONE NUMBER							
FACSIMILE NUMBER	CODE		NUMBER				
E-MAIL ADDRESS							
VAT REGISTRATION NUMBER							
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA		
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]							
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]		
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS							
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO			
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO			
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO			
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO			
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO			
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.							

PART B

TERMS AND CONDITIONS FOR BIDDING

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

.....



International Trade Administration Commission of South Africa

**TERMS OF REFERENCE FOR THE DEVELOPMENT, IMPLEMENTATION, MAINTAINANCE,
HOSTING AND SUPPORT OF AN ENTERPRISE SOFTWARE SOLUTION FOR A METAL
TRADE LICENSING SYSTEM FOR ITAC**

RFP NO: ITAC 01-2023/2024

TABLE OF CONTENTS

1. PURPOSE	3
2. BACKGROUND	3
2.1 ESTABLISHMENT OF THE INTERNATIONAL TRADE ADMINISTRATION COMMISSION (ITAC)	3
2.2 ITAC'S KEY STRATEGIC OBJECTIVES	3
2.3 FUNCTIONAL AREAS OF ITAC	4
3. PROJECT OBJECTIVE	5
5. PROJECT REQUIREMENTS AND DELIVERABLES	8
5.1 PROJECT REQUIREMENTS	8
5.2 PROJECT DELIVERABLES	9
6. EXPERTISE REQUIRED	9
7. TIME FRAMES AND DURATION OF APPOINTMENT	10
8. SPECIAL PROVISIONS OF CONTRACT	10
9. GENERAL CONDITIONS OF CONTRACT	10
10. BIDDING DOCUMENTS TO BE COMPLETED, SIGNED AND SUBMITTED	11
11. LEGISLATIVE FRAMEWORK OF THE BID	11
12. PAYMENT OF INVOICES	12
13. CONTRACT DOCUMENTS	13
14. EVALUATION OF BIDS RECEIVED	13
14.5.1.1. STAGE 3 (80 + 20 = 100 POINTS)	21
15. CLOSING DATE AND TIME	21
16. NON-COMPULSORY BRIEFING SESSION	21
17. BIDS SUBMISSION / RESPONSES	22
18. ENQUIRIES	23
ANNEXURE A – 1: GENERAL CONDITIONS OF CONTRACT	23
ANNEXURE A – 2: STANDARD BIDDING DOCUMENTS	23
ANNEXURE B MINIMUM VIABLE PRODUCT (MVP)	23
ANNEXURE C FUNCTIONAL CRITERIA	23
ANNEXURE D REGULATORY, PRIVACY & CYBER SECURITY CONSIDERATIONS	23

1. Purpose

The purpose of this Request for Proposal (RFP) is to solicit proposal from suitably qualified and experienced service providers to host, develop, implement, maintain and support a metal trade licensing system for ITAC **for a period of 5 years.**

This RFP does not constitute an offer to do business with ITAC, but merely serves as an invitation to bidder(s) to facilitate a requirements-based decision process.

2. Background

2.1 Establishment of the International Trade Administration Commission (ITAC)

ITAC is a creature of statute established in terms of section 7 of the ITA Act. The objective of ITAC, as stated in the Act, is to foster economic growth and development in order to raise incomes and promote investment and employment in South Africa and within the Common Customs Area¹ by establishing an efficient and effective system for the administration of international trade, subject to the ITA Act and the SACU Agreement². The core functions of ITAC are to conduct customs duty investigations, trade remedy investigations and import and export control. ITAC provides technical advice and support to the Department of Trade, Industry and Competition (dtic).

2.2 ITAC's Key Strategic Objectives

To achieve its aims, ITAC has identified the following three key strategic objectives to guide its operations, namely, to;

¹ The combined areas of the Member States of SACU, namely, South Africa, Botswana, Eswatini, Lesotho and Namibia.

² The Southern Customs Union Agreement of 2002.

- 2.2.1 Ensure appropriate contribution to economic growth and development through provision of its international trade instruments;
- 2.2.2 Ensure strategic alignment and continued relevance within the dtic and national agenda; and
- 2.2.3 Ensure organisational efficiency and effectiveness through business support services.

2.3 Functional Areas of ITAC

There are two main functional areas for ITAC with supporting business units reporting there under, namely:

2.3.1 Core business

- Tariff Investigations.
- Trade Remedies.
- Import and Export Control.

2.3.2 Business Support Services

- Human Resources.
- Financial Management.
- Communication Services.
- Information Technology.
- Internal Audit services.
- Legal Services.
- Policy and Research
- Secretariat
- Risk Management

2.3.3 The Commission of ITAC

As compared to the other public entities in South Africa, ITAC has no Board of Directors but a Commission. The membership of the Commission is comprised as follows:

- Full time Chief Commissioner (CEO of ITAC).
- Full time Deputy Chief Commissioner.
- Part-time Commissioners (up to 10).

