MPUMALANGA PROVINCIAL GOVERNMENT

DEPARTMENT OF HEALTH

BID NUMBER: HEAL/185/22/MP

PROVISION OF AEROMEDICAL SERVICE FOR THE EMERGENCY MEDICAL SERVICES IN THE MPUMALANGA DEPARTMENT OF HEALTH FOR A PERIOD OF THREE (03) YEARS

ISSUED BY:

Department of Health
Private Bag X11285
Mbombela
1200

NAME OF BIDDER: ....

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

This document must remain the original when submitted, no copies will be accepted

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF HEALTH			
BID NUMBER: HEAL/185/22/MP	CLOSING DATE: 22 NOVEMBER 2022	CLOSING TIME:	12H00
DESCRIPTION	PROVISION OF AEROMEDICAL SERVICE FOR THE EMERGENCY MEDICAL SERVICES IN THE MPUMALANGA DEPARTMENT OF HEALTH FOR A PERIOD OF THREE (03) YEARS		

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*

MBOMBELA, Riverside Government Complex, Building No 9, Government Boulevard, Mbombela, 1200, **PIET RETIEF,** No. 11 Measroch Street, Piet Retief Office, **KWAMHLANGA,** KwaMhlanga Government Complex, Department of Finance, Building No. 12, Computer Centre **EVANDER,** 10 Cornell Road (previously occupied by Evander Home Affairs Offices), Evander, 2280, **BUSHBUCKRIDGE,** Bushbuckridge Advice Centre, Department of Finance, Protea building (old Telkom building), **MIDDELBURG,** Department of Public Works, Cnr. Lillian Ngoyi and Dr Beyers Naudé Streets – Old TPA Building, Upper ground floor, Office numbers A20, 21 and 25, **MALELANE,** 24 Air Street, Malelane, **ELUKWATINI** ,Elukwatini Sub Regional offices, Office numbers A49 and A50 (opposite Elukwatini Community Hall) Stand number 12 Extension A, Elukwatini.

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		**TECHNICAL ENQUIRIES MAY BE DIRECTED TO:**	
CONTACT PERSON	Ms.Mnisi	CONTACT PERSON	Mr. N Sithole
TELEPHONE NUMBER	013 766 3381	TELEPHONE NUMBER	013 766 3302
CELL. NUMBER		CELL. NUMBER	
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS	ThandiswaMn@mpuhealth.gov.za	E-MAIL ADDRESS	Nkatekos@mpuhealth.gov.za

SUPPLIER INFORMATION

NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		**OR**	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] ☐ Yes ☐ 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?	☐Yes ☐No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR **THE GOODS /SERVICES /WORKS OFFERED?**	☐Yes ☐No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

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: ……………………………………………

health

MPUMALANGA PROVINCE

REPUBLIC OF SOUTH AFRICA

BID SPECIFICATION

INVITATION TO TENDER FOR PROVISION OF AEROMEDICAL SERVICES FOR THE EMERGENCY MEDICAL SERVICES IN THE MPUMULANGA DEPARTMENT OF HEALTH FOR A PERIOD OF THREE(3) YEARS

MPUMALANGA

THE PLACE OF THE RISING SUN

TERMS OF REFERENCE

SERVICE DELIVERY SPECIFICATION FOR A HELICOPTER AERO MEDICAL SERVICE

ROTARY-WING DAYLIGHT OPERATIONS COMPREHENSIVE SERVICE (HELICOPTER, PILOTS AND PRIMARY MEDICAL CREW PER SHIFT – PROVINCIAL DEPARTMENT OF HEALTH TO PROVIDE ADDITIONAL MEDICAL CREW MEMBER)

1. ACRONYMS

AMSL	Above Mean Sea Level
ASARP	As Safe As Reasonably Possible
AOC	Air Operator Certificate
CVR	Cockpit Voice Recorder
CAT's	Categories
EGPWS	Enhanced Ground Proximity Warning System
EMS	Emergency Medical Services
FDR	Flight Data Recorder
GPS	Global Positioning System
HOGE	Hover Out of Ground Effect
HPCSA	Health Professions Council of South Africa
IFR	Instrument Flight Rules
MISS	Minimum Information Security Standards
MTOW	Maximum Take-Off Weight
NIA	National Intelligence Agency
OHSA	Occupational Health and Safety Act
RVSM	Reduced Vertical Separation Minimum
SACAA	South African Civil Aviation Authority
SANDF	South African National Defence Force
SAPS	South African Police Service
TCAS	Traffic Alert and Collision Avoidance System
VFR	Visual Flight Rules

2. DEFINITIONS

"Acceptable Bid"	means any bid, which, in all respects, complies with the specifications and conditions of the Request for Bid as set out in this document.
"Administrative Requirements"	This are inherent requirements of the bid, therefore failure to comply or satisfy any of the requirements shall result in the invalidation of the Bid during administrative compliance stage.
"Bid"	means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services or goods.
"Bidder Agent"	means any person mandated by a prime Bidder or consortium/joint venture to do business for and on behalf of, or to represent in a business transaction, the prime Bidder and thereby acquire rights for the prime Bidder or consortium/joint venture against Department of Health or an organ of state and incur obligations binding the prime Bidder or consortium/joint venture in favour of the Department.
"Bidders"	means any enterprise, consortium or person, partnership, company, close corporation, firm or any other form of enterprise or person, legal or natural, which has been invited by the Department of Health to submit a bid in response to this bid invitation.
"Client"	means Government departments, provincial and local administrations that participate in Department of Health procurement processes.
"Comparative Price"	means the price after deduction or addition of non-firm price factors, unconditional discounts, etc.
"Consortium"	means several entities joining forces as an umbrella entity to gain a strategic collaborative advantage by combining their expertise, capital, efforts, skills and knowledge for the purpose of executing this bid.
"Department"	means the Mpumalanga Department of Health (MPDoH)
"Disability"	means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
"Firm Price"	means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition or abolition of customs or excise duty and any other duty, levy or tax which, in terms of a law or regulation is binding on the contractor and demonstrably has influence on the price of any supplies or the rendering cost of any service, for the execution of a contract.
"Goods"	means any work, equipment, machinery, tools, materials or anything of whatever nature to be rendered to Department of Health's delegate by the successful Bidder in terms of this bid.

