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**BID NO: GTA/IATENDER/2024/01**

**TENDER FOR PROVISION OF INTERNAL AUDIT SERVICES FOR A PERIOD OF 3 (THREE) YEARS**

PROCUREMENT DOCUMENT

Issue Date: 2024/06/21

|            |                   |   |
|------------|-------------------|---|
| Issued by: | REGISTERED NAME:  | Gauteng Tourism Authority (GTA)                 |
|            | PHYSICAL ADDRESS: | 124 Main Street<br>Marshalltown<br>Johannesburg |
|            | POSTAL ADDRESS:   | PO Box 155<br>Newtown<br>2113                   |
|            | TELEPHONE NUMBER: | (011) 085 2500                                  |
|            | E-MAIL ADDRESS:   | info@gauteng.net                                |
|            | WEBSITE ADDRESS:  | www.gauteng.net                                 |

Closing date: 2024/07/12 – (12 July 2024)

Closing time: 11h00

VALIDITY PERIOD OF BIDS: 120 DAYS FROM THE DATE OF OPENING BIDS



Bidder (name): .....  
.....

CSD Supplier Number (MA Number) .....  
.....



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## 1. The Bid

### 1.1. Part T1: Bidding Procedures

#### 1.1.1. T1.1 Bid Notice and Invitation to Bid

You are hereby invited to bid for the requirements of an internal audit tender

**BID NUMBER: GTA/IATENDER/2024/01**

**CLOSING DATE: 2024/07/12**

**CLOSING TIME: 11H00**

#### 1.1.2. Description: provision of internal audit services for a period of 3 (three) years.

**NB: There will be a compulsory briefing session for this tender.**

Location: 124 Main Street, Marshalltown, Johannesburg

Venue: 10<sup>th</sup> floor TF 13, GTA Offices

Time: 11h00

Date: 2024/06/26

NB: Bidders are required to bring along their identification documents in order to access the premises.

#### 1.1.3. The successful bidder will be required to complete and sign a written Contract.

#### 1.1.4. Bid documents must be deposited in the bid box situated in the reception area at 124 Main Street, Marshalltown Johannesburg, 11<sup>th</sup> Floor. Bidders must sign the submission register at the reception when delivering their bids. The bid document must be placed in the correct bid box. Kindly note that the document delivery timelines are as follows: 09h00 -16h00. **NB the closing date is 2024/07/12**

#### 1.1.5. Bidders should ensure that bids are delivered timeously to the correct address, i.e., 124 Main Street, Marshalltown Johannesburg, 11<sup>th</sup> Floor. Late bids will not be accepted for consideration. The Authority will not be held responsible for the misplacement of bid by bidders/courier/drivers. Bidders must advise their mail service providers (couriers/drivers) of the instruction above to avoid misplacement of bid responses.

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

#### 1.1.7. Bids must be submitted on the original forms – (RE-TYPED BID DOCUMENT OR RE-FORMATED forms will not be accepted for consideration). In the event the form is filled in by hand, kindly ensure that the hand writing is legible.

#### 1.1.8. This bid is subject to the Government Procurement General Conditions of Contract (GCC) and the special conditions of contract.

#### 1.1.9. Bid Opening Procedure

Bids will be opened in public to ensure transparency. This means that there will be a public-bid-opening of the bids received on the 2024/07/12 This will take place immediately after the closing time (hour). The names of the bidders will be read out to those who will be present. The results will be published on the Gauteng Tourism authority's website - <https://www.gauteng.net/industry-home/open-tenders/> .

The opening of the bid documents will not include the opening of the financial offer envelope. Only financial offer envelopes of those who will reach the minimum threshold of 75 points on functionality evaluation stage will be opened. For this reason, functionality envelopes and financial offer envelopes must be clearly marked with the Bidder's name, Bidder's CSD/ MA Number and Bid's name (TENDER FOR PROVISION OF INTERNAL AUDIT SERVICES FOR A PERIOD OF 3 (THREE [YEARS]).

1.1.10. Rationale

GTA, referred hereinafter as the Authority is a juristic person and provincial public entity established in terms of section 3 of the Gauteng Tourism Act (10 of 2001), read with schedule 3C of the Public Finance Management Act (1 of 1999). GTA operates under the authority of its Accounting Authority (the Board of GTA) which in turn reports to GTA's Executive Authority (the Gauteng Provincial MEC: Economic Development, Agriculture and Environment) through the Gauteng Department of Economic Development (GDED), of which GTA is an implementation agency.

The Board is assisted by three technical Committees (ARC, Marketing Committee (MARCOM) and a Social, Ethics and Governance Committee (SEGC)). The Chief Executive Officer (CEO) and management operate under the delegated authority of the Board through a documented system of delegations. At management level, the key structures are the Executive Committee (CEO and Senior Management) and a Management Committee. Several other operational committees exist to further the work of GTA, some of which are standing, and others convened on an ad hoc basis (e.g. Workplace Forum, Job Grading Committee, Employment Equity Committee, Moderating Committee, etc.).

1.1.11. GTA therefore, invites bidders to bid for the provision of internal audit services for a period of 3 years.

1.1.12. Eligibility Criteria -:

All bidders must provide a fully completed and signed Bid Document(s); Proof of registration with relevant institution(s), that is (are) the Institute of Internal Auditors (individual memberships), and/or South African Institute of Chartered Accountants (SAICA); and/or Proof of registration with Information Systems Audit and Control Association (ISACA) for IT Audit.

Failure to submit all the required documents stated above on the closing date and time will mean programmed or predetermined disqualification, because such bid will be disqualified and will not be evaluated.

Bid documents are obtainable for free from the GTA Website (<https://www.gauteng.net/>) and the Gauteng government e-tender portal ( <https://e-tenders.gauteng.gov.za/> ) after 09:00 on 21 June 2024.

1.1.13. Submission address

The physical address for submission of bid documents is: 124 Main Street, Floor 11 (GTA's Reception), Marshalltown, Johannesburg, South Africa.



1.1.14. Submission Required Procedure and Closing Time

The closing time for receipt of bids is 11h00 on the 2024/07/12. Electronic submitted bids (bids submitted through telegraphic, telephonic, fax, e-mail) and late bids will not be accepted. GTA will not issue bid document through electronic platforms e.g., fax or email.

1.1.15. Compliance with protection of personal information ACT, 2013 (ACT NO. 4 OF 2013) ("POPIA")

The Constitution of South Africa guarantees citizens the right to privacy, including the right not to have the privacy of their communications infringed.

POPIA provides for the promotion of the protection of privacy through the application of its guiding principles for the processing of personal information in a context-sensitive manner.

1.1.16. Committed to One's Privacy

The Authority fully respects that personal and company information is valuable; privacy is important to GTA. The Authority commits to safeguarding and lawfully processing personal information.

1.1.17. Purpose for Processing Personal Information

GTA obtains, uses, and discloses personal information mainly to provide one with access to its services. GTA will only process one's personal information for a purpose one would reasonably expect. This includes the following reasons:  
Comply with any legislative requirements such as contract agreements, etc.

1.1.18. Confirm, verify, and update one's details.

Invoice or pay one's services to ensure payment and tax compliance.  
The Authority may collect one's personal information which may include individual's full names, company's name, and its registration number, which further include identity numbers, physical or postal address, email address, other contact information, banking details, etc.

1.1.19. Consent to Disclose and Share One's Personal Information

There may be a need for the Authority to share one's personal information with third parties in order to provide strategic advice, and/or services. In the event GTA shares one's personal information, the Authority will take all reasonable precautions to ensure that the third party will treat one's personal information with the same level of protection as required by GTA. The Authority declares and assure that one's information will not be shared for any marketing or promotional purposes without one's consent.

Request and Access to One's Personal Information

Should one require further information on this bid request or have relevant concerns on how their personal information is processed or used, individuals can contact GTA's Office at 011 085 2500 or Mr. S. Zozi at 011 085 2497; [audittender@gauteng.net](mailto:audittender@gauteng.net)



The Authority welcomes individuals who wants to request access to the personal information that GTA has on them at any time. For those who are convinced that GTA has outdated information, they may request for the updating of those relevant information. Individuals can also withdraw and request the removal of their personal information at any given time. If there are any lawful reasons identified requiring GTA to retain any information, GTA will in the position to advise.