3. Project objective

In February 2022, President Ramaphosa committed in the State of the Nation Address that Government would take action to address damage to public infrastructure through theft of metals from national infrastructure and the subsequent export of the metal or the disguise of its origin in order to sell the metal to legitimate metal processors in South Africa.

The theft of metals is damaging South Africa's economy through additional cost of repairing and replacing damaged infrastructure. Government has published draft proposals to address the theft of copper cable and other forms of metal from public infrastructure that has crippled power supplies and left trains unable to operate.

The proposals have been developed following consultations by the Department of Trade, Industry and Competition, (*the dtic*), Police, National Treasury, Mineral Resources and Energy, Public Enterprises and Transport and was published in the Government Gazette by Minister Ebrahim Patel.

The draft measures propose, amongst others:

- A six-month export prohibition on scrap and waste metal, including copper cable, together with a permit system for export of specified semi-processed metal products;
- Introduction of additional reporting requirements including an input-output reporting system to track the purchase and sale of metal scrap and semi-finished products;
- Introduction of an enhanced registration regime which will apply to both scrap metal sellers and buyers to ensure that these enterprises comply fully with all legislative requirements; and
- Additional restrictions on who can sell copper scrap and semi-finished copper.

The purpose of this document is to detail the requirements for the licensing system to assist with the implementation of the measures mentioned above.

To enable ITAC to achieve reporting requirements on the above proposed measures, the services of a suitably qualified and experienced service provider to provide a metal trade licensing system for ITAC is required.

4. Business Drivers

The business drivers that are key activities driving the operational need for the Metal Trade License (MTL) system are:

- Widespread theft of copper cable and other forms of metal from public infrastructure;
- Crippled power supplies, and damaged public facilities;
- Export of stolen scrap and semi-finished products;
- Costs of repairs and replacing damaged infrastructure;
- Inconvenience to workers and commuters from rail disruptions;
- Financial cost of electricity disruptions to businesses of all sizes; and
- Safety risk to our communities and children when live electricity cables are left exposed.

The changes to the regulations due to the business drivers listed above has necessitated certain remediating measures that need to be put in place. These measures can be supported by the implementation of a Metal Licensing system. The implementation of this system also provides opportunities that will benefit the judgement and regulatory system. The remediating requirements of the system are listed below:

- Regulate the purchase and sale of scrap and semi-finished copper products.
- Regulate scrap metal dealers within SA.
- Disable the issuance of licenses and permits during periods of prohibition and similar legislative sanction.
- Disable payments for application during periods of prohibition and similar legislative sanction.
- Intelligently assess compliance with license pre-conditions.
- Gain intelligent market insights and trends (e.g., trade volumes).
- Ensure compliance with regulations.
- Log transactions and verify trader has permit to buy/sell.
- Controls at the transaction level that checks the buyer and seller.
- A way to digitally enforce a permit system.
- Verify if someone has the correct permits.
- Buyer/seller to have access to Mobile solution to capture transaction details, store ID documents, etc.
- Ability to enforce the Legislatives / regulations.
- Reporting via intelligent AI to monitor trade buy/sell (details TBC e.g., filters).
- Integrate with SAPS, SARS, ITAC and other areas to monitor the scrap metal industry (i.e., copper trade).
- Enable the submission, tracking and response to queries.

5. Project Requirements and Deliverables

The successful bidder will work closely with the Chief Information Officer and IT Manager in the execution of this project. **Please note that this document must be read in its entirety (including all annexures (A, B, C and D)).**

5.1 Project Requirements

It will be required of bidders to:

- 5.1.1. Prepare and submit a project plan.
- 5.1.2. Prepare and submit a project methodology, which contains a relief/replacement plan.
- 5.1.3. Submit valid SARS pin.
- 5.1.4. Prepare and submit a company profile indicating over three (3) past and present clients.
- 5.1.5. Prepare and submit a detailed project cost proposal.
- 5.1.6. Enter into a Service Level Agreement (SLA) with ITAC.
- 5.1.7. Possess over 10 years' experience in the provision and management of related services.
- 5.1.8. Be amenable to unplanned changes that could be requested by ITAC.
- 5.1.9. Submit one (1) original bid document plus 5 bound copies of bid documents.
- 5.1.10. Submit a project bid valid for 120 days from the project submission closing date.

