



## human settlements

Department:  
Human Settlements  
REPUBLIC OF SOUTH AFRICA

Private Bag X644 Pretoria 0001 RSA Tel (012) 421 1311 Fax (012) 341 8512  
Private Bag X9057 Cape Town 8000 RSA Tel (021) 466 7600 Fax (021) 465 3610  
<http://www.housing.gov.za> Fraud Line: 0800 701 701 Toll Free Line: 0800 1 46873 (0800 1 HOUSE)

REFERENCE : VA49/729  
ENQUIRIES : MR M KWINANA  
TELEPHONE : 012 444 9245

### **BID VA49/729: TERMS OF REFERENCE FOR THE APPOINTMENT OF PROFESSIONAL RESOURCE TEAMS ON A DEPARTMENTAL PANEL FOR PROVINCIAL AND MUNICIPAL HUMAN SETTLEMENTS PLANNING AND PROJECT IMPLEMENTATION SUPPORT FOR A PERIOD OF 36 MONTHS**

- 1 The closing date for the submission of applications/bid documents is **23 September 2021 @ 11:00**. No late applications/bid documents will be considered. All bids must please be placed in the Tender Box situated at the main entrance of (DR. RUTH MOMPATI BUILDING, 260 JUSTICE MAHOMED STREET, SUNNYSIDE, PRETORIA)
- 2 It is compulsory that an original proposal/bid documents together with a copy of the proposal /bid document to be handed in on the closing date of the bid. Please clearly mark by writing "Original" and "Copy" on the relevant bid documents.
- 3 You are invited to bid for the services as specified in the attached forms.
- 3.1 The conditions contained in General Conditions of Contracts (GCC) and the attached SBD1, SBD 3.3, SBD4, SBD 6.1, SBD8 and SBD9 as well as any other conditions accompanying this request are applicable.

#### **4. NATIONAL TREASURY CIRCULAR NO 3 OF 2015/2016**

- 4.1 From 1 April 2016, institutions/departments may not award any bid to a supplier who is not registered on the Central Supplier Database (CSD).
- 5 **Compulsory**: Please attach a most recent copy of the CSD registration report.
- 6 **No Briefing Session Will be Held.**

Regards

  
.....  
Mr. B. Muthiyi (Acting Director)  
SUPPLY CHAIN MANAGEMENT  
For: DIRECTOR-GENERAL  
DATE: 24/08/2021  
tendercovlet

Kgoro ya tsa Madulo \* Lefapha la Bodulo \* Lefapha la tsa Manno \* Umyango Wezindawo Zokuhlala \* Isebe leeNdawo zokuHlala  
\* Likho Letekwakhela Lunthu\* Mensike Nedersetings \* UmNyango weeNdawo zokuHlala \* Muhasho wa zwa Vhudzulo \* Ndzawulo ya swa Vutshamo

**TERMS OF REFERENCE FOR THE APPOINTMENT OF  
PROFESSIONAL RESOURCE TEAMS ON A DEPARTMENTAL PANEL FOR  
PROVINCIAL AND MUNICIPAL HUMAN SETTLEMENTS PLANNING AND  
PROGRAMME AND PROJECT IMPLEMENTATION SUPPORT FOR A PERIOD  
OF 36 MONTHS**

**Table of Content**

- 1. Purpose of the Document**
- 2. Background**
  - Policy Framework**
  - Current Situation**
- 3. Outcomes**
- 4. Professional Resource Teams (PRT's) Expertise Requirements**
- 5. Purpose and Objective of the Appointment**
- 6. Context of the Work**
- 7. Extent of the Scope of the Work**
  - 7.1 Key Categories**
  - 7.2 Needs Analysis**
  - 7.3 Updated/credible Human Settlements Plans (HSP)**
  - 7.4 Pipeline Development, Integration and Implementation Phase**
    - 7.4.1 Preliminary Feasibility exercises**
    - 7.4.2 Cost Benefit Analyses**
    - 7.4.3 Pre-planning Process**
  - 7.5 Detailed Engineering, Top Structure, Planning and Designs**
    - 7.5.1 Engineering Designs**
    - 7.5.2 Beneficiary Administration**
    - 7.5.3 Top Structures**
    - 7.5.4 Final Project Approval**
  - 7.6 Bid Processes, Evaluation and Construction Management**

**7.7 Expanded Public Works Programme Implementation**

**7.8 Close off Project**

**8. Reporting**

**9. Inputs from the Department of Human Settlements**

**10. Procurement**

**11. Content of Bid Proposal**

**12. Fee Proposal**

**13. Specification Enquiries**

**14. Declaration of Confidentiality**

## **Annexures**

**A: List of Abbreviations**

**B: Required information to be submitted by lead consultant in the following discipline**

## **1. PURPOSE OF THE DOCUMENT**

The National Department of Human Settlements herewith calls for proposals to be registered on a Panel of Professional Resource Teams (PRT's) made up of professionals in the built environment to provide support to the Provincial Departments of Human Settlements and Municipalities on Human Settlements planning, programme and project implementation for a period of 36 months'.

## **2. BACKGROUND**

The Provincial Departments of Human Settlements and Municipalities need to deal with the reality of a growing human Settlements backlog, increased inequalities and the fact that spatial restructuring and urban integration remains major challenges. There is thus an urgent need to change the approach towards human Settlements development, to accelerate and improve the quality of human Settlements delivery and make the notions of "integrated" and "sustainable development" a reality.

In some respects, provinces and municipalities have made good progress in planning for Human Settlements development, arriving at a list of Human Settlements projects, or Human Settlements project pipelines that responds to the critical assessment of the Human Settlements environment reflected in provincial and municipal Human Settlements strategic goals and objectives. The challenge however remains to take these pipelines from the conceptual level through the planning processes and refine projects, derived from these pipelines, to a point of readiness that would contribute to the acceleration of Human Settlements Delivery.