NB: One's personal information is securely hosted on platforms that GTA manages. This include both physical and electronic platforms.

The Authority will continue to manage relevant legislative framework through its Acts, policies, strategies, processes and procedures to ensure that GTA takes every means to ensure data protection with reference to the POPIA and relevant legislative framework.

a) T1.2 Bidder's Information (Sbd1)

The following particulars must be furnished  
(Failure to provide / or comply with any of the particulars below may result in your bid being disqualified)

**PART A**  
**INVITATION TO BID**

| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY) |  |               |              |               |       |
|---|--|---------------|--------------|---------------|-------|
| BID NUMBER:   | GTA/IA-TENDER/2024/01  | CLOSING DATE: | 12 July 2024 | CLOSING TIME: | 11:00 |
| DESCRIPTION   | PROVISION OF INTERNAL AUDIT SERVICES FOR A PERIOD OF THREE (3) YEARS |               |              |               |       |
| BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)       |  |               |              |               |       |
| 124 MAIN STREET   |  |               |              |               |       |
| MARSHALLTOWN  |  |               |              |               |       |
| JOHANNESBURG  |  |               |              |               |       |



| GAUTENG TOURISM OFFICES  |  |  |   |  |  |
|--|--|--|---|--|--|
| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO   |  |  | TECHNICAL ENQUIRIES MAY BE DIRECTED TO:                           |  |  |
| CONTACT PERSON   | MR. SAMKELO ZOZI   |  | CONTACT PERSON  | MS. TINYIKO NKUNA  |  |
| TELEPHONE NUMBER   | 011 085 2497   |  | TELEPHONE NUMBER  | 011 085 2500   |  |
| FACSIMILE NUMBER   |  |  | FACSIMILE NUMBER  |  |  |
| E-MAIL ADDRESS   | <a href="mailto:samkelo@gauteng.net">samkelo@gauteng.net</a>                       |  | E-MAIL ADDRESS  | <a href="mailto:audittender@gauteng.net">audittender@gauteng.net</a> |  |
| SUPPLIER INFORMATION   |  |  |   |  |  |
| NAME OF BIDDER   |  |  |   |  |  |
| POSTAL ADDRESS   |  |  |   |  |  |
| STREET ADDRESS   |  |  |   |  |  |
| TELEPHONE NUMBER   | CODE   |  | NUMBER  |  |  |
| CELLPHONE NUMBER   |  |  |   |  |  |
| FACSIMILE NUMBER   | CODE   |  | NUMBER  |  |  |
| E-MAIL ADDRESS   |  |  |   |  |  |
| VAT REGISTRATION NUMBER  |  |  |   |  |  |
| SUPPLIER COMPLIANCE STATUS   | TAX COMPLIANCE SYSTEM PIN:   |  | OR  | CENTRAL SUPPLIER DATABASE No:  | MAAA   |
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?   | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES ENCLOSE PROOF] |  | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED? |  | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[IF YES, ANSWER THE QUESTIONNAIRE BELOW] |
| QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS   |  |  |   |  |  |
| IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?  |  |  |   |  | <input type="checkbox"/> YES   |
| <input type="checkbox"/> NO  |  |  |   |  |  |
| DOES THE ENTITY HAVE A BRANCH IN THE RSA?  |  |  |   |  | <input type="checkbox"/> YES   |
| <input type="checkbox"/> NO  |  |  |   |  |  |
| DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?   |  |  |   |  | <input type="checkbox"/> YES   |
| <input type="checkbox"/> NO  |  |  |   |  |  |
| DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?  |  |  |   |  | <input type="checkbox"/> YES   |
| <input type="checkbox"/> NO  |  |  |   |  |  |
| IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?  |  |  |   |  | <input type="checkbox"/> YES   |
| <input type="checkbox"/> NO  |  |  |   |  |  |
| <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)</b> |  |  |   |  |  |





**AND IF NOT REGISTER AS PER 2.3 BELOW.**

## **PART B TERMS AND CONDITIONS FOR BIDDING**

### **1. BID SUBMISSION:**

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

### **2. TAX COMPLIANCE REQUIREMENTS**

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE [WWW.SARS.GOV.ZA](http://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: .....

**a) Names of Directors of the company**

| Name | Designation |
|------|-------------|
|      |             |
|      |             |
|      |             |
|      |             |

**b) In case of a consortium/joint venture, full details on the consortium/joint venture members:**

| Entity Name | VAT Registration Number | Tax Compliance Status submitted (Yes/No) |
|-------------|-------------------------|--|
|             |                         |  |
|             |                         |  |
|             |                         |  |
|             |                         |  |

c) Name of contracting entity in case of a consortium/joint venture

|                |  |
|----------------|--|
| Entity Name    |  |
| Postal address |  |
| Street address |  |

d) Contact details of responsible person who will act on behalf of the entity/consortium/joint venture for this bid

|                  |  |
|------------------|--|
| Name and Surname |  |
| Telephone number |  |
| Cellular number  |  |
| Fax number       |  |
| Email address    |  |

e) Contact details of alternative person who will act on behalf of the person above should he/she not be available.

|                  |  |
|------------------|--|
| Name and Surname |  |
| Telephone number |  |
| Cellular number  |  |



|               |  |
|---------------|--|
| Fax number    |  |
| Email address |  |

Declaration:

The information supplied in this document is correct and complete to the best of my knowledge and accurately reflect the capability of:

|                                      |  |
|--------------------------------------|--|
| Company Name                         |  |
| Signature                            |  |
| Date                                 |  |
| Name                                 |  |
| This bid is signed in my capacity as |  |

**b) T1.3 CERTIFICATE OF AUTHORITY OF SIGNATORY**

- i Indicate the status of the Bidder by ticking the appropriate box hereunder. The Bidder must complete the certificate set out below for the relevant category.

| Certificate Type |                        |                  |                    |                      |
|------------------|------------------------|------------------|--------------------|----------------------|
| A<br>Company     | B<br>Close Corporation | C<br>Partnership | D<br>Joint Venture | E<br>Sole Proprietor |
|                  |                        |                  |                    |                      |



## A. Company

I, ....., chairperson of the board of directors of....., hereby confirm that by resolution of the board (copy attached) taken on ..... 20..., Mr/Mrs/Ms ..... acting in the capacity of ..... , was authorised to sign all documents in connection with this bid for and any contract resulting from it on behalf of the company.

As witnesses :

Chairman :

Date :

## B. Close Corporation

We, the undersigned, being the key members in the business trading as ..... hereby authorise Mr/Mrs ..... acting in the capacity of ..... , to sign all documents in connection with this bid and any contract resulting from it on our behalf.

| NAME | ADDRESS | SIGNATURE | DATE |
|------|---------|-----------|------|
|      |         |           |      |
|      |         |           |      |
|      |         |           |      |
|      |         |           |      |
|      |         |           |      |

Nota bene: This certificate is to be completed and signed by all of the members upon whom rests the direction of the affairs of the Close Corporation.



## c. Certificate for Partnership

We, the undersigned, being the key partners in the business trading as ..... hereby authorise Mr/Mrs/Ms ..... acting in the capacity of ..... to sign all documents in connection with this bid and any contract resulting from it on our behalf.

| NAME | ADDRESS | SIGNATURE | DATE |
|------|---------|-----------|------|
|      |         |           |      |
|      |         |           |      |
|      |         |           |      |

Nota bene: This certificate is to be completed and signed by all of the key partners upon whom rests the direction of the affairs of the Partnership as a whole

## D. Joint Venture

- c) We, the undersigned, are submitting this bid offer in Joint Venture and hereby authorise Mr/Mrs ..... authorised signatory of the company, close corporation or partnership, ..... acting in the capacity of lead partner, to sign all documents in connection with this bid and any contract resulting from it on our behalf.