5.2 Project Deliverables

The following will constitute deliverables for this project:

- 5.2.1. The development, implementation, maintenance, hosting and support of a Metal Trade Licensing (MTL) system.
- 5.2.2. The system must have advanced reporting and business intelligence capabilities.
- 5.2.3. The software must be “cloud-enabled” and must have the ability to be deployed on a “cloud” platform. All data should reside within the geographical boundaries of South Africa.
- 5.2.4. The workflow configuration and automation must be in line with ITAC’s business processes.
- 5.2.5. All transactions submitted online.
- 5.2.6. Training and support for super users and the ITAC users will be critical at the implementation stages – therefore a detailed training plan and training method must be provided as part of the proposed project plan.
- 5.2.7. An integrated document management system with search and indexing capabilities.
- 5.2.8. Please note the User Requirements as attached in Annexure C. Annexure C contains the detailed requirements for the system.
- 5.2.9. Please also note the additional considerations in Annexure D.

NB: ITAC RESERVES THE RIGHT TO AMEND THE PROJECT DELIVERABLES WITHIN REASONABLE LIMITS AND CARE.

6. Expertise Required

During the evaluation of this project, the evaluation processes of ITAC will, *inter alia* consider the experience and credentials of the personnel proposed by the service providers on this project. Bids shall be strictly evaluated according to the bid evaluation criteria stipulated under Stage 2 (Functionality).

Please note that bidders must attach certified copies (not older than 3 months) of all required qualifications, relevant certificates, and copies of comprehensive and updated curricula vitae for the key personnel who will be utilised for this project.

7. Time Frames and Duration of Appointment

The envisaged duration to complete the project will be a maximum *of 12 months with the Minimum Viable Product (MVP) implemented within six (6) months.*

8. Special Provisions of Contract

- 8.1. The proposed total cost of the project must be clearly indicated.
- 8.2. The project and implementation plan must be included.
- 8.3. ITAC reserves the right to accept in whole or in part the proposal or to reject the proposal.
- 8.4. An overview of the project methodology used by the firm must be provided.
- 8.5. Bidders must be registered with the National Treasury Central Database.
- 8.6. The potential bidder must be tax compliant on the National Treasury Central Supplier Database.
- 8.7. Bidders must note that verification of the National Treasury Database of Restricted Suppliers and Register of Tender Defaulters will be conducted to ensure that ITAC does not enter into any contractual agreements with the restricted service providers.

9. General Conditions of Contract

Bidders are required to take note of the contents of the **General Conditions of Contract**, as contained under **Administrative Annexure A-1**, which shall form an integral part of the Contract Agreement between ITAC and the successful bidder.

10. Bidding Documents to be Completed, Signed and Submitted

All the information contained herein, specifically that under **paragraph 9,10 and 11**; as well as all the **Annexures**, must be taken into account and used as a basis for the formulation of proposal and preparation of cost estimates.

All the required information under Administrative Annexure A-2, and all the annexures thereto, must be duly and comprehensively completed and submitted, with specific reference to:

- 10.1. Invitation to bid (SBD 1);
- 10.2. Declaration of Interest (SBD 4);
- 10.3. Preference Points Claim Form (SBD 6.1);
- 10.4. Pricing Schedule (SBD 3.3) and
- 10.5. Service Level Agreement (SLA) to be signed on appointment with the preferred service provider (Bidder);

11. LEGISLATIVE FRAMEWORK OF THE BID

11.1. Tax Legislation

- 11.1.1. Bidder(s) must be tax compliant when submitting a proposal to International Trade Administration Commission of SA and remain compliant for the entire contract term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991).
- 11.1.2. It is a condition of this bid that the tax matters of the successful bidder be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.
- 11.1.3. The Tax Compliance status requirements are also applicable to foreign bidders / individuals who wish to submit bids.

- 11.1.4. It is a requirement that bidders grant a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.
- 11.1.5. Bidders are required to be registered on the Central Supplier Database and the National Treasury shall verify the bidder's tax compliance status through the Central Supplier Database.
- 11.1.6. Where Consortia / Joint Ventures / Sub-contractors 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.

11.2. Procurement Legislation

The International Trade Administration Commission of South Africa 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).

11.3. Technical Legislation and/or Standards

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

12. Payment of Invoices

- 12.1. All claims for payment shall be submitted to ITAC on a monthly basis, valid invoices will be paid within 30 days upon receipt.

13. Contract Documents

- 13.1. This Invitation to Bid and all its Technical and Administrative Annexures, together with the accepted Bidding Documents, duly completed and submitted by the successful bidder, shall form part of the Contract Documentation, according to which this Project shall be undertaken, managed and completed.
- 13.2. The contract shall enter into force on receipt of the letter of appointment from ITAC by the successful bidder and the signing of form SBD 7.2/SLA as contained under Administrative Annexure A-2.