The increasing pressure to accelerate Human Settlements delivery has led to a decision to utilise a multi-disciplinary team of Professional Resource Teams (PRTs) to overcome the shortage of professional capacity at both provincial and municipal spheres. The PRTs approach is intended to make a significant contribution to the planning and implementation of Human Settlements provision through a range of professional service providers. The services will generally be rendered at provincial and municipal levels with progress reported to NDoHS.

PRT's will focus on short, medium and long term planning and on delivery of human Settlements projects.

The services of the successfully appointed PRT will be required according to the specific needs per Province/municipality and may therefore differ from one region to the next. The services to be executed will thus be needs based and on a "Request for Quotation (RFQ) on a rotational basis.

## **2.1. Policy Framework**

2.1.1. According to the Housing Act 1997 as amended in 2001 the MECs:

- 2.1.1.1. Must administer every national human Settlements programme;
- 2.1.1.2. Must approve the financing of the human Settlements programme;
- 2.1.1.3. May delegate power or assign duty imposed to him /her to an officer or employee of the department responsible for the administration of human Settlements matters in a province.

2.1.2. As from the date of commencement of the Act, the powers, duties, rights and obligations of the provincial housing development boards, in respect of any National Human Settlements programme, vest in the relevant MECs.

2.1.3. According to the Revised National Housing Code 2009, Human Settlements programmes may be implemented through phased-in development approaches which make provision for Phase I & Phase 2 respectively. Phase I: comprises of land acquisition, area based planning approach, feasibility studies, preplanning and detailed planning and designs, and serviced stands while Phase 2: involves construction of top-structures.

- 2.1.4. In certain instances, the Municipality assumes the role of developer as per prerogative/approval of the MEC; the Municipality may be accredited (as level 1, 2 & 3) to administer human Settlements programmes.

## 2.2. Current Situation

- 2.2.1. Some of the following aspects are currently impacting on service delivery:

- 2.2.1.1. Projects not delivered on time nor completed;
- 2.2.1.2. Projects funds reallocated due to poor spending patterns,
- 2.2.1.3. Non-compliance with the National Treasury quarterly expenditure guidelines;
- 2.2.1.4. Misalignment of funding facilitation for bulk infrastructure;
- 2.2.1.5. Poor project planning and design which includes land identification and preparation, preplanning, detailed planning and designs;
- 2.2.1.6. Poor contracting or tender packaging and construction management;
- 2.2.1.7. Poor construction management
- 2.2.1.8. Capacity constraints in-house (government): Lack of or inexperienced project managers to implement complex mixed income human Settlements projects e.g. the number of registered professionals (built environment) with extensive experience in the public sector is very small;
- 2.2.1.9. Poor beneficiary identification, approvals and transfers;
- 2.2.1.10. Poor stakeholder facilitation between professionals, financial institutions, government spheres (agencies, sector departments, municipalities and private sector);
- 2.2.1.11. Challenges with bulk infrastructure provision.

### **3. OUTCOMES**

3.1. Outcomes to be achieved through the appointment of PRTs include the following:

- 3.1.1. Sustainable Human Settlements that demonstrate access to socio-economic and transport opportunities;
- 3.1.2. Project development predictability;
- 3.1.3. Efficient and effective planning and delivery processes for human Settlements development;
- 3.1.4. Integrated planning, inter-sectoral participation and planning and budget alignment;
- 3.1.5. Successful project implementation and efficient budget utilization.
- 3.1.6. Overall project management of various human Settlements projects.
- 3.1.7. Produce realistic specifications and cost estimates for each project identified for development.

### **4. PROFESSIONAL RESOURCE TEAMS (PRT'S) EXPERTISE REQUIREMENTS**

4.1. A PRT is defined as a team consisting of various professionals from the built environment working together as a multi-disciplinary team to undertake projects in human Settlements. A PRT may therefore be either a consortium, or a joint venture or an individual company specializing in different aspects of the built environment. A PRT must have an overall principal/ leader or owner that must be a registered professional in the built environment. This leader will act as the nodal point between the Department and the PRT.

4.2. PRT's must prove in-house capacity and experience or demonstrated access to capacity including but not limited to the following expertise:

- 4.2.1. Town planning;
- 4.2.2. Urban design;
- 4.2.3. Human Settlements practitioners;

- 4.2.4. Property development and management;
- 4.2.5. Property Valuers;
- 4.2.6. Stakeholder management;
- 4.2.7. Environmental planning;
- 4.2.8. Heritage planning;
- 4.2.9. Geographical Information Systems (GIS);
- 4.2.10. Legal- conveyancing;
- 4.2.11. Beneficiary Administration up to title deeds;
- 4.2.12. Engineers;
- 4.2.13. Construction Project Management;
- 4.2.14. Project financing;
- 4.2.15. Quantity surveyors;
- 4.2.16. Land surveyor;
- 4.2.17. Architects;
- 4.2.18. Geotechnical Specialist;
- 4.2.19. Development Economist;
- 4.2.20. Project Manager; and
- 4.2.21. Programme Management.

4.3. Where applicable, members of the PRT must be registered with relevant professional Councils.

## **5. PURPOSE AND OBJECTIVE OF THE APPOINTMENT**

5.1. The purpose of the ToR is to appoint and establish a panel of Professional Resource Teams (PRT) for human Settlements planning and project implementation support made up of professionals in the built environment.

5.2. The PRT's provides services that are required to support the creation of sustainable Human Settlements in the various Provincial Departments of Human Settlements and Municipalities and provide assistance with regards to development, reviewing and packaging of innovative approaches to meeting identified Human Settlements needs across the Country, influencing both the

planning, provision and development of sustainable Human Settlements opportunities in line with Government policies and strategies (including the Provincial and Municipal Spatial Development Frameworks).