"Internal Collaboration"	means collaborative arrangements within a group of companies or within various strategic business units/subsidiaries/operating divisions in order to gain a strategic position whilst sharing resources, profits and losses as well as risks.
"Joint Ownership"	(also known as equity JVs) means the establishment by two parent companies of a child company for a specific task within which both parent companies invest in order to overcome the limited capabilities vested within them in order that they can both benefit from the combined investment.
"Joint Venture"	means two or more businesses joining together under a contractual agreement to conduct a specific business enterprise with both parties sharing profit and losses.
"Licences"	means conditional use of another party's intellectual property rights.
"Management"	"in relation to an enterprise or business, means an activity inclusive of control, and performed on a daily basis, by any person who is a principal executive officer of the company, by whatever name that person may be designated, and whether or not that person is a director.
"Non-firm Price(s)"	means all price(s) other than "firm" price(s).
"Organ of State"	means a constitutional institution defined in the Public Finance Management Act, Act 1 of 1999.
"Person(s)"	refers to a natural and/or juristic person(s).
"Prime Bidder"	means any person (natural or juristic) who forwards an acceptable proposal in response to this Request for Bid (RFB) with the intention of being the main contractor should the proposal be awarded to him/her.
"Rand Value"	means the total estimated value of a contract in Rand denomination, which is calculated at the time of proposal invitations and includes all applicable taxes and excise duties.
"SMME"	bears the same meaning assigned to this expression in the National Small Business Act, 1996 (Act No. 102 of 1996).
"Sub-contracting"	means the primary contractor's assigning or leasing or making out work to, or employing another person to support such primary contractor in executing part of a project in terms of a contract.
"Successful Bidder"	means the organization or person with whom the order is placed or who is contracted to execute the work as detailed in the bid.
"Trust"	means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person.
"Trustee"	means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

3. PURPOSE

The purpose of this Terms of Reference is to appoint a suitable service provider(s) to render **HELICOPTER AEROMEDICAL SERVICES: ROTARY-WING DAYLIGHT OPERATIONS COMPREHENSIVE SERVICE** in the Mpumalanga Department of Health for a period of 36 months.

4. INTRODUCTION

The Mpumalanga Department of Health herein invites bids from competent and self-reliant companies with a solid track record and experience in the provision of an Aeromedical Service (Helicopter Emergency Medical Service (HEMS).

These terms of reference establish the requirements for the delivery of an Aero-medical Service for Mpumalanga Province.

5. BACKGROUND

5.1 Mpumalanga province has an area coverage of 76.5443 square kilometers which is mostly mountainous and inhibit road network between areas resulting in prolonged/delayed ambulatory emergency response and transportation of patients.

5.2 The inadequate health establishment and Emergency Medical Services (EMS) stations in remote areas, entrapments of patients in the mountains and gorges are some of the needs for the implementation of aeromedical services (HEMS) in Mpumalanga.

5.3 Aeromedical services (HEMS) play a critical role in primary response to multiple casualty incidents, major motor vehicle accidents and operates as Intensive Care Unit by providing rapid response and quick transportation of patients within and outside the Province.

5.4 The province is experiencing a high inter - facility transfers of critically ill patients to appropriate facilities within and outside the province, the inadequate Advanced Life Support across the province exacerbate the quality of care to the patients which can be minimized by the existence of the aeromedical services.

6. SCOPE OF WORK

This specification establishes the requirements for the delivery of an Aero-medical Service for Mpumalanga Province.

6.1 The following items will constitute the scope of work to be undertaken by the appointed service provider(s):

6.1.1 The CONTRACTOR must deliver aero-medical service on behalf of Mpumalanga Province and the successful bidder will be required to operate this service from Mbombela.

6.1.2 The CONTRACTOR must transport patients within the pre-hospital environment and Health facilities within the Province and out of the Province.

6.1.3 The CONTRACTOR must participate in the outreach programme when required.

6.1.4 The CONTRACTOR must provide an experienced Pilot and primary crew member per shift (primary crew member must be registered by the HPCSA as an Emergency Care Practitioner (ECP)

6.1.5 The CONTRACTOR must ensure access to a Medical practitioner experienced in emergency medicine

6.1.6 The CONTRACTOR must provide and pay for training of all crew members (provincial health and service providers) providing services on the aircraft, as required by the Civil Aviation Authority (CAR & CAT Part 138)

6.1.7 The CONTRACTOR must assist in the national/regional transportation of suitable patients (admissions or discharges) on the outgoing or the return leg providing space is available.