14. Evaluation of Bids Received

The International Trade Administration Commission of South Africa has set minimum standards (stages) that a bidder needs to meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

Initial screening process (Stage 1)	Technical Evaluation Criteria (Stage 2)	Price and Specific goals Evaluation (Stage 3)
Bidders must complete, sign and submit all Standard Bidding Documents (SBD), as outlined in paragraph 10. Bidders must also be Tax Compliant as per requirements of paragraph 11. NB: Bidders will be	Bids will be evaluated as per the evaluation criteria for functionality. Bidder(s) will be required to achieve a minimum of 70 points out of 100 points to proceed to Stage 3.	The 80/20 preference point system will be used to evaluate bids in Stage 3. Bidder(s) will be evaluated out of 100 points and Stage 3 will only apply to bidder(s) who have met and exceeded the threshold

disqualified if SBD 4 – form is not submitted, not fully completed and signed. Bidders will also be disqualified if they are not Tax Compliant.		of 70 points.
---	--	---------------

- 14.1. ITAC reserves the right not to accept the lowest bid, as the elements listed in the evaluation matrix will play a major role, when evaluating bids. Additionally, ITAC is not bound to select any of the bidders or individuals submitting a bid.
- 14.2. Prospective bidders are required to complete and sign the SBD forms in order to qualify for preference points as eluded under the evaluation criteria (Annexure A-2).
- 14.3. Prospective bids will be evaluated in accordance with the 80/20 preference point system, as contemplated in the Preferential Procurement Policy Framework Act (Act 5 of 2000, as amended). Bidders who obtain 70 out of 100 points in stage 2 (functionality) will qualify for stage 3 (price and specific goals) evaluation wherein 80/20 preference points system will be used as follows: 80 points for price and 20 points for specific goals.
- 14.4. In respect to the evaluation matrix, prospective bidders will be rated from 1 to 5: in that: 1 = Serious Reservations, 2 = Minor Reservations, 3 = Acceptance, 4 = Good, 5 = Excellent. (See Stage 2 - Criteria for functionality below). Bidders scoring less than 70 out of 100 in respect of functionality (stage 2) will be regarded as unqualified and will not be evaluated further for stage 3.
- 14.5. To ensure meaningful participation and effective comparison, bidders are requested to furnish detailed information to substantiate compliance with the evaluation criteria.

Stage 2 (Criteria for functionality)

Evaluation Criteria	Weight	Scoring
<p>Methodology and Project Approach</p> <p>The technical proposal must at least address the following:</p> <p>Demonstrated software development capability that must include at a minimum the following:</p> <p>A clear deployment/roll-out plan.</p> <p>Risk mitigation plan</p> <p>Training plan.</p> <p>The technology that will be employed.</p> <p>IT security measures</p> <p>The application development frameworks and methodologies.</p> <p>Software testing plan with the inclusion of a prototype within the set timeframes.</p>	50	<p>20</p> <p>15</p>

Cloud hosting capability.		5
Phased, modular implementation of requirements and features.		10
Relevant Experience in completing complex projects The bidder must have provided similar ICT software solutions to past and present clients. Bidders must include reference letters from clients that they have successfully provided a software development and hosting solutions in the last 10 years. The reference letters must be on company letterheads and must include the type of project, with contact details for ease of reference.	5	5 = > 4 letters 4 = 4 letters 3 = 3 letters 2 = 2 letters 1 = 1 letter
The bidder must have over 10 years' experience in delivering similar projects.	10	5 = > 12 years' relevant experience 4 = 11-12 years' relevant experience

		<p>3 = 10 years' relevant experience</p> <p>2 = 7-8 years' relevant experience</p> <p>1 = < 7 years' relevant experience</p>
<p>Experience of the Technical Team mention below (certified copies (not older than 3 months) of all required qualifications, relevant certificates, and comprehensive and updated curricula vitae is required)</p> <p>Project leader Detailed curriculum vitae with over 10 years' combined expertise on similar projects.</p>	15	<p>5 = >10 combined experience in related area</p> <p>4 = 10 years combined experience in related area</p> <p>3 = 8 years combined experience in related area</p> <p>2 = 5 years combined experience in related area</p> <p>1 = <5 years combined experience in related area</p>

Lead developer Detailed curriculum vitae with a total of over 10 years' expertise on similar projects	10	5 = >10 combined experience in related area 4 = 10 years combined experience in related area 3 = 8 years combined experience in related area 2 = 5 years combined experience in related area 1 = <5 years combined experience in related area
Cloud and hosting expert Detailed curriculum vitae with a total of over 5 years' expertise on similar projects	10	5 = >5 combined experience in related area 4 = 5 years combined experience in related area 3 = 4 years combined experience in related area 2 = 3 years combined experience in related area 1 = <3 years combined experience in related area

NB: Bidders who obtain 70 out of 100 points in Stage 2 (functionality) will qualify for the Stage 3 (Price and specific goals) evaluation wherein 80/20 preference points system will be used as follows: 80 points for price and 20 points for specific goals.