5.3. The PRT's may be appointed to assist with any of the following:

**5.3.1. Provincial Departments of Human Settlements with:**

- 5.3.1.1. Regional analysis and planning;
- 5.3.1.2. Accelerate the development and review of human Settlements plans for municipalities;
- 5.3.1.3. Support the regional managers at the provincial departments of human Settlements in their oversight role which could include standard departmental reporting;
- 5.3.1.4. Assessment of project applications for approvals;
- 5.3.1.5. Providing support to the Provincial Departments of Human Settlements in respect of supply chain management processes.
- 5.3.1.6. Monitoring of and reporting on projects under implementation;
- 5.3.1.7. Development and annual assessment of Human Settlements project pipelines;
- 5.3.1.8. Track the project planning process progress;
- 5.3.1.9. Assist to unblock blockages and close out of projects;
- 5.3.1.10. Assessment of projects' readiness for grant allocation advisory committee consideration;
- 5.3.1.11. GIS mapping
- 5.3.1.12. Assist with inter-sectoral planning alignment and IDP interaction;
- 5.3.1.13. Serve on forums that requires inputs regarding the above functions
- 5.3.1.14. Attend provincial consultative meetings;
- 5.3.1.15. Monitor the planning processes to take planned projects to a state of "implementation readiness" and
- 5.3.1.16. Overall Project management, including sanitation and rectification projects
- 5.3.1.17. Skills transfer to provincial officials (companies should demonstrate how they will do this).

### **5.3.2. Municipalities with:**

- 5.3.2.1. Project management;
- 5.3.2.2. Development and updating of Human Settlements Plans in line with approved Integrated Development Plans (IDPs) and other relevant plans of the municipality;
- 5.3.2.3. Land identification and availability for development opportunities; (medium and long term);
- 5.3.2.4. Identification and/or registration of projects that would benefit from the Municipal Infrastructure Grant (MIG) and other capital sources of funding; where required registration of relevant projects for medium and long term purposes;
- 5.3.2.5. Formulation of a pipeline of projects reflecting short, medium and long term human Settlements developments;
- 5.3.2.6. Packaging of human Settlements projects;
- 5.3.2.7. Technical drafting and layout design(CAD) including urban design principles;
- 5.3.2.8. Operate as team member in the Regional Teams;
- 5.3.2.9. Where required ensure that a competent team of professionals is appointed by the Province and municipality or the PRT to provide the necessary professional services resources for the planning, development and implementation of various human Settlements projects;
- 5.3.2.10. Providing support to the municipality in respect of supply chain management processes;
- 5.3.2.11. Detailed monthly reporting to National, Provinces and municipalities should include but not be limited to the PMU, HSS, MIG availability/plans, EPWP, etc.;
- 5.3.2.12. Provide assistance to the Provincial Department of Human Settlements and municipality to ensure that the gazetted DORA allocation of funds are appropriately and fully expended on an annual basis.
- 5.3.2.13. Determine if and when intervention may be required into the activities at Provincial and municipal level, and in conjunction with

the National Department, manage whatsoever intervention may be necessary;

- 5.3.2.14. Assist to unblock blockages and project close out;
- 5.3.2.15. Reconciliation of historically incomplete projects and recommended solutions; and
- 5.3.2.16. Assist with processing of transfers and obtaining title deeds.
- 5.3.2.17. Assess/evaluate the availability of bulk infrastructure for human Settlements projects
- 5.3.2.18. Skills transfer to municipal officials (companies should demonstrate how they will do this)

## 6. CONTEXT OF THE WORK

6.1. The work shall require a team of professional resources to support and facilitate the full Human Settlements planning processes, projects implementation readiness as well as to ensure that projects are successfully implemented.

6.1.1. Phase 1: Human Settlements Strategic Planning and Project Pipeline Development; land identification and acquisition, area based planning approach, feasibility studies, pre planning and Detailed planning and designs and project management back office resources and systems.

6.1.2. Phase 2: Implementation: Project management, detailed services planning, construction of infrastructure services; construction of top-structures.

6.2. The plans, human Settlements pipeline and projects should respond to provincial strategic objectives and are also meant to influence grant allocation aligned to these objectives. Projects in the pipeline should therefore demonstrate their ability towards achieving the provincial and municipal human Settlements indicators which are:

- 6.2.1. The number of households which can be assisted to get access to basic services;
  - 6.2.2. Proximity of new human Settlements to transport, economic opportunities and other social amenities;
  - 6.2.3. Increased densities of new human Settlements development;
  - 6.2.4. Increased development of gap market;
  - 6.2.5. Influencing municipalities to use alternative methods of developments and be sensitive to energy-efficiency.
- 6.3. A PRT involved in the above would operate in dedicated Provinces and Regions and form part of a team both on Provincial and Municipal level. At Provincial level the PRT's will work closely with the units or Directorates responsible for Municipal Support, Planning and Implementation. The Performance, tracking and reporting of each individual service will adhere to the requirements of the Project Management Unit. The service provider shall prepare a skills transfer programme in consultation with the department.
- 6.4. At Municipal and/or Regional level the PRT will work closely with the Provincial Regional Managers (PRM's) especially in terms of the Implementation Readiness of projects and the implementation and projected disbursement for project implementation as to indicate the expected expenditure patterns per project especially over the project life.

**NOTE:** The geographical area is the National Department and its entities, Nine Provincial Departments off Human Settlements and Municipalities.

## **7. EXTENT OF THE SCOPE OF THE WORK**

- 7.1. The work to be performed by the PRT includes but is not limited to the following key categories, namely:
- 7.1.1. Needs/gap analysis per Municipality/Province;
  - 7.1.2. Development of Human Settlements Plans (HSP's);

- 7.1.3. Development of a human Settlements project pipelines including the town planning and urban design processes;
- 7.1.4. Project feasibility and packaging of identified projects for approval by the NDoHS, Provincial Departments and Municipalities;
- 7.1.5. Social facilitation and stakeholder management;
- 7.1.6. Implementation of identified approved projects;
- 7.1.7. Project and construction management;
- 7.1.8. Project monitoring and reporting;
- 7.1.9. Expanded Public Works Programme registration and reporting;
- 7.1.10. Implementation of the Human Settlements Transformation targets i.e. empowerment of youth, women and people with disabilities;
- 7.1.11. Close out of projects
- 7.1.12. No work shall be done by the PRT unless appointed after an RFQ.