6.1.8 The CONTRACTOR must provide technical support to the Department in developing appropriate landing zones and procedures to comply with SACAA Part 139

6.1.9 The CONTRACTOR must undertake full responsibility for all aviation aspects of the programme in terms of the said SACAA CAR's & CAT's which will include, but not limited to:

a) The selection, employment, scheduling and tasking of suitable pilots for the relevant aircraft to be used for the Province;

b) All decisions relating to the maintenance of the aircraft used in the programme, and the cost thereof;

c) The CONTRACTOR retains the final decision with regard to all matters relating to aviation safety matters, provided that the CONTRACTOR complies, at all times, with the prevailing legislative and/or acceptable industry standards;

d) The CONTRACTOR must provide suitable medical interiors for the aircraft specific to the Department of Health's minimum standards and requirements in terms of CAT Part 138.

6.1.10 The CONTRACTOR must operate a 24-hour flight desk from where all aspects of authorized fights are coordinated. There must also be provision for communication means to the Department of Health Aero Medical Coordinators (three) and the Helicopter crew.

6.1.11 The CONTRACTOR must have and maintain adequate insurance and liability cover for the entire programme. This shall include but not be limited to the hull of aircraft, third party liability, personal liability and any other cover appropriate to the services offered and the protection of Provincial assets in the event of loss.

6.1.12 It shall be the responsibility of the CONTRACTOR to supply specialized medical equipment (including EMS interior and standard extras) and medical consumables as may be required to fulfil the objectives of the programme. These include replenishment of medicines, medical and surgical consumables within the ambits of the National Health Act 61 of 2003 EMS Regulations and the Health Professions Council of South Africa's Clinical Practice Guidelines herein attached as Annexure A and B respectively.

6.1.13 The Province must authorize the activation of the aircraft/s for ALL Aero-medical services. It is a requirement of this bid that helicopters will be under the complete and sole disposal and authority of the Emergency Medical Services of the Province and may not be made available to any other person or organization prior to approval from the Head or a designated official.

6.1.14 The Province will designate an appropriate person, at an appropriate clinical level, to act as a liaison person between the Province and the CONTRACTOR, and to deal with the day-to-day operational requirements of the service.

6.1.15 Where personnel are supplied by either of the parties, the party providing the personnel must ensure that the personnel so supplied are suitably qualified and where relevant, ensure that they have been registered with professional and/or statutory bodies as may be required by law.

6.1.16 The CONTRACTOR will be responsible for ensuring that the aircraft is marked according to the Department of Health requirements; branding should be of the Department of Health.

6.1.17 Any other markings may be applied after consultation between the Province and the CONTRACTOR. Any other markings may not detract from the purpose and ethos of the programme and may not depict a conflict of interest.

6.1.18 The Basic operating fee will represent the basic overhead costs to the CONTRACTOR, to ensure that the necessary operational aircraft is/are available to meet the requirements of the Province, covering the first 40 flight hours.

6.1.19 Additional hours will be charged at hourly rate for the actual use of the aircraft to render the services.

6.1.20 The hanger fee will be the responsibility of the CONTRACTOR.

6.1.21 The Department will collect the claiming of standard fees, from insured patients transported. In instances where the service provider is requested to do a transfer of an insured patient from not within the public health system, pre-authorization would be required from the Department. In such an instance where a call was authorized, documentation related to such a call should be handed to the Department, in order to claim the transfer costs.

The CONTRACTOR must provide the Province with audited annual financial statements relevant to the service, not later than six months after the end of the CONTRACTOR's financial year.

6.1.22 The CONTRACTOR will ensure services are provided and available even if the contract assigned aircraft is unavailable due to both scheduled and unscheduled maintenance.

6.1.23 The CONTRACTOR will be responsible for hanger and landing fees. The CONTRACTOR must ensure 24hrs availability of fuel.

6.1.24 Transfer of insured patients and those qualifying for Road Accident Fund claims and WCA patients, utilizing the appointed contractor should be pre-authorised by the Provincial Department of Health. The levying of accounts for patients transported by air ambulance and the recovery of the fees as set out in the accounts will be administered by the parties as follows:

The CONTRACTOR will be responsible for recovering UPFS fees and reimburse the province its full amount less 15% administration fee.

7. ADMINISTRATIVE REQUIREMENTS

7.1 Bidders shall take note of the following guidelines:

7.1.1 The below administrative bidding requirements **MUST BE COMPLIED WITH** and **REQUIRED DOCUMENTS** must be attached before consideration for evaluation.

7.1.2 The bidder shall respond with **"Comply"**, **"Not Comply"** or **"Not Applicable"** in the apportioned spaces. **The "Not Applicable"** answer shall only be considered where the response field has the wording **"If Applicable"**.

NB: Bidders *may* be disqualified for failure to comply with the above guidelines when responding to administrative requirements.

FOL	ADMINISTRATIVE BIDDING REQUIREMENTS	BIDDER'S RESPONSE (Comply/ Not Comply / Not Applicable)
7.2	**Submission of the following Standard Bidding Documents (Fully Completed and signed):**	
7.2.1	**SBD 1 -** Invitation to Bid,	
7.2.2	**SBD 3.3 -** Pricing Schedule,	
7.2.3	**SBD 4 –** Bidder disclosure,	
7.2.4	**SBD 6.1. -** Preference points claim form in terms of the Preferential Procurement Regulations 2017;	
7.3	In case of a B-BBEE Exempted Micro Enterprise (EME) or B-BBEE Qualifying Small Enterprise (QSE) bidders may submit a valid Sworn Affidavit (copy attached to this bid) or submit an original or certified copy of valid B-BBEE issued by an Agency Accredited by the South African National Accreditation System (SANAS). Bidders other than EMEs and QSEs shall submit an original or certified copy of valid B-BBEE issued by an Agency Accredited by SANAS.	
7.4	In case of Consortium or Joint Venture **(If applicable)** the following are required:	
7.4.1	Signed agreement between involved parties indicating the lead member;	
7.4.2	Every member of the Consortium or Joint Venture joint venture is registered on the Central Supplier Database;	
7.4.3	Letter of appointment by consortium/joint venture parties for a representative to sign the bid documents;	
7.4.4	All parties to the consortium/joint venture must submit their individual documents referred to above **(i.e. Company Profile, Annexure B, Proof of CSD Registration and Audited Financial Statement)** except that they must submit consolidated certified copy of valid or original valid B-BBEE verification certificate issued by a Verification Agency accredited by SANAS;	
7.5	Attachment of Central Supplier Database Registration Report (CSD).	
7.6	Provision of a Company own profile (The company profile must highlight company main and secondary business, business experience and references, previous and current experience and its value).	
7.7	Bidder must submit proof of public liability insurance to the value of R17 million.	
7.8	Attachment of proof of ownership of business site. In the case of leased property, lease agreement spelling out duration of lease (start and termination dates) must be attached.	