Stage 3 (Criteria for Price and specific goals)

Criteria	Points
Comparative Bid Price	80
Specific goals (CSD report will be used as a means of verification)	20
TOTAL	100

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

The following formula will be used to calculate the points for price:

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

a. Specific goals (points) allocation

A maximum of 20 points may be allocated to a bidder for attaining their specific goals in accordance with the table below:

The specific goals allocated points in terms of this tender	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 bidder)
100% Black Owned	6	
51% - 99% Black	4	

Owned		
100% Black Women Owned	6	
51% - 99% Black Women Owned	4	
5% Youth Owned	2	
2% Owned by Persons with Disabilities	1	
Business in township, rural or under-developed area	2	
Exempt Micro Enterprise (EME)	3	
Qualifying Small Enterprise (QSE)	2	

Specific goals points may be allocated to bidders on submission of the following documentation or evidence:

- A duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1); and
- B-BBEE Certificate or Sworn Affidavit (original or certified copy).

b. Joint Ventures, Consortiums and Trusts

A trust, consortium or joint venture, will qualify for points for their specific goals as a legal entity, provided that the entity submits their B-BBEE status level certificate or Sworn Affidavit.

A trust, consortium or joint venture will qualify for points for their specific goals points as an unincorporated entity, provided that the entity submits their consolidated B-

BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

Bidders must submit concrete proof of the existence of joint ventures and/or consortium arrangements. **International Trade Administration Commission of South Africa** will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.

The joint venture and/or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.

14.5.1.1. Stage 3 (80 + 20 = 100 points)

The price and specific points will be consolidated.

ITAC will use the information in the duly completed Bidding Documents submitted as well as the required supportive documentation to evaluate each bid against the criteria provided in page 11.

15. Closing Date and time

- The closing date and time for the submissions of the bids is the **9th June 2023 at 11:00 AM**.
- Bids received after the closing date and time, at the address indicated in the bid documents, will **not** be accepted for consideration and where practicable, be returned unopened to the Bidder(s).

16. Non-compulsory briefing session

There will be a non-compulsory briefing session.

Date: Tuesday 30 May 2023

Time: 10h00

Venue: First floor, Block E, DTIC Campus, 77 Meintjies Street, Sunnyside, Pretoria

17. Bids Submission / Responses

NB: Bidders will be required to use the two envelope system, whereby the technical and functionality proposal (stage 2) and pricing and specific goals (stage 3) are placed in two separate envelopes and clearly marked.

FUNCTIONALITY PROPOSAL – Bidders must submit one (1) original and five (5) hard copies of the bid proposal. The original file / envelop must be packaged as follows and clearly marked as “Original”

	Part 1a – Standard Bidding Documents and Administrative Compliance
1	SBD 1 – Fully completed and signed
2	SBD 4 – Fully completed and signed Bidder’s Disclosure
3	SBD 6.1 – Completed and signed Preference Points Claim Form
4	General Conditions of Contract - signed
6	Bidder’s technical proposal
7	Certified copy (s) of academic or tertiary qualifications
8	Other supporting documents

NB: Bidders will be disqualified if SBD 4 – form is not submitted, not fully completed and signed. Bidders will also be disqualified if they are not Tax Compliant.

FINANCIAL / PRICE PROPOSAL

NB: The bidder must submit one (1) original financial / price proposal and five (5) hard copies and the envelop must be submitted separately from the technical proposal:

The bidder must provide the SBD 3.3 / financial proposal and it must be completed and signed.

18. Enquiries

Supply Chain Management

Name: Ms. PS Mkhungo

Email: pmkhungo@itac.org.za

Technical/ Project related

Name: Mr Russel Nelson

Email: rnelson@itac.org.za

ANNEXURE A – 1: GENERAL CONDITIONS OF CONTRACT

ANNEXURE A – 2: STANDARD BIDDING DOCUMENTS

ANNEXURE B MINIMUM VIABLE PRODUCT (MVP)

ANNEXURE C FUNCTIONAL CRITERIA

**ANNEXURE D REGULATORY, PRIVACY & CYBER SECURITY
CONSIDERATIONS**

ANNEXURE B – Minimum Viable Product (MVP)

The envisaged system requires has a large number of requirements to fulfil. At a minimum, the minimum viable product (MVP) should contain the following:

A. Onboarding of all users

Onboarding in this context if the registration of all users onto the system with the assigned users' rights.