Nota bene: This authorisation is authenticated or evidenced in the attached power of Professional signed by legally authorised signatories of all the partners to the Joint Venture.

| NAME OF FIRM | ADDRESS | AUTHORISING SIGNATURE, NAME & CAPACITY |
|--------------|---------|--|
|              |         |  |
|              |         |  |
|              |         |  |

Nota bene: A copy of the Joint Venture Agreement showing clearly the percentage contribution of each partner to the Joint Venture shall be appended to this schedule.



E. Sole Proprietor

I, ..... hereby confirm that I am the sole owner of the business trading ..... as .....

As witnesses :

1. Signature : Sole owner :

.....

2. Date :

.....

.....

.....

**2. T.2 Returnable Documents**

2.1. T2.1 List of returnable documents

2.1.1. Returnable Schedules required for bid evaluation purposes. The bidder must, a) complete the following returnable schedules as relevant:

- i Information of the Bidder (SBD1)
- ii Signatory Certificate of Authority
- iii Statement of Compliance to Scope of Work
- iv Standard Bidding Document (SBD) 4
- v Standard Bidding Document (SBD) 6
- vi Special Conditions of Contract (SCC)
- vii General Conditions of Contract (GCC).

b) submit the following returnable documents:

- a) CSD Registration Summary with a tax compliance status on the closing date (excluding international suppliers with no branches in South Africa);

- b) Proof of registration with the Institute of Internal Auditors (IIA) (Individual memberships), and/or South African Institute of Chartered Accountants (SAICA); and
    - c) Proof of registration with ISACA for IT Audit.
  - c) Returnable Schedules that will be used for bid evaluation purposes and be incorporated into the contract. The Bidder must complete the following returnable documents and submit in a separate sealed envelope (Bidder's name and bid number must be clearly stated on the envelope):
    - a) Offer portion of Form of Offer and Acceptance
    - b) Pricing Schedule

### **3. Part T3: Standard Bidding Documents (SBD Forms)**

#### **3.1. T3.1 Declaration of Interest (Sbd 4)**

#### **BIDDER'S DISCLOSURE**

#### **3.2. Purpose of the Form**

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

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

#### **3.3. Bidder's declaration**

- 3.3.1. Is the bidder, or any of its directors / trustees / shareholders / members / partners





or any person having a controlling interest<sup>1</sup> in the enterprise,  
employed by the state?

**YES/NO**

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

| Full Name | Identity Number | Name of State institution |
|-----------|-----------------|---------------------------|
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |

- 3.3.3. Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

- 3.3.4. If so, furnish particulars:

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



.....  
.....

3.3.5. Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

**YES/NO**

2.3.1 If so, furnish particulars:

.....  
.....

## DECLARATION

I, the undersigned, (name)..... in submitting the accompanying bid, do hereby make the following statements that

I certify to be true and complete in every respect:

- I have read and I understand the contents of this disclosure;
- I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 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 will not be construed as collusive bidding.
- In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 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.
- There have been no consultations, communications, agreements or arrangements



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

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

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

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

.....  
Signature Date

.....  
Position Name of bidder

2.2. T3.2 PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 (SBD 6.1)

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

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

## GENERAL CONDITIONS

- 2.2.2. The following preference point systems are applicable to invitations to tender:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
  - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

2.2.3. **To be completed by the organ of state**

*(delete whichever is not applicable for this tender).*

- The applicable preference point system for this tender is the 80/20 preference point system.

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

- Price; and
- Specific Goals.

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

The maximum points for this tender are allocated as follows:

|  | POINTS     |
|--|------------|
| PRICE  | 80         |
| SPECIFIC GOALS                                   | 20         |
| <b>Total points for Price and SPECIFIC GOALS</b> | <b>100</b> |

- 1.2 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.3 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

## DEFINITIONS

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

## FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

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

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

**80/20                      or                      90/10**

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

Where

$P_s$  = Points scored for price of tender under consideration

$P_t$  = Price of tender under consideration

$P_{min}$  = Price of lowest acceptable tender

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

### 3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

- Ps = Points scored for price of tender under consideration  
 Pt = Price of tender under consideration  
 Pmax = Price of highest acceptable tender

## 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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



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

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

| The specific goals allocated points in terms of this tender | Number of points allocated (90/10 system)<br>(To be completed by the organ of state) | Number of points allocated (80/20 system)<br>(To be completed by the organ of state) | Number of points claimed (90/10 system)<br>(To be completed by the tenderer) | Number of points claimed (80/20 system)<br>(To be completed by the tenderer) |
|---|--|--|--|--|
| Enterprises with black ownership                            |  | 9  |  |  |
| Enterprises with women ownership                            |  | 4  |  |  |
| Enterprises with youth ownership                            |  | 4  |  |  |
| SMME enterprise   |  | 3  |  |  |

## DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company



- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

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

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

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

**SURNAME AND NAME:** .....

**DATE:** .....

**ADDRESS:** .....  
.....  
.....



### 3. The Contract

#### 3.1. Part C1: Pricing Data

##### 3.1.1. C1.1 Pricing Schedule

NB: Pricing schedule must be enclosed in a separate envelope from the bid document - the envelope must be clearly marked: company name, bid name and number.

#### a) Pricing Instructions

The Bidder must price all items.

- a) Rates are to include all costs with no unspecified cost to allow for a fair evaluation.
- b) Payment will be made based on the deliverables (proven progress) for the services rendered.
- c) Payment will only be made on the basis of invoices provided.
- d) Offer to be valid for 120 working days from the bid closing date.
- e) Schedule of Prices shall be completed and signed in black ink.  
Corrections must be done by deleting, rewriting, and initialling next to the amendment. No correction ink is permitted in the document.

- b) Service providers must indicate the hourly rate (inclusive of disbursements and VAT) that they will charge for all the internal audit activities over the period of the contract.
- c) Bidders are requested to complete their pricing schedule on the attached excel spreadsheet for year 1-3. In addition, bidders are requested to provide a fixed rate for any other additional audit services (note 3 on pricing schedule) which may be required over the 3 year term.



3.1.2. C1.2 FORM OF OFFER AND ACCEPTANCE (TO BE ENCLOSED SEPARATELY FROM THE BID DOCUMENT)

d) Offer

- i The employer, identified in the acceptance signature block, has solicited offers to enter into a contract for provision of internal audit services. The Bidder, identified in the offer signature block, has examined the documents listed in the bid data and addenda thereto as listed in the returnable schedules, and by submitting this offer has accepted the conditions of bid.
- ii By the representative of the Bidder, deemed to be duly authorised, signing this part of this form of offer and acceptance, the Bidder offers to perform all of the obligations and liabilities of the service provider under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the conditions of contract identified in the contract data.

THE OFFERED TOTAL OF THE PRICES INCLUSIVE OF VALUE ADDED TAX (VAT)

.....

.....

.....Rand (in words);

R ..... (in figures)

- iii This offer may be accepted by the employer by signing the acceptance part of this form of offer and acceptance and returning one copy of this document to the Bidder before the end of the period of validity stated in the bid data, whereupon the Bidder becomes the party named as the service provider in the conditions of contract identified in the contract data.

For the Name of Bidder



Bidder (organisation) .....

Signature .....

Name .....

Capacity .....

of

Address organisation .....

.....

Witness Name and

signature of witness .....

Date .....

**e) Acceptance**

- i By signing this part of this form of offer and acceptance, the employer identified below accepts the Bidder's offer. In consideration thereof, the employer shall pay the service provider the amount due in accordance with the conditions of contract identified in the contract data. Acceptance of the Bidder's offer shall form an agreement between the employer and the Bidder upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.
- ii The terms of the contract, are contained in:
  - Agreements and contract data, (which includes this agreement)
  - Pricing data
  - Scope of work and drawings and documents or parts thereof, which may be incorporated.
- iii The relevant GTA official (whose details are given in the contract data) shall contact the Bidder to arrange the delivery of any bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the conditions of contract identified in the contract data, such requirements to be delivered within 21 (twenty-one) days of the GTA Official's request for same. Failure to fulfil any of these



obligations in accordance with those terms shall constitute a repudiation of this agreement.