FOL	ADMINISTRATIVE BIDDING REQUIREMENTS	BIDDER'S RESPONSE (Comply/ Not Comply / Not Applicable)
7.9	Annual Audited Financial Statements of the bidder / in case of a JV all companies to a JV must include their individual company's audited annual financial statements.	
7.10	Provide proof of compliance with Civil Aviation Authority, CAR's & CAT's Part 91, 127, 133, 135, 138, 139, 145	
7.11	Operators must submit certified copies of valid certificates and licences with the bid document at the closing date and time of bid in accordance with Air Services licensing Act No115 of 1990 and Domestic Air Services Regulations of 1991	
7.12	The operator shall, in the provision of commercial air ambulance operations to the Provincial Departments of Health provide a valid Class III, type G7 license, issued in terms of the Air Services Licensing Act, 1990, (Act No. 115 of 1990)	
7.13	Provide proof of Qualification and Valid HPCSA registration of primary crew members and Doctors	
7.14	Provide proof of Qualifications and Valid Licenses for Pilots	
7.15	Bidders must quote for all listed items on the pricing schedule and may further submit a detailed breakdown of their pricing.	
7.16	Returnable documents should be properly indexed with a contents list.	
7.17	A two stage bidding system (Two envelope) shall apply for this bid. Bidders must submit a proposal and the pricing structure in one envelope in the following manner, ***a) One file for Technical Proposal*** ***b) One file for Pricing Structure*** **NB: BID NUMBER, DESCRIPTION, CLOSING DATE AND NAME OF THE BIDDING COMPANY MUST BE CLEARLY WRITTEN ON EACH FILE**	
7.18	When submitting the bid document, bidders should enclose a scanned PDF copy of the completed bid document and all required attachments on a **Compact Disc (CD-R) or DVD-R** marked with the company's name, bid number and bid description. **MUST ATTACH MEMORY STICK**	

NB: Failure to attach or complete and/or sign any of the designated arrears of the documents mentioned above *may* render the bid unacceptable.

8. FUNCTIONALITY EVALUATION REQUIREMENTS

8.1 Company Profile

8.1.1 The company profile must entail track record and experience of the company in Helicopter Aeromedical Services: ***(Contactable References and Evidence e.g. contracts, Purchase Orders, Invoices and disbursement reports must be provided).***

8.1.2 Bidders must complete the Departmental provided company profile template herein to as ***Annexure B: Portfolio of Current and Completed Contracts.***

8.2 Work Break-Down Structure / Project Methodology

Bidder(s) must provide a detailed work break down methodology structure, which must be inclusive of the project plan, work schedule with clear deliverables and timeframes The break down structure must include the contingency plan.

8.3 Financial Capacity of the Bidder

The financial capacity of the Bidder(s) shall be tested through the following documents:

8.3.1 Audited Financial Statements of the bidder / in case of a JV all companies to a JV must include their individual company's audited statements, issued by a Registered Auditor (provide registration number), supported by a recent 3 months company bank statement.

8.3.2 Any proof of support from an authorized Financial Services Provider (FSP) or National Credit Regulator (NCR) accredited Financial Institution on primary funding (revolving credit) when the tender is successfully awarded.

8.3.3 Proof of capacity to self-funding (**original and bank stamped Company Bank Statement not older than 3 months**)

9. EVALUATION CRITERIA

This bid shall be evaluated in **four (4) Phases** as follows:

1) Phase 1: Administrative Compliance/ Mandatory Requirements
2) Phase 2: Evaluation on Functionality
3) Phase 3: Presentations and
4) Phase 4: Evaluation on Price and B-BBEE

9.1 PHASE 1: ADMINISTRATIVE COMPLIANCE/ MANDATORY REQUIREMENTS

FOL	COMPLIANCE DOCUMENTS
9.1.1	Provide proof of compliance with Civil Aviation Authority, CAR's & CAT's Part 91, 127, 133, 135, 138, 139, 145
9.1.2	Operators must submit certified copies of valid certificates and licences with the bid document at the closing date and time of bid in accordance with Air Services licensing Act No115 of 1990 and Domestic Air Services Regulations of 1991
9.1.3	The operator shall, in the provision of commercial air ambulance operations to the Provincial Departments of Health provide a valid Class III, type G7 license, issued in terms of the Air Services Licensing Act, 1990, (Act No. 115 of 1990)
9.1.4	Provide proof of Qualifications and Valid HPCSA registration of primary crew members and Doctor
9.1.5	Provide proof of qualifications and Valid Licenses for Pilots
9.1.6	Bidder must submit proof of public liability insurance to the value of R17 million.
9.1.7	Bidder must submit proof of registration with Board for Health Care Funders at Advanced Life Support which indicated the practice number of the service provider.
9.1.8	Bidder must upon awarding, make an application to the province in compliance with the EMS Regulations to obtain an Operating License and Operating Certificate.