B. Application for Registration of all dealers

All dealers (buyers and sellers) must apply for registration onto this system.

C. The transaction module

All transactions must be captured onto the system.

D. Limited reporting capabilities

The system must have reporting capabilities for further analysis.

ANNEXURE C - FUNCTIONAL CRITERIA

A. Systems capabilities

- a.1. Enable customers to submit all transactions online via a web portal
- a.2. Users able to track, review and manage submitted applications, track activities (e.g. decision making committee outcomes), see application statuses and respond to queries online.
- a.4. User management for:
 - a. Unlimited user creation and access control
 - b. Profile management
 - c. User grouping management
 - d. Categorisation
 - e. Access Control List (ACL) functionalities.
- a.5. Advanced reporting and business intelligence capabilities
- a.6. "Cloud-enabled"

B. General requirements

- b.1. Web client – system must be accessed through a web client
- b.2. IT Security standards – system must conform to the latest IT security standards and POPIA compliance

C. User management

- c.1. Secure user account creation
- c.2. User access categorisation
- c.3. User profiles creation according to job function
- c.4. Administrator access to control user account creation and access

D. Document management

- d.1. An integrated document management system that allows for the upload of all application and supporting documentation
- d.2. Secure document workflow according to user profile

E. Online application registration and application portal

- e.1. Create a portal for customer registration and applications
- e.2. Smart application capabilities to guide users

F. Application management

- f.1. Applicants must track and manage (review and update) applications

G. Systems integration

- g.1. Platform must be integrated with the relevant stakeholders mentioned in the Annexure
- g.2. Transactions and other generated documents available electronically
- g.3. Integration with other systems to get transaction data.

H. IT Security

- h.1. Integrated anti-virus and anti-malware scanning
- h.2. User access control

I. Reporting

- i.1. Dashboard for users according to access levels
- i.2. Dashboard for individual users based on user access
- i.3. Advanced reporting and business intelligence functionality
- i.4. Customised reports in various formats

i.5. Advanced search functionality

J. Supplier services

The following services are required by the appointed service provider:

- j.1. Business analysis services
- j.2. Project Management services
- j.3. Consulting services
- j.4. Training services
- j.5. Licensing services

K. System ownership and Intellectual property

- k.1. All ownership and intellectual property resides with ITAC.
- k.2. The appointed service provider is prohibited from owning any part of the system.

ANNEXURE D - Regulatory, Privacy & Cyber Security Considerations

A. Cyber Security

1. Integrated Governance

- Information is a corporate asset which has been entrusted to the organisation and must be managed and protected.
- Information governance is a corporate responsibility as it has an impact on business, technology and applications.
-

2. Accessible

Information

All operational web applications should provide access to the data in near real-time with low latency.

3. Capability

Exposure

Applications will interact with data, technology and other applications. Exposing capabilities as services based on well-defined intent, standards and open interfaces will drive connected business value.

The MTL shall allow for user-customisation in areas including but not limited to the following:

- Selective displays and access to menus based on user ID;
- Data validation rules;
- Data displays (i.e., data formats, money signs, decimal point, etc.);
- Screen customisation;
- Online help.

4. Installation, configuration, and monitoring of applications

- Monitoring of applications including databases and application servers

- Graphical MTL topology view
- Discovery of existing application installations.
- Ability to enforce compliance policies ensuring consistent versioning and configuration
- Ability to update and patch
- Multiple notification channels to alert MTL administrators when configurable operating thresholds are passed
- Solution should provide a tool to generate alarms and notifications, when thresholds for metrics such as application process up/down status, CPU and memory usage by a process, and transaction latency are reached.

5. Incident Requests and Problem Management

The solution provider must have an incident management process that can be integrated to ITAC's processes to report timely information about technical vulnerabilities of information being used, evaluate vulnerabilities, and take appropriate measures to address the associated risk.

6. Vulnerability and Threat Management

The solution provider must make available to ITAC a process that will ensure that ensures frequent updates and patches and ensure that scans are executed.

Patches for solution components shall be tested and certified by the vendor before deployment to production.

The solution should have an established process that ensures that malware protection software to be installed on systems that are exposed to malware are available. Such malware protection software is subject to ITAC approval.

7. Software Development Lifecycle (SDLC)

The solution must make use of OWASP security principles to all software, web or application development (<https://www.owasp.org>), or another recognized secure development methodology.

Ensure the solution disables auto complete features on forms expected to contain sensitive information, including authentication.

All operating system and application customisations and deviations must be documented and approved.

Separate development and test environments should be established and isolated from live environments and from each other (e.g., by hosting development and test systems on a separate, standalone network or segregating the network using a virtual local area network (VLAN) and a firewall).

Application source code (or equivalent) of the solution used in development environments should be protected from unauthorised access and modification.