***Detail on the Scope of the Work will include the following:***

## **7.2. Needs Analysis**

Assessment and needs analysis for planning and delivery as described in this terms of reference. Any gaps identified should then form the baseline to guide interventions needed per municipality.

### **DELIVERABLE/MILESTONE**

- **Report on gaps/needs of the municipal resources and requirements to fully plan and implement projects.**

## **7.3. Updated/credible Human Settlements Plans (HSP)**

Determine strategic plan with identifying land parcels for human Settlements development.

### **DELIVERABLE/MILESTONE**

- **Updated HSP with identified strategic land parcels including a complete short, medium to long term human Settlements project pipeline**

## ○ Stakeholder Management Plan

### 7.4. Pipeline Development, Integration and Implementation Phase

#### 7.4.1. Preliminary Feasibility exercises

To determine project viability before proceeding to detailed planning and design stage by undertaking a feasibility study that covers the following basic requirements:

- 7.4.1.1. Investigate landownership, servitudes, mineral rights, locality, Title restrictive conditions and zoning;
- 7.4.1.2. Site details/inspections (including site constraints/opportunities);
- 7.4.1.3. Flood line Certificate;
- 7.4.1.4. Physical activities on sites;
- 7.4.1.5. Topography;
- 7.4.1.6. Social amenities;
- 7.4.1.7. Transportation networks;
- 7.4.1.8. Surrounding uses;
- 7.4.1.9. Municipal plans alignment to Integrated Development Plan and Spatial Development Framework, Town Planning Scheme or land use management scheme and municipal environmental framework;
- 7.4.1.10. Economic opportunities;
- 7.4.1.11. Investigate work conducted previously by appointed consultants;
- 7.4.1.12. Preliminary identification of target communities and community consultation;
- 7.4.1.13. Preliminary environmental investigation;
- 7.4.1.14. Preliminary Geo-technical investigation;
- 7.4.1.15. Preliminary engineering proposals/designs;
- 7.4.1.16. Assessment of bulk service availability;
- 7.4.1.17. Highlight (red-flag) projects that have environmental issues and fall outside urban edge;
- 7.4.1.18. Highlight feasible projects with environmental constraints;

- 7.4.1.19. Registration of issue and/or constraints with Departments of Environmental Affairs, Development Planning and other approving authorities;
- 7.4.1.20. Re-conceptualization of projects outside urban edge;
- 7.4.1.21. Liaise with sector departments.

**DELIVERABLE / MILESTONE**

- **Complete feasibility assessment and indication of human Settlements delivery constraints submitted to relevant Project Approval Committee (department)**

**7.4.2. Cost Benefit Analyses**

**Determine project viability through:**

- 7.4.2.1. Cost benefit analysis of all feasible projects
- 7.4.2.2. Assessment of long term financial and economic cost of different development options
- 7.4.2.3. Identification of financial benefits and cost of different development options
- 7.4.2.4. Development of indicative models and recommendations

**DELIVERABLE / MILESTONE**

- **Completed Cost Benefit Report submitted to relevant committee (Department)**

**7.4.3. Pre-planning Process**

**7.4.3.1. Planning and design to obtain:**

- 7.4.3.1.1. Environmental approval and Phase 1 Geotechnical Report,
- 7.4.3.1.2. Identification of purchase of possible private property or obtain Power of Attorney for Public Owned Land;
- 7.4.3.1.3. Aerial photography and Topographical Survey; and
- 7.4.3.1.4. Community participation/resolution.

### 7.4.3.2. Geotechnical Investigations

7.4.3.2.1. Conduct detailed Geotechnical investigations for Phase 1.

7.4.3.2.2. Submit all documents required for NHBRC Project Enrolment

#### **DELIVERABLE/ MILESTONE**

- **Geotechnical Investigations Report complying with GFSH 2 and informing layout and environmental processes.**

### 7.4.3.3. Land Development Rights

7.4.3.3.1. The PRT must ensure that the township layout and formal land use application for all human Settlements projects meets the following principles:

- 7.4.3.3.1.1. Integration and continuity of mobility routes, public hard open spaces and green systems to promote better use of land;
- 7.4.3.3.1.2. Integrated neighborhoods for greater access for a larger number of people;
- 7.4.3.3.1.3. Concentration and development along key access routes;
- 7.4.3.3.1.4. Provides for different types of development areas;
- 7.4.3.3.1.5. Creation of positive environments where public space is defined;
- 7.4.3.3.1.6. Provide for human scale in terms of size, distance & height;
- 7.4.3.3.1.7. Provides for social amenities;
- 7.4.3.3.1.8. Provides for efficient use of infrastructure; and
- 7.4.3.3.1.9. Supporting preliminary bulk and internal engineering services designs

7.4.3.3.2. The following elements are necessary for this stage of the process:

- 7.4.3.3.2.1. Conduct traffic assessment
- 7.4.3.3.2.2. Conveyance Certificate
- 7.4.3.3.2.3. Layout Plan

- 7.4.3.3.2.4. Surveyor General Fees (diagram and general plan fees)
- 7.4.3.3.2.5. Diagram Fees
- 7.4.3.3.2.6. General plan Fees
- 7.4.3.3.2.7. General plan approval
- 7.4.3.3.2.8. Opening of township register
- 7.4.3.3.2.9. Circulation for Comment
- 7.4.3.3.2.10. Proclamation

**Registration for Less Formal Township Establishment (LEFTE) process has to be done prior to formal applications. This has to be submitted if required**

**DELIVERABLES/MILESTONES:**

- **Layout Plan Submission & Circulation 3**
- **Aerial photography and Topographical Survey 2**
- **Submit Preliminary Engineering Design 6**
- **Traffic impact assessment report 1**
- **Approved Layout Plan 4**
- **Approved General Plan 5**
- **Township Register opened 7 (numbers indicate the sequence of these points)**

**7.4.3.4. Environmental Investigations**

7.4.3.4.1. Environmental Impact Assessment (EIA) as per guidelines of the competent authority:

- 7.4.3.4.1.1. Public participation and application to competent authority;
- 7.4.3.4.1.2. Conduct Basic assessment;
- 7.4.3.4.1.3. Conduct Environmental Scoping;
- 7.4.3.4.1.4. Conduct Environmental Impact Assessment;
- 7.4.3.4.1.5. Produce an Environmental Management Plan.