- iv Notwithstanding anything contained herein, this agreement comes into effect on the date when the Bidder receives one fully completed original copy of this document, including the schedule of deviations (if any). Unless the Bidder(now contractor) within five working days of the date of such receipt notifies the employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the parties.

For the Name of employer

Employer (organi      Gauteng Tourism Authority (GTA)

Signature .....

Name .....

Capacity .....

of

Address organisation 124 Main Street, Marshalltown,  
Johannesburg

Witness Name .....  
and

signature of witness .....

Date .....



## TERMS OF REFERENCE

|                     |   |
|---------------------|---|
| Bid Number          | GTA/IATENDER/2024/01  |
| Date Issued         | 2024/06/21  |
| Project Name        | Provision of internal audit service for a period of 3 years |
| Compulsory Briefing | There will be a compulsory briefing                         |
| Closing Date        | 2024/07/12  |
| Closing Time        | 11:00   |

The employer's details and address for delivery of bid offers and identification details that are to be shown on each bid.

Gauteng Tourism Authority

124 Main Street (11<sup>th</sup> Floor of the 124 Main Building)

Marshalltown,

Johannesburg,

South Africa

Location of bid box: Gauteng Tourism Authority, 124 Main Street (11<sup>th</sup> Floor of the 124 Main Building)

Queries should be directed to: [audittender@gauteng.net](mailto:audittender@gauteng.net)

NB: Please enclose the bid documents and supporting documents in a sealed envelope clearly marked the bid number and the project name. Further note that a 2-envelope method is a requirement,

(1) bid documents,

(2) financial offer (Pricing Schedule and Form of offer and Acceptance).

(3) USB inclusive of the bidder's original scanned bid document, exclusive of the financial offer

The envelopes must be clearly marked with the bid name and number. It is also a requirement that bidders submit one original, 1 hard copy of the bid document and 1 USB of the bid document. Nonetheless, only one original copy of the financial offer is required.

### 3.2. PART C2: SCOPE OF WORK

GTA is a juristic person and provincial public entity established in terms of section 3 of the Gauteng Tourism Act (10 of 2001), read with schedule 3C of the Public Finance Management Act (1 of 1999). GTA operates under the authority of its Accounting Authority (the Board of GTA) which in turn reports to GTA's Executive Authority (the Gauteng Provincial MEC: Economic Development, Agriculture and Environment) through the Gauteng Department of Economic Development (GDED), of which GTA is an implementation agency.

The Board is assisted by three technical Committees (ARC, Marketing Committee (MARCOM) and a Social, Ethics and Governance Committee (SEGC)). The Chief Executive Officer (CEO) and management operate under the delegated authority of the Board through a documented system of delegations. At management level, the key structures are the Executive Committee (CEO and Senior Management) and a Management Committee. Several other operational committees exist to further the work of GTA, some of which are standing, and others convened on an ad hoc basis (e.g. Workplace Forum, Job Grading Committee, Employment Equity Committee, Moderating Committee, etc.).

#### 3.2.1. Organisational Strategy and Plans

Upon approval by the Board / Accounting Authority, the Executive Authority finally approves GTA's overall Five-Year Strategic Plan (business strategy) and provides clarity on GTA's role, priorities and objectives as set out in GTA's Annual Performance Plan (FY2020-2021).

GTA's Five-Year Strategic Plan (FY2020-2025) outlines GTA's activities which will contribute to growing Gauteng's economy through tourism by supporting local tourism products and tourism infrastructure development.

The strategy and related objectives were developed with reference to government strategies and programmes such as the National Development Plan 2030, the Gauteng City Region Economic Development Plan, the Gauteng Tourism Sector Strategy, the priorities set out in the Gauteng Medium Term Strategic Framework (FY2019-2024), (e.g. economic transformation and job creation; transformation, modernisation and re-industrialisation, and township economic revitalisation) and budgeted for in terms of the three-year Medium Term Revenue and Expenditure Framework.

GTA's Annual Performance Plan (APP) is the annual iteration of the Five-Year Strategy. It sets out the strategic vision, mission and programmatic objectives to be achieved by GTA in the ensuing financial year. In developing the APP, effect is given to GTA's core operational strategies; i.e., the GTA Bidding and Hosting Strategy, the GTA Destination Marketing Strategy and the GTA Visitor Information Services Strategy. The APP takes account of the key risks and documents each of the outcomes, outputs, performance indicators and targets to be achieved by GTA. The APP is at management level supported by a costed Operational Plan.

### 3.2.2. Operational and Financial Structure

GTA's organisational structure comprise 70 funded positions. Not all positions are filled. In addition, GTA project-manages the deployment of approximately 170 workers as part of the National Department of Tourism's "Tourism Monitors" expanded public works project. The payroll system is Pastel's VIP Payroll. An organisational restructuring is underway in terms of which additional posts will be created and possibly funded (certain functions will transfer to GTA from other Gauteng Provincial Government entities).

GTA's budget is approximately R155 million per year. GTA's sources of income are the grants and/or subsidies received from GDED and project funding from relevant departments, e.g. EPWP funding form from the National Department of Tourism. The accounting system is Pastel. Because of the planned rationalisation of tourism

functions across the Gauteng Provincial Government, certain revenue generating activities will be transferred to GTA. At present, GTA processes approximately 75 payment transactions per month.

For access to GTA's profile, refer to GTA's website at [www.gauteng.net](http://www.gauteng.net). Additional information, e.g., Annual Report and strategic documents can be requested directly from GTA at [internalaudittender2@gauteng.net](mailto:internalaudittender2@gauteng.net)

Objectives, Scope of Work and Service Standards

### 3.2.3. Assignment Objectives

The primary objectives of the appointment are to obtain assurance that GTA meets its statutory obligations (in terms of the PFMA and Treasury Regulations and other regulatory prescripts); conforms to best practice requirements as set out in the King IV Code on Good Corporate Governance; adheres to the directives of its governance structures (e.g. Board and ARC); implements an effective combined assurance model; complies with its own internal control mechanisms and, continually improves its internal control environment and that it is adequate and reliable.

The internal audit function must assist GTA to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes. It must provide an independent, objective assurance and consulting activity designed to add value and improve GTA's operations. The types of internal audits to be conducted will be as follows:

- a) Business Advisory Services
- b) Information and communication technology (ICT),
- c) Performance on predetermined objectives
- d) Supply Chain Management
- e) Annual Financial Statements
- f) Internal Financial Controls
- g) Human Resource
- h) Risk
- i) Compliance
- j) Operational audits
- k) Governance and Ethics



l) Business continuity management audits.

### 3.2.4. Scope of Work: Substantive Auditing and Advisory Assignments

a) Business Advisory Services

- Evaluating the adequacy and effectiveness of GTA's system of internal controls including compliance with laws and regulations, and the mechanisms adopted to ensure the same and, providing guidance to management and the ARC on continuous improvements.

b) Information and communication technology (ICT)

- ICT General Control Review of logical, physical and server rooms, environment controls, programme change management, security management, user account management, ICT service continuity; and key ICT service level agreements and contracts.
- ICT Applications Control review of the Pastel (accounting) and VIP (payroll) systems.
- ICT Vulnerability Assessment and penetration testing of ICT perimeter security, vulnerability testing of servers, network devices and workstations and, a review of the ICT security policy and procedures.

c) Performance on predetermined objectives

- The quarterly auditing of GTA's non-financial performance information against applicable criteria developed by National and Gauteng Provincial Treasury (SMART, etc.)

d) Supply Chain Management

e) Annual Financial Statements

- The reliability and integrity of financial information in terms of prevention and detection of compliance with accounting policy, accounting errors, control weaknesses and fraud.

f) Internal Financial Controls

- The means for the safeguarding and disposal of GTA's assets and verifying the existence of such assets and disposal records

g) Human Resource

h) Risk

- Review the effectiveness of GTA's risk management system including its business continuity plan.

i) Compliance

j) Operational audits

k) Governance and Ethics

l) Business continuity management audits.