Every system that contains or accesses production real data should be protected to the same standard as production system.

MTL design phase should involve the use of security architecture principles, including 'security by design' / 'defence in depth', i.e., within the solution there should be a database segment, an application segment, and a presentation, all these separated by a firewall. This ensures a breach in one segment doesn't automatically mean a breach to the whole solution.

MTL design phase of the solution should involve the use of security architecture principles, including 'least privilege', 'default deny' and 'fail secure'.

Complete MTL testing of the solution should be performed independently of MTL development, to at least cover:

- end-to-end testing or compatibility testing that will identify any conflicts or dependencies with other web applications
- MTL use under normal and special business conditions and (e.g., financial year end or national holidays) any exceptional conditions (e.g., natural disasters, industrial action and denial of service attacks)

- ensure that business information (e.g., customer data, medical records, prices or manufacturing details) used for testing purposes is protected
- Ensure correct handling of errors and exceptions.

Post-implementation reviews of the solution (including coverage of information security) must be conducted for all new web applications to provide assurance that information security was considered and addressed throughout each stage of the system development lifecycle (SDLC) and built-in security controls are working as expected.

The solution shall ensure that changes of code or configuration movement between environments (e.g., Developments to QA, or QA to production, and vice versa) are restricted and controlled in compliance with **ITAC** change management process.

B. Regulatory

The regulatory and legal requirements for this solution are predominantly prescribed by existing legislation. Specific reference and compliance with the Second Hand Goods Act ("SHGA") and its regulations are a critical component of success for the solution.

It is anticipated that new legislation or sources of obligations other than regulation may have bearing on current requirements or impose new requirements such as Ministerial Stop orders or similar. Pervasive regulatory themes that must be catered for as part of the solution include:

1. Legal Capacity

The ability to accurately identify and verify the authorisation and capacity of authorised and designated users. This is particularly the case in respect of:

Authorised representatives of juristic entities

Authorised personnel within the SAPS

Authorised personnel within the DTIC

Authorised personnel within the SARS

2. Electronic fulfilment

Legal Requirements currently catered for in manual and paper-based formats must be accurately translated into electronic formats to ensure that the security, compliance and anti-fraud intentions desired are met and maintained.

This theme has specific relevance as it necessitates the creation of:

Electronic certificates

Electronic forms

Electronic signature

Electronic decisioning flows and resulting outcomes

Electronic compliance and other reporting

It is not expected that this solution will enable automated or electronic forms of compliance monitoring at a dealer level, however, with easy access to relevant information sets it is expected that smarter and more information driven inspections and enforcement and to an extent prevention will be realised.

3. Audit trails, enabling transparency and ease of accountability

The existence of activity post-login enables a wide spectrum of audit, transparency and accountability mechanisms. For each user type and user activity, specific bounds are set by role functions, role authorisation/s and limitations. In a real the context of a manual process the absence of this level of transparency has amounted to a control gap and entry point for corrupt and/or ultra-vires activity. The benefits of activity traceability will be reaped in respect of:

Records of dealers (buyers and sellers) activity enabling the identification and reconciliation of authorised transactions. - By default, transactions not appearing in these records can immediately be investigated on suspicions of illegality

Electronic forms of certificates and permits and validity data being available – On demand verification mechanisms of all trading entities and authorisation for trade in respect of the specific category of goods will significantly empower the enforcement capacity of SAPS personnel. Additionally, reliance will not be had or will be reduced on manual or paper based forms of evidence. The validity of electronic certificates, permits and their status will serve as more ready forms of evidence.

Approval tracking and related information – the ability to provide supporting evidence and commentary to any decisions taken in respect of applications or reviews will be readily available amongst a competent network of reviewers including stakeholders from the SAPS and *the dtic*.

4. Enabling Pro-active compliance

Using intelligent technologies, compliance is built into the MTL. Users will be prompted to meet and evidence adherence to the compliance requirements and denied the ability to proceed where non-compliance may arise:

Intelligence in the form of license pre-conditions being stated upfront and required to be evidenced is one such example

SAPS DSHGO not being about to complete an application adjudication in the absence of evidence related to a compulsory inspection being provided.

5. Enabling eco-system standardisation and swift turn around

Through the creation of an electronically controlled eco-system of users and capabilities, it is envisaged that changes and improvements alike can be given effect to at scale with much ease. An anticipated example is that a directive recently issued by the Minister of Trade, Industry and Competition could be more easily affected and done so in real-time or with a significant level of immediacy. Soon any such changes (disablements and enablement's) can be supported through technology and therefore applied in near-real time.