**DELIVERABLE/ MILESTONE**

- **Environmental Impact Assessment Scoping proof of submission and /or authorization by competent authority, Record of Decision (Environmental Authorization) issued and/or Exemption approval**

**7.4.3.5. Project Packaging**

7.4.3.5.1. Prepare project application and submit for approval

7.4.3.5.2. Facilitate/coordinate Municipal Infrastructure Grant (MIG) and National Energy Regulator (NER) applications

**MILESTONES/DELIVERABLE**

- **Conditional Approval by competent authority**

**7.5. Detailed Engineering, Top Structure Planning and Designs****7.5.1. Detailed Engineering Designs**

7.5.1.1. Facilitate Service Level Agreements (where required)

7.5.1.2. Design all internal engineering services

7.5.1.3. Prepare bid documents for construction of engineering services

**DELIVERABLE/ MILESTONE**

- **Design Approval by municipality and relevant authorities: Engineering Services Infrastructure (including electrical)**

7.5.1.4. Completion of Detailed Planning & Design Report

7.5.1.5. Submit all documents required for NHBRC project enrolment

**DELIVERABLE/ MILESTONE**

- **Submission of Completed Detailed Planning and Design Report to Provincial Project Approval Committee and proof of project enrollment**

## **7.5.2. Beneficiary Administration/ (Milestones occur throughout project life cycle)**

- 7.5.2.1. Beneficiary consumer education;
- 7.5.2.2. With the local authority, identify and obtain approval of the target community, register and settle beneficiaries;
- 7.5.2.3. Beneficiary facilitation;
- 7.5.2.4. Complete & submit subsidy applications;
- 7.5.2.5. Liaison /negotiations with potential beneficiaries;
- 7.5.2.6. Title Deed registration;
- 7.5.2.7. Title deed handover;
- 7.5.2.8. Allocation and occupation of serviced erven; and
- 7.5.2.9. Transfer of erven (Conveyance) /issuing of title deeds

### **DELIVERABLE/ MILESTONE**

- **Approved social compact**
- **Approved beneficiaries (during detailed planning)**
- **Conveyances Certificate Submitted**
- **Title Deed handed over**

## **7.5.3. Top Structures Plans**

- 7.5.3.1. Develop House & Site Development Plans

### **DELIVERABLE/ MILESTONE**

- **House plan submission to local authority, including approval fees**
- **Foundation design and specification**
- **Standard House plans, services, orientation, schedule of quantities**

## **7.5.4. Final Project Approval**

- 7.5.4.1. Prepare project application and submit for approval
- 7.5.4.2. Submit all documents required for NHBRC project enrolment

**DELIVERABLE/MILESTONE**

- Approval
- NHBRC Project Enrolment

**7.6. Bid Processes, Evaluation and Construction Management****7.6.1. Bid Processes**

- 7.6.1.1. Assist the Departments/municipality to call for bids for all engineering services and top structures (draft advertisement, site visit)

**DELIVERABLE/MILESTONE**

- Approved Bid documentation
- Advertisement of the Bid (including briefing/clarification sessions)

**7.6.2. Bid Evaluation and Adjudication**

- 7.6.2.1. Assist the National and Provincial Department/Municipality with bid evaluation processes and compile SLA.

**DELIVERABLE/MILESTONE**

- Bid advisory services
- Technical evaluation reports
- Bid evaluation reports

**7.6.3. Construction Management**

- 7.6.3.1. Project Management;
- 7.6.3.2. Submit Construction Programme;
- 7.6.3.3. Construction Monitoring;

- 7.6.3.4. Site Supervision;
- 7.6.3.5. Certify payments;
- 7.6.3.6. Handover to Province/Municipality;
- 7.6.3.7. Ensure claims are submitted to department;
- 7.6.3.8. Handover to beneficiaries.

**DELIVERABLE/MILESTONE:**

- **Certification of foundations**
- **Certification of top structures (occupation certificates)**
- **Construction Monitoring / contract**
- **Site Supervision / month**
- **Geotechnical Report (Phase 2)**
- **Environment Control Officer / month**
- **Safety Officer / month**
- **Happy letters**
- **NHBRC FUR's (Final Unit Report)**

**7.7. Expanded Public Work Programme Implementation (milestones throughout project life cycle)**

- 7.7.1. Co-ordinate and set up targets for the client
- 7.7.2. Co-ordinate pre-implementation and planning
- 7.7.3. Co-ordinate preparation of EPWP contract documentation
- 7.7.4. Co-ordinate responsibilities and requirements from other Stakeholders
- 7.7.5. Identification of projects
- 7.7.6. Report on EPWP performance

**DELIVERABLE/ MILESTONE**

- **Registration of projects on national EPWP data base.**
- **Reporting progress on EPWP targets**
- **Approval and adoption of generic EPWP contract documentation**

## 7.8. Close-off of Projects

### **DELIVERABLE/MILESTONES**

- **Close-off/reconciliation Report confirming all project life cycle activities completed**

## 8. REPORTING

8.1. The successful PRT has to produce and submit reports as required by the National Department of Human Settlements (NDoHS) at the following levels in the governance structure:

- 8.1.1. Departmental level reporting.
- 8.1.2. Provincial and Municipal level reporting.
- 8.1.3. Project and contract administration reporting.