1.1. Audit approach:

- 3.2.5. Develop a risk-based, Three-Year Rolling Internal Audit Plan taking into consideration GTA's current operations, risk management strategy and assessments, as well as the strategies, operations, programmes and projects proposed and/or contained in GTA's Five-Year Strategic Plan and Annual Performance Plan as projected over the Three-Year MTREF.
- a) The minimum audit coverage is set out below in relation to the Annual Audit Plan (also refer audits detailed in the Pricing Schedule).
  - b) Work should be structured around a budget of 2,000 hours (for the duration of three years). Provision should be made for follow-up audits where necessary and budget permitting.
- 3.2.6. Prepare an Annual Audit Plan for each year of the Three-Year Rolling Internal Audit Plan indicating the detailed audit scope, audit procedures, cost and timelines of each internal audit to be undertaken. The Annual Audit Plans must as a minimum provide for the systematic review of the relevant audit areas and their Pricing Schedule for over the three-year period.
- 3.2.7. In addition to the Three-Year Rolling Internal Audit Plan and the Annual Audit Plans, the internal auditor shall from time to time be required to provide ad hoc advisory services and technical opinions on a range of business-related matters at the request of management, the Board and/or ARC. The ad hoc advisory services shall be scoped, prioritised, and resourced in agreement with the relevant governance structure.
- 3.2.8. In carrying out the scope of work (planned, advisory and/or ad hoc), the following shall apply:
- a) To ensure the independence and objectivity of the internal auditor, the planned scope of work is not limited to the minimum scope set out above. Should the internal auditor consider it necessary to audit any other aspect of

GTA's business, it should be clearly defined, added to the pricing schedule, and costed.

- b) The final Three-Year Rolling Internal Audit Plan and the Annual Audit Plan shall be subject to approval by the ARC and may be varied depending on budget availability and changes to the political priorities of the GDED, GTA's strategic and operational priorities, plans and outlook.
- c) Once approved, any significant variation from the Three-Year Rolling Internal Audit Plan and the Annual Audit Plan shall be communicated to or by the ARC on a quarterly basis and be subject to ARC approval.
- d) All audit assignments must be completed by the end of each financial year. All prior year findings should as far as reasonably and practicably possible, be resolved by the end of the ensuing financial year. If there is a possibility of an adverse external Audit Report / Opinion, the matter must be brought to the attention of the ARC as soon as possible.
- e) In terms of quality assurance, the internal auditor shall ensure that all work conforms to the Institute of Internal Auditor's (IIA's) International Standards for the Professional Practice of Internal Auditing (revised January 2017)) and that the internal auditor adheres to the IIA's Code of Ethics.
- f) The internal auditor shall ensure that each audit assignment consist of at least the following:
- g) A pre-audit survey and an audit planning memorandum. The document must set out the objectives, scope, budget, resource allocation, cost (at an hourly rate) and timing of the assignment and contain a summary risk assessment.
- h) System descriptions, sampling methodology and audit programmes (testing).
- i) Mechanisms for follow-up on matters previously reported and feedback to the ARC.
- j) Mechanisms to ensure that working papers are reviewed at the appropriate level.

- k) A record of work performed.
- l) Audit findings and recommendations.
- m) Reporting (a draft internal audit report and a final internal audit report) by the internal auditor at the relevant meetings.

1.1.2. The internal auditor must prepare and present:

- a) A Quarterly Internal Audit Report to the ARC on the performance against the Three-Year Rolling and Annual Audit Plans, which should include reports on internal audits conducted, highlighting any areas of concern and making recommendations for improvement. Management comments must always be obtained on areas of concern before the report is presented to the ARC.
- b) A monthly Internal Audit Progress Report to management on the performance against the Three-Year Rolling and Annual Audit Plans, highlighting any areas of concern and seeking management comments thereon before the Quarterly Internal Audit Report or any completed, routine internal audit is presented to the ARC.

1.1.3. Internal Audit should act independently of the external auditors (the Auditor General of South Africa), but interact with it on matters of mutual concern and in areas of their work that overlap to ensure efficiencies in the overall audit of GTA.

- a) To this end the internal auditor shall upon request make available all working papers, draft, and final reports.
- b) The external auditor shall in its discretion decide whether to place reliance on the work of the internal auditor and consequently whether to reduce the scope and/or coverage of their own work based on this assessment. This assessment by the external auditor shall be taken into consideration by GTA in its assessment of the effectiveness of the internal auditor / internal audit function.

3.2.9. Expected Outcomes And Deliverables

Expected outcomes and deliverables must include the following:

- a) Business Advisory Services
- b) Information and communication technology (ICT),
- c) Performance on predetermined objectives
- d) Supply Chain Management
- e) Annual Financial Statements
- f) Internal Financial Controls
- g) Human Resource
- h) Risk
- i) Compliance
- j) Operational audits
- k) Governance and Ethics
- l) Business continuity management audits.

### 3.2.10. Performing audit assignments

- Each assignment will consist of the following:
  - Entrance meeting
  - Minutes of entrance meeting
  - System description(s)
  - Risk assessment document
  - Audit programme
  - Sampling methodology
  - Record of work performed
  - Follow up on previous audit findings
  - Audit findings and recommendations
  - Reporting (draft internal audit report and final internal audit report).
  - Attending EXCO and Audit & Risk Committee meetings
- The structure of the report is to be as follows:
  - Introduction
  - Audit objective and scope
  - Executive summary highlighting findings
  - Status of audit findings
  - Findings, root cause, impact, risk rating, recommendation and management responses (including implementation dates)

- Conclusion.

- a) The bidder(s) must formally make available all working papers, data, documents, reports and evidence collected or prepared during the planning, execution and reporting audits.
- b) As a value-added service, the service provider must provide Internal Audit Awareness at least annually through presentations, brochures, etc.

#### 3.2.11. Quality Assurance Reviews of the Work

- i. The service provider shall ensure that all work performed conforms to the Standards for the Professional Practice of the Institute of Internal Auditors (IIA). Such work may further be subject to an external quality assurance as may be considered necessary.

#### 3.2.12. INDEPENDENCE AND OBJECTIVITY OF STAFF

- i. In carrying out the work, the auditor must ensure that their staff maintain their objectivity by remaining independent of the activities they audit.
- ii. The resources presented in the proposal must be utilised for this project. In case a resource needs to be replaced, GTA must be presented with a similarly qualified and experienced resource. The Authority reserves the right to accept such replacement. Failure to submit the proof of qualifications and the CV/profiles will result in your bid scoring poor on the criteria.

a) The consultant shall:

- Have no executive or managerial powers, functions, or duties except those relating to Internal Audit.
- Not be involved in the day-to-day operation of GTA.
- Not be responsible for the detailed development or implementation of new systems and procedures.
- Provide declaration of independence for each team member.

#### 3.2.13. Monitoring Progress of Assignments

- i. On completion of each assignment, the auditor shall distribute the reports to the Internal Audit Manager.
- ii. On quarterly basis submit a report/meet the Internal Audit Manager on progress against the plan, significant findings and administrative matters will be presented.
- iii. The hours allocated will be utilised as and when required in terms of the Audit Plan.

#### 3.2.14. Security Vetting and Clearance

- i. The service provider and staff allocated to the project must agree to be subjected to a Security vetting process, if required. Oaths of non-disclosure may also be required where client-based work that is to be audited requires such.

#### 3.2.15. EXPERTISE

- i. Except for members providing specialised services below, all team members should be registered with either or both of the Institute of Internal Auditors (IIA) or South African Institute of Chartered Accountants (SAICA) and attach proof. All members providing specialised services, must be registered with the relevant bodies they belong to and attach proof.
- ii. It is essential that the service provider have knowledge, experience and provide evidence of working with public entities.
- iii. Knowledge and practical understanding and implementation of the PFMA, PPPFA, Treasury Regulations, GRAP & King IV

#### 3.2.16. Confidentiality Note

- i. All content/material supplied or developed on behalf of GTA remains the property of the Authority and should be treated as confidential.