NB: Non-compliance and attachment of the required documents above shall invalidate your bid.

PHASE 2: EVALUATION ON FUNCTIONALITY

The evaluation of the bids on functionality will be conducted by the Bid Evaluation Committee in accordance with the functionality criteria and values set below:

NO	CRITERIA	WEIGHT	ELEMENT BREAKDOWN	SCORING VALUES
1	Experience of the bidder in the provision of Aero Medical Services **(Annexure B Must be fully completed and attach proof of references e.g. previous contracts or order)**	10	Company experience in the provision of aero medical services indicating current and previous contracts: **Number of Months:**	
			(120 Months and above)	**Exceptional (5)**
			(84 - 119 Months)	**Very Good (4)**
			(60 - 83 Months)	**Good (3)**
			(36 - 59 Months)	**Average (2)**
			(0 to 35 Months)	**Poor (1)**
		20	Company track record in the provision of aero medical services indicating current and previous contracts:	
			Rendered service in 5 or more Province	**Exceptional (5)**
			Rendered service in 4 Province	**Very Good (4)**
			Rendered service in 3 Provinces	**Good (3)**
			Rendered service in 2 Provinces	**Average (2)**
			Rendered service in 1 Province	**Poor (1)**
2	Experience and qualification of the key personnel **(Attach CVs with contactable references)**	10	**Experience of Medical Doctor in emergency medicine**	
			10 years and More	**Exceptional (5)**
			6 to 9 years	**Very Good (4)**
			4 - 5 years	**Good (3)**
			2 – 3 years	**Average (2)**
			0 – 1 year	**Poor (1)**
		10	**Average experience of Pilots in aero medical or rescue services**	
			10 years and More	**Exceptional (5)**
			6 - 9 years	**Very Good (4)**

NO	CRITERIA	WEIGHT	ELEMENT BREAKDOWN	SCORING VALUES
			4 - 5 years	Good (3)
			2 – 3 years	Average (2)
			0 – 1 year	Poor (1)
		10	**Average experience of primary crew**	
			10 years and More	Exceptional (5)
			6 - 9 years	Very Good (4)
			4 - 5 years	Good (3)
			2 – 3 years	Average (2)
			0 – 1 year	Poor (1)
3	Project Methodology (Break-Down Structure)	**Project Methodology Breakdown Structure Shall be allocated points as follows:**		
		5	**Pre-Project Implementation Phase Activities**	
			Activities are clear, logical and demonstrate an outstanding understanding of the project deliverables and time frames.	Exceptional (5)
			Activities are clear, logical and demonstrate a good understanding of the project deliverables and time frames.	Very Good (4)
			Activities are clear and logical	Good (3)
			Activities are illogical	Average (2)
			Activities not relevant to the bid	Poor (1)
		15	**Project Implementation Phase Activities**	
			Activities are clear, logical and demonstrate an outstanding understanding of the project deliverables and time frames.	Exceptional (5)
			Activities are clear, logical and demonstrate a good understanding of the project deliverables and time frames.	Very Good (4)
			Activities are clear and logical	Good (3)
			Activities are illogical	Average (2)
			Activities not relevant to the bid	Poor (1)

NO	CRITERIA	WEIGHT	ELEMENT BREAKDOWN	SCORING VALUES
			Contingency Plan	
			Contingency plan is clear and exceptional: Demonstrate the bidder's high level of understanding and includes innovative methods that indicate that the methodology can be delivered using the contingencies proposed.	**Exceptional (5)**
		10	Contingency plan is clear and very good : Demonstrate the bidders high level of understanding that indicate that the methodology can be delivered using the contingencies proposed.	**Very good (4)**
			Plan clear and realistic	**Good (3)**
			Plan produced but not convincing that the methodology can be delivered using contingencies proposed	**Average (2)**
			Plan produced but not relevant to the bid	**Poor (1)**
4	Financial Capacity	10	An undertaking by financial institution to provide a Revolving Credit to the bidder in the event a bidder is awarded contract or Proof of overdraft facility in the name of business or alternatively proof of company capability to self-fund to the value indicated below:	
			R 2 000 001 and Above	**Exceptional (5)**
			R 1 500 001 To R2 000 000	**Very Good (4)**
			R 1 000 001 To R1 500 000	**Good (3)**
			R 500 001 To R 1 000 000	**Average (2)**
			R 100 000 To R 500 000	**Poor (1)**

PHASE 3: PRESENTATIONS

Bidder will be required to give a presentation in the Department of Health on their capacity and plan to deliver the service followed by a site visit.

PHASE 4: EVALUATION ON PRICE AND B-BBEE

This bid shall be evaluated in terms of 90/10 preference points system.

Bidders must submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African National Accreditation System (SANAS).

In case of a B-BBEE exempted micro enterprise or B-BBEE qualifying small enterprise bidders must submit a valid Sworn Affidavit (attached to this bid).

Should bidder(s) fail to submit the valid BBBEE certificate it will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed and that the bidder has not complied with the pre-qualification criteria.