8.2. Typical monthly reporting requirements could entail the following:

- 8.2.1. Minutes of workshops/meetings.
- 8.2.2. Monthly project progress reports (milestone reporting, financial/budgetary, quality control/assurance reporting).
- 8.2.3. Municipal reporting on projects.
- 8.2.4. Project progress and status reports.
- 8.2.5. Issue, risk and variation reports.
- 8.2.6. Social facilitation reporting.

## 9. INPUTS FROM THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS

- 9.1. The National Department will be responsible for meeting the contracted fee of the service provider; this may be negotiated with the Provincial Departments of Human Settlements and Municipalities.
- 9.2. The National Department will provide strategic guidance and available documentation and information as and when required.

- 9.3. Officials of the National Department, Provincial Departments of Human Settlements and Municipalities will make themselves available for the various agreed workshops, meetings and will review and make comments on all draft documents as per the agreed schedules.

## **10. PROCUREMENT**

- 10.1. The appointment to the panel will be for a period not exceeding 36 months (three years) from date of appointment.
- 10.2. The duration of the projects will be as contracted.
- 10.3. The Departmental procurement system applies. All necessary forms are to be attached to the proposal. The Department reserves the right to deviate from procedures to conduct interviews with shortlisted service providers.
- 10.4. The proposal is to be presented on the prescribed format as per the bid forms. All proposals are to be accompanied by a valid and original Tax Clearance Certificate upon closing date of proposals. A resolution taken by the Department regarding the acceptance or non-acceptance of a proposal, if any, shall be final.
- 10.5. The award of the contract will be made subject to the successful service provider entering into a formal agreement with the Department.
- 10.6. Preference will be given to service providers who are located within/closer to the Provincial and Metropolitan area.
- 10.7. Service providers can submit proposals for all provinces and eight metropolitan areas.
- 10.8. Successful service providers will be placed on the Departmental Panel of Service Providers.

## **11. CONTENT OF BID PROPOSAL**

- 11.1. PRT's submitting proposals must provide the following information should they wish to be considered:

- 11.1.1. The principal / leader / owner of the PRT (company, consortium or joint venture) must be professionally registered in one of the professions in the Built Environment. Proof of such professional registration has to be submitted. It is incumbent upon the leader of the appointed PRT to ensure PI insurance relevant to the nature and value of the appointment and submit proof of this before any SLA is concluded.
- 11.1.2. A copy of the Central Supplier Database (CSD) Report should be submitted for each individual company forming part of each PRT for confirmation of registration on CSD and Tax compliance status.
- 11.1.3. Understanding of the National Strategic Outcomes (Outcome 8), National Development Plan, Spatial Development Frameworks, strategic infrastructure plans, Provincial Strategies, Housing Code 2009, and Municipal and human Settlements planning and implementation processes is a requirement.
- 11.1.4. Written proof of registration with relevant South African professional bodies must be provided. This refers to Councils and not Institutes for those professions where Councils exist. (SA Council for the Landscape, SA Council for Professional and Technical Surveyors, SA Council for Planners, SA Council for the Architectural Profession, SA Council for Quantity Surveying Profession, Association of Professional Heritage Practitioners, and Engineering Council SA, etc.)
- 11.1.5. The proposal must include a complete organizational chart of the PRT including names of prospective project team members. This should include administrative components.
- 11.1.6. Service providers must clearly demonstrate in their methodology their understanding of the brief / scope of works and of all the deliverables required.
- 11.1.7. Limitations of service provider/PRT in meeting TOR.

11.1.8. Additional information (in format provided in Annexure A) has to be provided by the lead consultants that will be personally involved in the execution of the work for the following professions:

- 11.1.8.1. Town planning;
- 11.1.8.2. Urban design;
- 11.1.8.3. Human Settlements practitioners;
- 11.1.8.4. Property development and management;
- 11.1.8.5. Property Valuers
- 11.1.8.6. Stakeholder management;
- 11.1.8.7. Environmental planning;
- 11.1.8.8. Heritage planning;
- 11.1.8.9. Geographical Information Systems (GIS);
- 11.1.8.10. Legal- conveyancing;
- 11.1.8.11. Beneficiary Administration up to title deeds;
- 11.1.8.12. Engineers;
- 11.1.8.13. Project financing;
- 11.1.8.14. Construction Project Managers;
- 11.1.8.15. Architects;
- 11.1.8.16. Quantity surveyors;
- 11.1.8.17. Land surveyor;
- 11.1.8.18. Geo-tech Specialist;
- 11.1.8.19. Development Economist;
- 11.1.8.20. Project Manager;
- 11.1.8.21. Monitoring & evaluation specialist.

11.1.9. Relevant work experience, qualifications and professional registrations.

11.1.10. Experience in municipal/provincial level Human Settlements support will be an advantage.

11.1.11. Résumés of the lead professional per discipline.

## 12. FEE PROPOSAL

12.1. The evaluation process will be carried out in two stages as follows: -

12.1.1. Stage 1: Compliance checking undertaken by the Supply Chain Management Unit

12.1.2. Stage 2: Scoring of Functionality

12.2. Functionality will be evaluated based on the following:

### A. COMPANY / CONSORTIUM PROFILE

Evaluation Criteria	Score
1. Company / Consortium experience in the Human Settlements environment: SCORING KEY: (1 to 5 years = 1; 6 to 9 years = 2; 10 years and more = 5)	5
2. Number of referrals / letters: SCORING KEY: (1 referral / letter = 1; 2 referrals / letters = 2; 3 or more referrals / letters = 5)	5
3. Company / Consortium experience in four Key performance areas of the Terms of reference	
<b>3.1 Human Settlements Planning</b> SCORING KEY: (1 to 3 years = 3; 4 to 5 years = 6; 6 and more years = 13)	13
<b>3.2 Project pipelining, development and packaging</b> SCORING KEY: (1 to 3 years = 3; 4 to 5 years = 6; 6 and more years = 13)	13
<b>3.3 Detailed engineering and Top structure planning and designs</b> SCORING KEY: (1 to 3 years = 3; 4 to 5 years = 6; 6 and more years = 12)	12
<b>3.4 Project Implementation and reporting</b> SCORING KEY: (1 to 3 years = 3; 4 to 5 years = 6; 6 and more years = 13)	13