#### 3.2.17. Meetings

- i. The frequency of administrative and technical meetings will be stipulated in the contract with the successful service provider and will be determined by the specific requirements of the solution being provided.

#### 3.2.18. Accountability

- i. The service provider will be accountable to and will work under the direction of the relevant GTA staff member.

### 3.2.19. Institutional Arrangements

- i. Timeframe

- a) The appointment period is THREE (3) years only, to be effective after the bid award. Audits will be conducted on a quarterly basis.

### 3.2.20. Virtual/Remote Working

- i. The service provider is expected to conduct audit engagements, attend meetings virtually and remotely as when required. However, all field work must be undertaken on the respective site to which the audit refers,

### 3.2.21. Mandatory Award Criteria

It is compulsory to submit all listed SBD forms and they must be duly signed.

- a) Bidders must provide completed and signed SBD forms (SBD1; SBD4; SBD6.1) Non submission of duly signed SBD 6.1 will not result in disqualification but no points will be allocated for preference goals.
- b) Completed Pricing Proposal

Other Required Documents:

- a) Valid SARS Tax Compliance Status (TCS) Pin
- b) Proof of registration with the National Treasury Supplier Database (CSD)
- c) In case where a portion of work will be subcontracted, a tenderer must submit Service Level Agreement or Contract signed by all parties of their intention to subcontract and clearly indicate the percentage to be subcontracted by a tenderer.

**Note bene:** Bidders must submit their SARS TCS PIN number and CSD Supplier number with their bid in order that the bidder's Tax Compliance Status can be verified. Should a bidder not be Tax Compliant at the time of verification, the bidder will be notified in writing of their non-compliant tax status and be requested to remediate their tax status within seven (7) working days. Failure to provide written proof of tax status remediation, within seven (7) working days of notification, will result in the rejection of the bid submitted by the Bidder.



**Submission requirements:** The completed documents as well as detailed proposals, outlining the service to be provided, should include at least the following:

- Company Structure, Shareholders lists and levels of shareholding.
- Share certificates
- List of directors
- Company profile which includes years of experience
- Internal audit approach/methodology
- A proposed internal audit plan for a three-year period indicating possible auditable areas and costing of the plan (including all costs relating to the execution of the assignment)
- Quality control strategy
- Fee structure; as well as the average rate
- A list of deliverables
- CV's (including certified copies of qualifications) of key personnel to be utilised in the provision of the services indicating their roles.
- Relevant client experience with nature of assignment and a minimum of three contactable references.
- Latest valid quality review certification by external body.
- Proof of company registration with IRBA, or/ and SAICA or/ and IIA SA (for key personnel)

### 3.3. Part C3: Evaluation Criteria

3.3.1. GTA promotes best value or value for money in the award of contracts, as opposed to merely looking for the cheapest price, which does not necessarily provide the best value. Best value incorporates the expertise, experience and technical proposal of the organisation and individuals who will be providing the service and the organisational capacity supporting the project team.

3.3.2. GTA is committed to achieving the government's transformation objectives in terms of the Preferential Procurement Policy Framework Act.

3.3.3. THRESHOLD: Bids will be evaluated on **80/20** principle as prescribed in the Preferential Procurement Policy Framework Act Regulations of 2022.

3.3.4. The procedure for the evaluation of responsive tenders is functionality and preference method. The evaluation of the bids will be conducted in the following three stages:

- i Firstly, the assessment will be done to determine administrative compliance.
- ii Secondly, the assessment will be done in terms of the evaluation criteria and the minimum threshold of 75 points explained below. A bid will be disqualified if it fails to meet the minimum threshold for functionality as per the bid invitation.
- iii Thereafter, only the qualifying bids are evaluated in terms of the 80/20 preference points systems, where the 80 points will be used for price only and the 20 points will be awarded to a bidder for attaining specific goals in accordance with the Table below.

### 3.3.5. Specific Goals

***Note to service provider: The service provider must indicate how they claim points for each preference point system.)***

| Specific Goal(s) - | Evidence required to earn points | Total points allocation | Points claim by the service provider. |
|--------------------|----------------------------------|-------------------------|---------------------------------------|
|--------------------|----------------------------------|-------------------------|---------------------------------------|

| Historically Disadvantaged Individuals (HDIs)  |   |           | (To be completed by the service provider) |
|--|---|-----------|---|
| 1 Enterprises with ownership by person(s) who are black persons                      | Shareholding Certificates and Directors ID copies | 9         |   |
| 2 Enterprises with ownership by person(s) who are women                              | Shareholding Certificates and Directors ID copies | 4         |   |
| 3 Enterprises with ownership by person(s) who are youth                              | Shareholding Certificates and Directors ID copies | 4         |   |
| 4 Enterprises that are SMME (qualifying small enterprise/ exempted micro enterprise) | CSD Report/ valid BBEE report                     | 3         |   |
| <b>Total</b>   |   | <b>20</b> |   |

### 3.3.6. Functionality/Quality:

#### i Quality:

- Scores will be tabulated to 100 points. Respondents must score 75 points and over to be assessed on their financial offer and preference score.
- The allocation of points for the evaluation of quality is set out in the table1 below:

#### Evaluation criteria 1

| Ref | Evaluation Criteria  | Points |
|-----|--|--------|
|     | <b>Experience of the bidder (firm) in internal audit services.</b> <ul style="list-style-type: none"> <li>• 3 - 5 years' experience (2)</li> <li>• 6 - 9 years' experience (5)</li> <li>• 10 or more years' experience (10)</li> </ul> | 10     |

|    |   |    |
|----|---|----|
|    | Proof provided through Company Profile which must state how many years you have provided internal audit services and Company Registration documents   |    |
| 2  | <p><b>Experience of the firm in the internal audit of Public Sector – Reference Letters</b></p> <ul style="list-style-type: none"> <li>• 0 letters equal to 0 points</li> <li>• 1 letters equal to 2 points</li> <li>• 2 letters equal to 5 points</li> <li>• 3 letters equal to 10 points</li> <li>• 4 letters equal to 15 points</li> <li>• 5 letters equal to 20 points</li> </ul> <p><i>A minimum of three contactable reference letters from Public Sector Entities to be provided with relevant services rendered not dated not older than <b>4 years</b>. A valid reference letter must include the following: Company letter heads with contactable details, Date of issue, Contract period, clear description of services that was rendered and the <b>positive endorsement</b> of the quality of that service and be duly signed.</i></p> | 20 |
| 3  | <p><b>Partners experience</b></p> <p><i>Partner to have a CA (SA) and/or CIA qualification with relevant experience.</i></p> <p><i>CV to be attached including relevant certified copies of qualification</i></p> <ul style="list-style-type: none"> <li>• 6 - 9 years' experience (6)</li> <li>• 10 or more years' experience (14)</li> </ul> <p><i>No proof of qualification will score zero points</i></p>   | 14 |
| 4  | <p><b>Internal Audit Manager experience</b></p> <p><i>Minimum qualification of a CA(SA) or CIA qualification with relevant experience. CV to be attached including relevant certified copies of qualification</i></p> <ul style="list-style-type: none"> <li>• 6 - 9 years' experience (5)</li> <li>• 10 or more years' experience (10)</li> </ul> <p><i>No proof of qualification will score zero point</i></p>  | 10 |
| 5. | <p><b>Internal Audit supervisor experience</b></p> <p><i>Minimum qualification of an accounting degree (NQF level 7) with relevant experience. CV to be attached including relevant certified copies of qualification</i></p> <ul style="list-style-type: none"> <li>• 2 - 5 years' experience (3)</li> </ul>   | 5  |

|    |   |    |
|----|---|----|
|    | <ul style="list-style-type: none"> <li>• 6 or more years' experience (5)</li> </ul> <i>No proof of qualification will score zero points</i>   |    |
| 6. | <b>Internal Auditors</b><br><i>Minimum qualification of a diploma (NQF Level 6). CV to be attached including relevant certified copies of qualification</i> <ul style="list-style-type: none"> <li>• 0 - 2 years' experience (2)</li> <li>• 3 or more years' experience (3)</li> </ul> <i>No proof of qualification will score zero points</i>  | 3  |
| 7. | <b>IT Specialist experience</b><br><i>Minimum qualification of a CISA certification and membership with ISACA, with relevant experience. CV to be attached including relevant certified copies of qualification</i> <ul style="list-style-type: none"> <li>• 3 - 5 years' experience (2)</li> <li>• 5 or more years' experience (4)</li> </ul> <i>No proof of qualification will score zero points</i>  | 4  |
| 8. | <b>Ability to provide quality Internal Audit Services</b><br>Submission of a detailed internal audit methodology: <ul style="list-style-type: none"> <li>• Risk Assessment Methodology and link to development of the Risk Based Internal Audit Plan (10)</li> <li>• Detailed Quality Assurance and Improvement Program (QA&amp;IP) (Including processes for individual audit file quality reviews, and internal/external quality assurance reviews) (5)</li> <li>• Reporting methods (5)</li> <li>• Relevant 3 year rolling audit plan with milestones including the minimum business processes/auditable areas as per the audit deliverable below (10)</li> </ul> | 30 |
| 8  | Quality assurance:<br>- Latest valid quality review certification by external body  | 4  |