Points shall be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE STATUS LEVEL OF CONTRIBUTOR	NUMBER OF POINTS
1	10
2	9
3	6
4	5
5	4
6	3
7	2
8	1
Non-compliant contributor	0

10. KEY ASPECTS OF THE BID PROPOSAL

a) Bidders must take note of the following fundamental aspects before submission of their bid proposals:

b) Bidders should initial every page of the bid proposal.

c) Bidders must submit their bids on the stipulated closing date and time. Late bids will not be considered.

d) In order to evaluate and adjudicate bids effectively, it is imperative that bidders submit responsive bids. To ensure a responsive bid it is imperative to comply with all conditions pertaining to the terms of reference.

e) Each bidder must attach all applicable documents in support of its bid in accordance with the requirements set out in this bid as well as any other relevant materials, photographs and/or attachments.

f) Each bid, once submitted, constitutes a binding and irrevocable offer to provide the services on the terms set out in the bid, which offer cannot be amended after its date of submission.

g) The Department is not obliged to accept or consider any bid in full or in part or any responses or submissions in relation thereto and may reject any bid.

h) The Department reserves the right to appoint the bidder whose bid most successfully conforms to the criteria and the requirements in accordance with the terms and conditions described in the Terms of Reference.

i) The Department reserves the right to invite any bidder for a formal presentation during the evaluation process.

j) The Department may, for any reason and at any time during the selection process, request any bidder to supply further information and/or documentation.

k) The appointment of the successful bidder shall be subject to the conclusion of a Service Level Agreement (SLA) between the Department and the successful bidder governing all rights and obligations related to the required services.

l) The outcome of the successful bidder(s) shall be published through the same media that was used to advertise the bid.

m) The Department reserves the right to award the bid to one or more service providers, wholly or in part or not to award.

n) Awarding of the bid will be subject to the Service Provider(s) acceptance of National Treasury General Conditions of Contract (GCC).

11. PROTECTION OF PERSONAL DATA

11.1 In responding to this bid, the MPDoH acknowledges that it may obtain and have access to personal data of the bidders.

11.2 The MPDoH agrees that it shall only process the information disclosed by bidders in their response to this bid for the purpose of evaluating and subsequent award of business and in accordance with any applicable law.

11.3 Furthermore, MPDoH will not otherwise modify, amend or alter any personal data submitted by bidders or disclose or permit the disclosure of any personal data to any Third Party without the prior written consent from the bidders.

11.4 Similarly, the MPDoH requires bidders to process any personal information disclosed by the MPDoH in the bidding process in the same manner.

12. BRIEFING SESSION

There will be no briefing session for this bid.

13. BID AWARD AND CONTRACT CONDITIONS

13.1 Bidders must submit their bid in line with the bid specification/ Terms of Reference. Failure to comply shall invalidate the bid.

13.2 The award of the tender may be subjected to price negotiation with the preferred tenderers.

13.3 The shortlisted bidders shall be subjected for Supply Chain Management Screening. Only successful bidder(s) who are cleared during SCM Screening shall be considered for appointment.

13.4 Bidders shall be notified about the decision of the Department by means of publication in the Provincial Bid Bulletin.

13.5 The contract shall be concluded between Mpumalanga Department of Health and the successful service provider(s).

13.6 The contract period will be in terms of the acceptance letter.

13.7 Mpumalanga Department of Health shall enter into Service Level Agreement(s) with the successful bidder(s).

14. CONTRACT ADMINISTRATION

14.1 Successful bidder(s) must report to Supply Chain Contract Management Unit immediately when unforeseeable circumstances will adversely affect the execution of the contract.

14.2 Full particulars of such circumstances as well as the period of delay must be furnished.

14.3 The administration of the bid and contract i.e. evaluation, award, distribution of contract circulars, contract price adjustments etc., shall be the sole responsibility of the Supply Chain Management Unit.

15. PRICING INSTRUCTIONS

15.1 Bidders must submit a proposal and the pricing structure in one envelope in the following manner,

15.1.1 ***One file for Technical Proposal***

15.1.2 ***One file for Pricing Structure***

NB: ALL FILES MUST BE CLEARLY MARKED i.e. PROPOSAL OR PRICING AND IT MUST BEAR THE COMPANY DETAILS (FAILURE TO COMPLY MAY INVALIDATE YOUR BID).

15.2 All prices charged must be inclusive of **business overheads and *VAT. NB: Successful bidders who are not registered for VAT at the time of***

bidding are required to register for VAT upon award of bid as required by law.

15.3 The pricing **MUST BE DONE IN LINE WITH ANNEXURE B OF THIS DOCUMENT.**

15.4 The Basic operating fee will represent the basic overhead costs to the CONTRACTOR, to ensure that the necessary operational aircraft is/are available to meet the requirements of the Province, covering the first 40 flight hours.

15.5 Additional hours will be charged at hourly rate for the actual use of the aircraft to render the services.

16. RISK MANAGEMENT ON PRICING AND AWARDING

16.1 All prices quoted by suppliers shall be assessed to ensure that bidders did not underquote. **(Bidders perceived to have underquoted in terms of market prices shall be disqualified).**

16.2 Bidders to take note that the Department shall complete the process of evaluation and award in a period of 120 days.

17. TECHNICAL SPECIFICATIONS

17.1 The contractor must provide suitable rotor wing aircraft to fulfill the requirements of the Province:

a) The Rotor wing aircraft needs to be able to operate, at maximum all up weight, at Hot and High conditions.

b) The aircraft needs to have an air-conditioned patient compartment.

c) All equipment in the patient compartment needs to be mounted and secured according to CAA part 138 regulations.

d) The aircraft needs to have an approved, easy load, stretcher load configuration. The stretcher needs to be able to accommodate a patient in a range of Fowlers positions. (Sitting Positions)

e) The rotor wing aircraft must be capable of accommodating 1 x Pilot, 1 x patient and 3 x sitting occupants. For example:
1 x Pilot / 2 x Medical crew / 1 x family member / 1 x patient.