**SUB-TOTAL****61****B: LEAD CONSULTANT PER PROFESSION**

Lead Consultant per Profession	Qualification of Lead consultant (3points)	Experience of Lead consultant (3 points)	Total (6 points)
Town planning			
Urban design			
Property development and management			
Property Valuer			
Environmental planning			
Heritage planning			
Geographical Information Systems (GIS)			
Legal- conveyancing			
Engineer			
Architect			
Quantity surveyor			
Land surveyor			
Project Manager			
<b>SUB TOTALS</b>	<b>39</b>	<b>39</b>	<b>78</b>
<b>ACTUAL SCORES (Sub-Total/2)</b>			<b>39</b>
<b>GRAND TOTAL</b>			<b>100</b>

**NB: A lead consultant must be registered with a relevant professional body recognized in SOUTH Africa.**

### 12.3. SCORING KEY: QUALIFICATION:

- Qualifications (Diploma to 3-year Bachelor's Degree = 2; 4-year Bachelor's degree, Honours Degree, Master's Degree and PhD = 3);
- Experience in years (1 to 5 years = 1; 6 to 9 years = 2; 10 years and more = 3)

**NB: A service provider who submitted a proposal that scores less than 75% out of 100% will be considered having submitted a non-responsive proposal and will be disqualified, and those that scores 75% and above out of 100% will be appointed to the panel. (It should be noted that the costing of services is not required for evaluation purposes).**

### 13. SPECIFICATION ENQUIRIES

13.1. Interested service providers should provide written questions for clarification by no later than ..... at 10h00 to ..... e-mail:

13.2. The Department will draft a generic response to all questions and distribute them via e-mail by .....

### 14. DECLARATION OF CONFIDENTIALITY

14.1. The service provider/s shall regard all information in, or in support of the project, as confidential and may not use any information for personal or 3rd party gain. All communication with the media regarding this project (if any) will be conducted through the communication component of the NDoHS.

### ANNEXURE A: LIST OF ABBREVIATIONS (place in front of ToRs)

BESP	Built Environment Support Programme
CAD	Computer Aided Drafting
CD	Chief Director
CFO	Chief Financial Officer
DBSA	Development Bank of Southern Africa
NDoHS	Department of Human Settlements
DORA	Division of Revenue Act
EIA	Environmental Impact Assessment
EPWP	Expanded Public Works Programme
FUR	Final Unit Report
GFSH 2	Green Fields Subsidy Housing (Geotechnical Standard Specification)
GIS	Geographic Information System
HDI	Historically Disadvantaged Individual
HSP	Human Settlements Plan
HSS	Housing Subsidy System
IDP	Integrated Development Plan
ISHSDG	Integrated Sustainable Human Settlements Development Grant
MEC	Member of the Executive Committee
MIG	Municipal Infrastructure Grant
MIS	Management Information System
NER	National Energy Regulator
NHBRC	National Home Builders Registration Council
PMU	Project Management Unit
PRT	Professional Resource Team
RFQ	Request for Quotation
RM	Regional Manager
RTM	Regional Technical Manager
SLA	Service Level Agreement
TOR	Terms of Reference
VAT	Value Added Tax

**ANNEXURE B: REQUIRED INFORMATION TO BE SUBMITTED BY LEAD CONSULTANT IN**

**REQUIRED INFORMATION TO BE SUBMITTED BY LEAD CONSULTANT IN THE FOLLOW  
Manager, Town Planner, Civil Engineer, Urban Designer, Quantity Surveyor, Land Survey  
GIS Consultant, Land Conveyancing (each discipline to submit a separate form)**

**Name of Lead Consultant:**

.....

(All information is of the lead consultant in their personal capacity and not of the company – it w  
consultant is actively part of the PRT)

**Profession:**

.....  
.....

<b>Experience in Municipal / Provincial, National Department support and Human Settlements provision</b>	
Total number of years' experience in providing Municipal / Provincial and National Department support	
Total number of years' experience in Human Settlements provision	
Names of not more than three such projects (Institutional support and/or Human Settlements provision)	1) 2) 3)

---

**TOR TO APPOINT A PANEL OF PRTs IN HS**

Years appointed and years completed for each of these projects	1) 2) 3)
Scope of each project	1) 2) 3)
Name and contact details of reference persons at Municipality / Provincial /National Department for each of these projects	1) 2) 3)
<b>General professional experience</b>	
Number of years working in this discipline	
Name and contact details of two reference persons / clients	1) 2)
<b>Qualification / Registration</b>	
Highest qualification (include certified copy of certificate) in this and related fields	
Professional Registration (include certified copy of membership certificate)	

---

TOR TO APPOINT A PANEL OF PRTs IN HS

**THE DEPARTMENT OF HUMAN SETTLEMENTS**

**BID NUMBER: BID VA49/729**

**DESCRIPTION: PROFESSIONAL SERVICE**

**CLOSING DATE and TIME: 23/09/2021 @ 11:00**

**CHECKLIST TO BE COMPLETED BY BIDDERS**

<b>TABLE OF CONTENTS:</b>	<b>Yes</b>	<b>No</b>
➤ Invitation Letter/ Cover Letter		
➤ (TOR) Terms of Reference		
➤ SBD1 Invitation To Bid		
➤ SBD2 Valid Original Tax Clearance Certificate		
➤ SBD3.3 Pricing Schedule		
➤ SBD4 Declaration of Interest		
➤ SBD6.1 Preference Point: Purchases		
➤ SBD8 Declaration of Bidders Past Supply Chain Management Practices		
➤ SBD9 Certificate of Independent Bid Determination		
➤ General Conditions of Contract		
<b>SUPPORTING DOCUMENTS:</b>		
➤ Company Profile		
➤ ID Copies of Directors		
➤ Certificate issued by Registrar of Companies & Close Corporation, issued by CIPRO.		
➤ Certified/Original Valid B-BBEE Status Level Verification Certificate – 07 December 2011		
➤ Original/Certified Valid Tax Clearance Certificate		
➤ CSD Status Report		
<b>COMPULSORY TO SUBMIT</b>		
<b>*** 1 ORIGINAL and 1 COPY OF THE WHOLE BID DOCUMENT***</b>		