### 3.3.7. Internal audit project plan

- i The Internal audit project plan must respond to audit deliverables below and more, taking into consideration Government planning and reporting timelines.
- ii Bidders are required to outline a plan for each deliverable and more where necessary.

| Audit Deliverable |  |
|-------------------|--|
| 2.2.1.            | Business Advisory Services                     |
| 2.2.2.            | Information and communication technology (ICT) |
| 2.2.3.            | Performance on predetermined objectives        |
| 2.2.4.            | Supply Chain Management                        |
| 2.2.5.            | Annual Financial Statements                    |
| 2.2.6.            | Internal Financial Controls                    |
| 2.2.7.            | Human Resource                                 |
| 2.2.8.            | Risk   |
| 2.2.9.            | Compliance                                     |
| 2.2.10.           | Operational audits                             |
| 2.2.11.           | Governance and Ethics                          |
| 2.2.12.           | Business continuity management audits.         |

-----  
Bidder's name

-----  
Signature

-----  
Position

-----  
Date

#### 3.4. PART C4: AGREEMENTS AND CONTRACT DATA

##### 3.4.1. C4.1: SPECIAL CONDITIONS OF CONTRACT (SCC)

###### a) Interpretations

- I. The heading of the clauses in this Agreement are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this.
- II. Agreement, nor any clause hereof, unless a contrary intention clearly appears:
  - Words importing: -
    - Any one gender includes the other two genders;
    - The singular includes the plural and vice versa; and
    - Natural persons include created entities (corporate or unincorporated) and the state and vice versa;

- The following terms shall have the meanings assigned to them hereunder and expressions shall have corresponding meanings, namely: -
  - "Agreement" - Special Conditions of Contract and where indicated by the context, includes the General Conditions of Contract and Tender, including all annexures and schedules thereto;
  - "Award Date" - the date of award of the Tender;
  - "Commencement Date" - the Award Date;
  - "Confidential Information" - trade, commercial, financial and management secrets, as well as any other proprietary information howsoever such confidential information may be disclosed or made available to the Recipient including, without limiting the foregoing, whether direct or indirect, orally, visually or in electronic format or by reason of inspection of documentation or by reason of access to GTA's premises;
  - "Contract Period" - the period commencing on the Commencement Date and terminating after three (3) years from date of appointment;
  - "Contract Price" - the total amount to be paid in terms of this Tender for the Services, calculated in accordance with and as detailed in the Pricing Schedule. This amount is a fully inclusive price, and includes inter alia all local and international taxes, VAT, import duties, tariffs, insurance, carriage and freight costs (where applicable);
  - "Damage" - direct damages and any damages occasioned as a result of gross negligence and wilful default, but excludes loss of revenue or profits or other indirect or consequential damages therefrom;
  - "Employees" - the permanent and/or casual and/or parttime employees of the Tenderer employed or otherwise retained by the Tenderer under and in terms of this Agreement, the names and designations of which will be provided to GTA upon request;

- "GTA" – the Gauteng Tourism Authority or the Authority, a juristic person and provincial public entity established in terms of section 3 of the Gauteng Tourism Act (10 of 2001), read with schedule 3C of the Public Finance Management Act (1 of 1999).
- "Good Industry Practice" - established practices, norms and standards in relation to the Services, using standards, practices, methods and procedures conforming to applicable law and exercising the requisite degree of skill, care, diligence, prudence and foresight that would reasonably and ordinarily be expected from a skilled and experienced person engaged in a similar undertaking under similar circumstances;
- "Intellectual Property" - all intellectual property rights related to the Assets or Businesses of either Party to this Agreement, as they are now or may in future exist or be conducted, including without limitation:
  - any and all rights, privileges and priorities arising under the laws or treaties of the Republic of South Africa, any territory or possession thereof, any other country or political subdivision or territory thereof, relating to intellectual property, including patents, copyrights, trade names, trademarks, service marks, mask works, trade secrets, inventions, databases, names and logos, trade dress technology, knowhow, and other proprietary information and licenses from third persons granting the right to use any of the foregoing, including all registrations and applications for any of the foregoing that have been issued by or filed with the appropriate authorities, any common-law rights arising from the use of the foregoing, any rights commonly known as "industrial property rights" or the "moral rights" of authors relating to the foregoing, all rights of renewal, continuations, divisions, extensions and the like regarding the foregoing and all claims, causes of action, or other rights arising out of or relating to any actual or threatened infringement by any person relating to the foregoing;



- all computer applications, programs and other software, including without limitation operating software, network software, firmware, middleware, and design software, all design tools, systems documentation and instructions, databases, and related items except to the extent that they may be more specifically addressed in this Agreement; and
  - all cost information, sales and pricing data, customer prospect lists, supplier records, customer and supplier lists, customer and vendor data, correspondence and lists, product literature, artwork, design, development and manufacturing files, vendor and customer drawings, formulations and specifications, quality records and reports and other books, records, studies, surveys, reports, plans and documents
- 
- "Key Personnel" means the employees of each Party who have been appointed to act as the representatives of that Party, as detailed in Clause 1.2.12 below;
  - "Law" means the common law, Constitution of the Republic of South Africa 1996, any applicable statute, proclamation, regulation, rule, notice, judgment or order and any interpretation of any of them by any Court or applicable tribunal, AND any applicable guidance, direction, code of practice or other determination to which GTA and/or the Tenderer is bound;
  - "Liability" Means any legal or equitable obligation, debt, or duty to any person, including, but not limited to (i) obligations pursuant to any Government treaty or imposed by any judgment by a court or other body of competent jurisdiction, (ii) administrative costs, (iii) litigation costs, including, but not limited to, Professional fees on an Professional and own

- client scale, (iv) obligations that are the result of an accident or environmental incident, and (v) settlement payments;
- "Party" or "Parties" Means collectively the parties to this Agreement being GTA and the Tenderer; "Personnel" Of a Party includes employees, agents, consultants, subcontractors, and other representatives of the Party, or personnel determined by the Parties from time to time to render the Services agreed hereto;
  - "Premises" the Gauteng Tourism Authority's premises where the Services are to be rendered by the Tenderer as indicated by the Tenderer in Part C3 above;
  - Pricing Schedule" Means the schedule detailing breakdown of the method of calculation of the rates and disbursements applicable for the Services for the Contract Period, to be completed by the Tenderer at Part C1.2 of the Pricing Data subject to the Pricing Instructions and as provided for in Clause 4 below;
  - "Responsible Authority" - Means a Municipality, any ministry of the National Government of South Africa, any organ of state, any official in public administration or other governmental or regulatory department, commission, institution, entity, service utility, board, agency, instrumentality or authority (in each case, whether national, provincial or municipal) or any court, each having jurisdiction over the matter in question;
  - Tender - this Tender, Tender No. GTA/IATENDER/2024/01 for the "Provision of Internal Audit Services for a period of 3 years"; and
  - Tenderer - the person, natural or juristic, who has submitted an offer in response to this Tender whose details are specified on Bidder's Information, Part T1.2 above, and who is represented herein by the person authorized as the signatory in terms of the Certificate of Authority for Signatory;



Any reference in this Agreement to "date of signature hereof" shall be read as meaning a reference to the date of the last signature of this Agreement;

Any reference to an enactment is to that enactment as at the date of signature hereof and as amended or re-enacted from time to time;

When any number of days is prescribed in this Agreement, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or public holiday, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday;

When figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail;

Expressions defined in this Agreement shall bear the same meanings in schedules or annexures to this Agreement which do not themselves contain their own definitions; and

Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meanings ascribed to it for all purposes in terms of this Agreement, notwithstanding that, that term has not been defined in this interpretation clause.