17.2 **MINIMUM EQUIPMENT FOR AIRCRAFT**

17.2.1 All aircraft shall be equipped, in terms of flight instrumentation and equipment, so as to comply with the minimum equipment as specified in the regulations applicable to the Class and application of aircraft as well as specified under Part 138 of the SACAR.

17.2.2 Helicopter's engaged in Air Ambulance operations shall be so operated and equipped such that compliance with SACAR Part 138.06.5,or AIC (Air Information Circular) 18.66 pertaining to Night Flying, as amended, shall be met.

17.3 **OPERATIONS**

17.3.1 The operator shall comply with the relevant regulations pertaining to the provision of Commercial Air Ambulance services to the Department of Health, under Part 138,

17.3.2 **Non-compliance with the above-mentioned special condition will automatically invalidate the bid for such services offered.**

17.4 **QUALITY**

17.4.1 Bidders must note that capital medical equipment supplied must have all relevant clearance certificates for such equipment to operate in the aviation environment. Furthermore, the decision as to the make and type of equipment to be supplied must be done in consultation with the Department of Health.

17.4.2 A successful Bidder will be required to provide in terms of Occupational Health and Safety and aviation legislation, a suitable facility for the housing of the relevant aircraft/s, staff, rest areas, cleaning, disinfection and disposal of medical waste.

17.4.3 Suitable storage facilities for both capital and disposable medical equipment are to be supplied and incorporated within the base station. These storage facilities must be able to protect medical equipment from the elements as well as to provide for a structured and easily identifiable storage capacity.

17.4.4 All medical gases and re-filling stations (where applicable) stored on the base must be stored in terms of existing legislation.

17.4.5 In case of scheduled maintenance of less than twenty-four hours the Mpumalanga Department of Health will not require a replacement aircraft. However, should the aircraft be unavailable for a period exceeding twenty-four hours either due to scheduled and/or unscheduled maintenance, the following option will apply: The Contractor must provide a contingency plan to provide the Mpumalanga Provincial Department of Health with the required service.

17.4.6 All aircrew shall be correctly trained and approved for operations under Part 138 of the SACAR"s and CAT as relevant, using an approved training course. The operator shall retain records (Portfolio of Evidence) detailing all training carried out and completed in compliance with the classification of the operation as well as the requirements of Part 138, pertaining to the provision of Commercial Air Ambulance operations to the Department of Health.

ANNEXURE A: NATIONAL HEALTH ACT 61 OF 2003 EMS REGULATIONS

ANNEXURE B: HEALTH PROFESSION COUNCIL OF SOUTH AFRICA CLINICAL PRACTICE GUIDELINES

ANNEXURE C: PORTFOLIO OF CURRENT AND COMPLETED CONTRACTS

The Bidder/s must furnish a list of the following particulars of supply of perishable provisions rendered. The bidder must in addition attach proof of references e.g. previous contracts or order. Failure to furnish the particulars of such information in this Annexure in full shall invalidate the bid.

FOL	CLIENT NAME, CONTACT PERSON, CONTACT NUMBER AND EMAIL		CONTRACT NUMBER AND DESCRIPTION OF SERVICE	PLACE (TOWN)	CONTRACT START DATE Day, Month & Year	CONTRACT END DATE Day, Month & Year	CONTRACT AMOUNT/ VALUE OF CONTRACT (R)
1	Name of Client						
	Contact Person						
	Tel						
	eMail						
2	Name of Client						
	Contact Person						
	Tel						
	eMail						
3	Name of Client						
	Contact Person						
	Tel						

FOL	CLIENT NAME, CONTACT PERSON, CONTACT NUMBER AND EMAIL		CONTRACT NUMBER AND DESCRIPTION OF SERVICE	PLACE (TOWN)	CONTRACT START DATE Day, Month & Year	CONTRACT END DATE Day, Month & Year	CONTRACT AMOUNT/ VALUE OF CONTRACT (R)
	eMail						
4	Name of Client						
	Contact Person						
	Tel						
	eMail						
5	Name of Client						
	Contact Person						
	Tel						
	EMail						
6	Name of Client						
	Contact Person						
	Tel						

FOL	CLIENT NAME, CONTACT PERSON, CONTACT NUMBER AND EMAIL		CONTRACT NUMBER AND DESCRIPTION OF SERVICE	PLACE (TOWN)	CONTRACT START DATE Day, Month & Year	CONTRACT END DATE Day, Month & Year	CONTRACT AMOUNT/ VALUE OF CONTRACT (R)
	eMail						
7	Name of Client						
	Contact Person						
	Tel						
	eMail						
8	Name of Client						
	Contact Person						
	Tel						
	eMail						
9	Name of Client						
	Contact Person						
	Tel						
	eMail						

ANNEXURE D: PRICING SCHEDULE

Description	Details	Price Inclusive of VAT (15%) Year 1	Price Inclusive of VAT (15%) Year 2	Price Inclusive of VAT (15%) Year 3
Basic operating fee per month	The basic overhead costs covering the first 40 flight hours.	R	R	R
Hourly rate	*Additional hours in excess of 40hrs	R	R	R
Total Bid Price		**R**	**R**	**R**

*A total of 60hrs(40hrs + 20 additional hrs) will be used for price comparison

NB: BIDDER MUST TAKE NOTE OF PRICING INSRUCTIONS ON PARAGRAPH 15 OF THE TERMS OF REFERENCE

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: ....BID NO.: ....

CLOSING TIME 11:00 CLOSING DATE.......................................

OFFER TO BE VALID FOR ....DAYS 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.