C. PRIVACY

The following Privacy requirements also needs to be considered:

- All applications and supporting infrastructure that are involved with the collection, storage, and/or processing of Data subject personal information are monitored for unauthorised use or access to personal information.
- The MTL is configured to display accurate and complete profile data of the user when logging in with the correct username and password. The solution must be able to authenticate the user, to ensure, no unauthorised access of a user's account. Information provided should be validated automatically. MTL to generate prompt to supply correct information where required

- The MTL can process personal information only for the purpose it was collected for.
- The MTL is configured to only allow the employees to access data that they are allowed to see and within their job role and responsibility. Any changes to employee access are approved by appropriate Data subjects. Segregation of duties are in place to prevent employees to either display or amend data not within their role or job or position.
- The MTL must ensure personal information is encrypted both at rest and in transit, the MTL must follow guidelines for the secure sharing/transfer of personal information (e.g., SFTP, secure e-mail).
- The MTL can restrict the location of processing, storage and service locations to comply with the privacy notice, as well as applicable statutory, regulatory and contractual obligations.
- Personal information of Data subjects that do not enter into agreements with DTIA must be destroyed after the maximum statutory period has expired.
- The MTL processes personal information only processed if the processing is necessary for compliance with a legal obligation to which *the dtic* is subject or the processing is necessary for the performance of a task carried out in the public interest
- The replication of personal information data into development and test environments should be restricted
- The MTL takes reasonable steps to destroy, or arrange for the destruction of Data subject's personal information once it is no longer to be retained, personal information is deemed destroyed if it cannot be reconstructed into an intelligible form
- The MTL integrates all updates and/or deletions of Data subject personal information to all relevant data stores, including third party data stores in a timely manner
- Data subjects' identity is validated prior to providing access to, amending, or deleting their personal information

- Authentication mechanisms have been established to identify a Data subject using a unique ID and password before granting that Data subject access to personal information
- All applications and supporting infrastructure that are involved with the collection, storage, and/or processing of Data subject personal information are monitored for unauthorized use or access to personal information
- Periodic vulnerability scans and penetration tests are conducted on all applications and supporting infrastructure involved with the collection, storage, or processing of personal information
- Physical Security methods (e.g., facility entry controls, visitor authentication,) are utilised at all facilities that house applications and supporting infrastructure involved with the collecting, storage, and/or processing of personal information.
- Periodic access certifications are conducted on all applications and supporting infrastructure involved with the collection, storage, and/or processing of personal information
- Two-factor authentication is utilised for remote access to DTIA's network by employees, administrators, and third parties
- All MTL backup tapes that can potentially contain personal information are encrypted
- MTL users are trained on the privacy incident response plan, which is formally documented, operationalised, and evaluated and tested on at least an annual basis.
- All MTL users are aware of the privacy incident response team and are trained on the incident response plan.
- All MTL users are informed of their obligation to immediately report potential privacy incidents
- The MTL can assist in investigating the root cause of privacy incidents which are investigated and evaluated with the root cause of the breach remediated to prevent repeat occurrences

- The MTL can integrate with the privacy incident response and breach notification plan which is integrated with the information security program as well as the disaster recovery and business continuity plans

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO.:

CLOSING TIME 11:00

CLOSING DATE.....

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

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

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project.

R.....

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION

HOURLY RATE

DAILY RATE

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

R.....
R.....
R.....
R.....
R.....

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

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT

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

R..... days
R..... days
R..... days
R..... days

- 5.1 Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED

RATE

QUANTITY

AMOUNT

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

..... R.....
..... R.....
..... R.....
..... R.....

TOTAL: R.....

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

Name of Bidder:

- 5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....
TOTAL: R.....			

6. Period required for commencement with project after acceptance of bid
.....
7. Estimated man-days for completion of project
.....
8. Are the rates quoted firm for the full period of contract? *YES/NO
9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.
.....
.....
.....

***[DELETE IF NOT APPLICABLE]**

Any enquiries regarding bidding procedures may be directed to the –

PS Mkhungo
Email: pmkhungo@itac.org.za
Tel: 012 3943700

Or for technical information –

R Nelson
Email: rnelson@itac.org.za

Tel: 012 3943642

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	
SPECIFIC GOALS	
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:

80/20	or	90/10	
$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$	or	$Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$	

Where

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

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

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 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 allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
100% Black Owned	4	6		
51% - 99% Black Owned	2	4		
100% Black Women Owned	3	6		
51% - 99% Black Women Owned	2	4		
5% Youth Owned	1	2		
2% Owned by Persons with Disabilities	1	1		
Business in township, rural or underdeveloped area	0	2		
Exempt Micro Enterprise (EME)	0	3		
Qualifying Small Enterprise (QSE)	1	2		

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

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of 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

- (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 (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 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.