**COMPANY NAME:** \_\_\_\_\_

**SIGNATURE** \_\_\_\_\_

**DESIGNATION:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

Bid invitation check list: Compiled: M. KWINANA

**PART A  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	VA49/729	CLOSING DATE:	23/09/2021	CLOSING TIME:	11:00
DESCRIPTION	PROFESSIONAL SERVICE				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
<b>THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS,</b>					
<b>DR RUTH MOMPATI BUILDING</b>					
<b>260 JUSTICE MAHOMED STREET,</b>					
<b>SUNNYSIDE, PRETORIA</b>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	MR. M. KWINANA		CONTACT PERSON	Mr Thomas Ramovha	
TELEPHONE NUMBER	012 444 9245		TELEPHONE NUMBER		
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	<a href="mailto:Mluleki.kwinana@dhs.gov.za">Mluleki.kwinana@dhs.gov.za</a>		E-MAIL ADDRESS	<a href="mailto:thomas.ramovha@dhs.gov.za">thomas.ramovha@dhs.gov.za</a>	
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]	
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
<b>IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.</b>					

**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: .....

**PRICING SCHEDULE**  
(Professional Services)

NAME OF BIDDER: .....	BID NO.: VA49/729
CLOSING TIME 11:00	CLOSING DATE: 23/09//2021

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

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

**BID VA49/729: TERMS OF REFERENCE FOR THE APPOINTMENT OF PROFESSIONAL RESOURCE TEAMS ON A DEPARTMENTAL PANEL FOR PROVINCIAL AND MUNICIPAL HUMAN SETTLEMENTS PLANNING AND PROJECT IMPLEMENTATION SUPPORT FOR A PERIOD OF 36 MONTHS**

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.....	.....

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

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

- 5.1 Travel expenses (specify, for example rate/km and total km, class of air travel, 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.....

Name of Bidder: .....

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 –

THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS, 260 JUSTICE MAHOMED STREET, DR RUTH MOMPATI HOUSE, SUNNYSIDE, PRETORIA, 0002

MR T MOKEMANE, MR M KWINANA, MR M CAMAGU OR MS K MALEKA

Tel: 9289, 9245, 9240 OR 9243

Or for technical information –

Contact Person: Mr Thomas Ramovha

E-mail address: [thomas.ramovha@dhs.gov.za](mailto:thomas.ramovha@dhs.gov.za)

## DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state<sup>1</sup>, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-

- the bidder is employed by the state; and/or
- the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1 Full Name of bidder or his or her representative: .....

2.2 Identity Number: .....

2.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>): .....

2.4 Company Registration Number: .....

2.5 Tax Reference Number: .....

2.6 VAT Registration Number: .....

2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

<sup>1</sup>"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

<sup>2</sup>"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member: .....  
Name of state institution at which you or the person connected to the bidder is employed : .....  
Position occupied in the state institution: .....

Any other particulars:  
.....  
.....  
.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attached proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

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

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:

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

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**



**4 DECLARATION**

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT. I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of bidder

May 2011

**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 **not to exceed** R50 000 000 (all applicable taxes included) and therefore the .....80/20..... preference point system shall be applicable; or

b) The 80/20 preference point system will be applicable to 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:

	<b>POINTS</b>
<b>PRICE</b>	80
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	20
<b>Total points for Price and B-BBEE must not exceed</b>	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:

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

Where

- $P_s$  = Points scored for price of bid under consideration
- $P_t$  = Price of bid under consideration
- $P_{\min}$  = 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	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

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	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

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 least 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		
<b>OR</b>		
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.

<p><b>WITNESSES</b></p> <p>1. ....</p> <p>2. ....</p>
---

<p>..... <b>SIGNATURE(S) OF BIDDERS(S)</b></p> <p>DATE: .....</p> <p>ADDRESS .....</p> <p>.....</p> <p>.....</p>
--

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. committed fraud or any other improper conduct in relation to such system; or
  - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?  <b>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</b></p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website(<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?  <b>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	<p>Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		

4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

SBD 8

**CERTIFICATION**

**I, THE UNDERSIGNED (FULL NAME).....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION  
FORM IS TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT,  
ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION  
PROVE TO BE FALSE.**

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_

(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. 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 consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. 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.

<sup>3</sup> 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.

10. 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.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

Js914w 2

# THE NATIONAL TREASURY

Republic of South Africa



---

## GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**  
**July 2010**

**NOTES**

The purpose of this document is to:

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

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

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

## TABLE OF CLAUSES

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

## General Conditions of Contract

### 1. Definitions

1. The following terms shall be interpreted as indicated:
  - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual 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](http://www.treasury.gov.za)
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

**7. Performance security**

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

**8. Inspections, tests and analyses**

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

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

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

## **9. Packing**

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

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

## **10. Delivery and documents**

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

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

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

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

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

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

#### 14. Spare parts

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

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

#### 15. Warranty

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

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

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

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

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

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

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

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

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

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

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

- 23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
  - (ii) the date of commencement of the restriction
  - (iii) the period of restriction; and
  - (iv) the reasons for the restriction.

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

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

**24. Anti-dumping and countervailing duties and rights**

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

may be due to him

**25. Force Majeure**

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

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

**28. Limitation of liability**

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

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

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