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 –

(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

Tel:

SARS

TAX CLEARANCE

TCC 001

Application for a Tax Clearance Certificate

Purpose

Select the applicable option .... Tenders Good standing

If "Good standing", please state the purpose of this application

Particulars of applicant

Name/Legal name
(Initials & Surname or registered name)

Trading name
(if applicable)

ID/Passport no

Company/Close Corp. registered no

Income Tax ref no

PAYE ref no 7

VAT registration no 4

SDL ref no L

Customs code

UIF ref no U

Telephone no

Fax no

E-mail address

Physical address

Postal address

Particulars of representative (Public Officer/Trustee/Partner)

Surname

First names

ID/Passport no

Income Tax ref no

Telephone no

Fax no

E-mail address

Physical address

Particulars of tender (If applicable)

Tender number

Estimated Tender amount R ,

Expected duration of the tender year(s)

Particulars of the 3 largest contracts previously awarded

Date started	Date finalised	Principal	Contact person	Telephone number	Amount

Audit

Are you currently aware of any Audit investigation against you/the company? YES NO

If "YES" provide details

Appointment of representative/agent (Power of Attorney)

I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.

I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent Date

Name of representative/ agent

Declaration

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

Signature of applicant/Public Officer Date

Name of applicant/ Public Officer

Notes:

1. It is a serious offence to make a false declaration.
2. Section 75 of the Income Tax Act, 1962, states: Any person who
   (a) fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
   (b) without just cause shown by him, refuses or neglects to-
      (i) furnish, produce or make available any information, documents or things;
      (ii) reply to or answer truly and fully, any questions put to him ...

      As and when required in terms of this Act ... shall be guilty of an offence ...
3. **SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
4. Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

....
...

....
...

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

2.3.1 If so, furnish particulars:

....
....

3 DECLARATION

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

3.1 I have read and I understand the contents of this disclosure;

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium2 will not be construed as collusive bidding.

3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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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.

3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN 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 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

---

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- 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

a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the **90/10** preference point system shall be applicable; or

b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (*delete whichever is not applicable for this tender*).

1.3 Points for this bid shall be awarded for:

(a) Price; and

(b) B-BBEE Status Level of Contributor.

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

	POINTS
PRICE	90
B-BBEE STATUS LEVEL OF CONTRIBUTOR	10
Total points for Price and B-BBEE must not exceed	**100**

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

(a) **"B-BBEE"** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;

(b) "**B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

(c) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;

(d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);

(e) **"EME"** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

(f) **"functionality"** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.

(g) **"prices"** includes all applicable taxes less all unconditional discounts;

(h) **"proof of B-BBEE status level of contributor"** means:

1) B-BBEE Status level certificate issued by an authorized body or person;

2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;

3) Any other requirement prescribed in terms of the B-BBEE Act;

(i) **"QSE"** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;

(j) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 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**

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

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

6.1 B-BBEE Status Level of Contributor: . = ………(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

7.1 Will any portion of the contract be sub-contracted?

(***Tick applicable box***)

YES		NO	

7.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted…………………………………%

ii) The name of the sub-contractor………………………………………………………………

iii) The B-BBEE status level of the sub-contractor……………………………………………

iv) Whether the sub-contractor is an EME or QSE

(***Tick applicable box***)

YES		NO	

v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations,2017:

Designated Group: An EME or QSE which is at last 51% owned by:	**EME** √	**QSE** √
Black people		
Black people who are youth		
Black people who are women		

Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. **DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:……………………………………………………………………………

8.2 VAT registration number:……………………………………………………………………

8.3 Company registration number:…………………………………………………………………

8.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium
One person business/sole propriety
Close corporation
Company
(Pty) Limited
[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……………………………………………………………………………………………………
……..

8.6 COMPANY CLASSIFICATION

Manufacturer
Supplier
Professional service provider
Other service providers, e.g. transporter, etc.
[*TICK APPLICABLE BOX*]

8.7 Total number of years the company/firm has been in business:………………………………

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we 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 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

(a) disqualify the person from the bidding 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 bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury 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.

WITNESSES	
1. …………………………………………	………………………………………… SIGNATURE(S) OF BIDDERS(S)
2. …………………………………………	DATE: …………………………………………
	ADDRESS …………………………………………
	…………………………………………
	…………………………………………

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

1. General Conditions

1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.

1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.

1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.

1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

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

Where
x is the imported content in Rand
y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

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

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

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

Description of services, works or goods	Stipulated minimum threshold
_______________________________	_______%
_______________________________	_______%
_______________________________	_______%

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

YES		NO	

3..1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za

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

Currency	**Rates of exchange**
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

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

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

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

IN RESPECT OF BID NO. ....

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

NB

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

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

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

(a) The facts contained herein are within my own personal knowledge.

(b) I have satisfied myself that:

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

(c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

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

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.
The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

(d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.

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

of 2000).

SIGNATURE: ______________________ **DATE:** __________

WITNESS No. 1 ______________________ **DATE:** __________

WITNESS No. 2 ______________________ **DATE:** __________

THE NATIONAL TREASURY

Republic of South Africa

GOVERNMENT PROCUREMENT:

GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

- The General Conditions of Contract will form part of all bid documents and may not be amended.

- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if (applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

1.25 "Written" or "in writing" means handwritten in ink or any form of electronic or mechanical writing.

2. Application

2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

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

7. Performance security

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
(b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

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

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

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

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

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

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

12. Transportation

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

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

(d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

(e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

(a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and

(b) in the event of termination of production of the spare parts:

(i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and

(ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.

16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.

16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.

21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.

21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

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

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein,

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

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

(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.

32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation (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.