#### Precedence

In the event of any conflicts between:

- The Tender and the Tender Submission, the provisions of the Tender shall take preference and shall supersede the provisions of the Tender Submission;

- The General Conditions of Contract and/or the Tender Submission on the one hand, and this Agreement on the other hand, the provisions of this Agreement take preference and shall supersede the provisions of the General Conditions of Contract and/or the Tender Submission, as the case may be.

## Services

The Tenderer agrees that upon appointment to perform the Services, it shall do so upon the terms and conditions set out below, as from the Commencement Date for the Contract Period, in exchange for the amounts as determined in accordance with the Pricing Schedule.

For the purpose of this Agreement, the Services being the subject hereof shall be those specifically listed in this Clause 3 and Part C 2 above that the Tenderer has undertaken to render:

Strictly in accordance with and in a manner and to an extent not in conflict with any express obligation or standard provided for in this Agreement, or where there is no express obligation or standard imposed in terms of this Agreement, in a manner consistent with Good Industry Practice;

At its (the Tenderer's) own cost;

In accordance with the designated areas in the Premises as determined, where relevant, by GTA's Key Personnel in writing from time to time;

In a manner that is not likely to be injurious to health or to cause damage to property; and

In compliance with all Law, and shall be obliged to apply for and maintain, throughout the currency of this Agreement, such permits, consents, trading licenses, authorities and work permits as may from time to time be prescribed or required by Law for the purpose of enabling the Tenderer to render the Services lawfully.

The Tenderer shall not be relieved of any obligation, responsibility or liability under this Agreement by the appointment of a sub-contractor to carry out any of its obligations in terms of this Agreement, in which case the Tenderer shall remain liable to ensure that the sub-contractor complies with this Agreement.

## Payments and Fees

It is recorded that the consideration payable to the Tenderer by GTA for the Services shall be calculated in accordance with the Pricing Schedule.

For the purposes of calculating and verifying the amount due and payable in terms of this Clause, the rendering of all Services are to be monitored by the GTA's Key Personnel.

The Tenderer shall deliver a VAT invoice of amounts due and payable by GTA in terms of this Agreement, to GTA's Key Personnel at its domicile.

GTA shall be obliged to settle the amount due by direct deposit into the Tenderer's Bank Account within 30 (thirty) days of receipt of the invoice.

The Tenderer shall not be entitled to receive payment of any other consideration other than as specified in terms of this Clause and the Pricing Schedule.

No other amounts for fees or disbursements other than reflected here may be claimed by a Tenderer. The Tenderer shall not be permitted to deviate from the specified fees in its Tender submission for the duration of the appointment on the panel.

## Duration

This Agreement shall commence on the Commencement Date and shall remain in force for the Contract Period on the terms and conditions of this Agreement. The contract shall terminate immediately after the expiry date of the contract unless the contract has been extended by GTA before the expiry of the contract. If no extension done before expiry date, both parties agree that the contract expiry date as per the contract is the termination date.

## Co-Operation

Each party shall co-operate fully with the other party and supply any information and support required to fulfil its obligations in terms of this and related matters.

The Parties shall be responsible for coordinating and engaging with each other, as appropriate and necessary, for the completion of the tasks designated pursuant to this Tender.

The Parties shall provide timely access to data to accomplish activities under this Tender.

The Parties agree that Services shall be rendered according to Good Industry Practice.

## Employee Requirements

The Tenderer will employ Employees to render the Services in terms of this Tender. Such employees will include: -

- A sufficient number of qualified, experienced and efficient managers; and
- A sufficient number of appropriately qualified, properly trained and efficient employees.

The Tenderer shall ensure that the number, skills and/or efficiency of its Employees are sufficient in order to ensure that the Services rendered by the Tenderer are up to the standards prescribed in terms of this Tender.

The Parties acknowledge that the Tenderer has included in its Tender Submission the details those Employees who shall be responsible for rendering the Services.

The Tenderer shall be entitled to make changes to those Employees who shall render the Services, upon written notice to GTA at least 1 (one) month prior to such change accompanied by the new employees' curriculum vitae and proof of appropriate qualifications, the replacement employee's skills, experiences and knowledge to be commensurate with the employee being replaced. Provided that GTA shall be entitled, in its sole discretion, to object to such replacement in which even the Tenderer shall be obliged to provide details of alternative replacements.

The Employees shall at all times be and remain the employees of The Tenderer. Notwithstanding the foregoing, GTA shall not be deemed to have accepted responsibility for the Tenderer's Employees if GTA gives them any orders and/or instructions at any time (which it shall be entitled to do), provided such orders or instructions are in accordance with the provisions and terms of this Tender. The Tenderer shall procure that its Employees shall obey any such instructions and/or orders that do not conflict with this Tender.

The Tenderer undertakes to adhere to the terms of the Basic Conditions of Employment Act No. 75 of 1997 and the Labour Relations Act No 66 of 1995 insofar as it concerns its Employees.

The Tenderer shall ensure that its Employees are able to communicate in at least one of the official languages spoken in the Gauteng Province, to the reasonable satisfaction of GTA.

The Tenderer and its Employees shall, at all times, comply with GTA's policies and procedures as is required in the execution of the Tender.

### Warranties

The Tenderer warrants that,

- It has obtained the passage of the necessary resolutions requisite to give effect to this Tender;
- It has obtained all necessary licenses, permits or other authorizations required from the relevant Responsible Authority for the purposes of it executing its obligations in terms of this Tender;
- No litigation, arbitration, investigation or administrative proceeding is in progress or is anticipated or threatened as at the Commencement Date, which is likely to have an adverse effect on the ability of the Tenderer to render the Services;
- It is not subject to any obligation, the performance of which is likely to have a material adverse effect on its ability to render the Services;
- No proceeding or other step has been taken or threatened for the winding up or liquidation (whether voluntary, involuntary, provisional or final), or deregistration of the Tenderer, or for the appointment of a liquidator, business rescue practitioner or similar officer over it or any of its assets; vi. All information disclosed by or on behalf of the Tenderer at any time up to the Commencement Date, is true, complete and accurate in all material respects and the Tenderer is not aware of any material facts or circumstances not disclosed to GTA that would, if disclosed, have an adverse effect on GTA's decision to award this Tender to the Tenderer.
- The Tenderer undertakes to submit any disputes relating to the aforementioned warranties as well as any damages of whatsoever nature suffered pursuant to a breach, whether perceived or actual, to the dispute resolution mechanism as detailed in clause 15 below.

## Reporting Requirements

The Tenderer shall furnish a written report to GTA's Key Personnel at its domicile within 7 (seven) working days of any of the following events:

Any encumbrance, lien or attachment imposed on any of the Tenderer's property and any seizure thereof that might have a material effect on the Tenderer's ability to render the Services; ii. Any matter that may influence the validity of this Tender or any matter that constitutes or may contribute to a breach by the Tenderer of this Agreement, the circumstances thereof and possible results as viewed by the Tenderer; iii. Any dispute between the Tenderer and its employees that may result in industrial action that may impact materially upon the rendering of the Services; and 9.2 Any other factors that the Tenderer is aware of, that may impact materially upon the rendering of the Services or fulfilment of the terms and conditions of this Agreement.

Failure to submit any report as detailed in this clause 9 may be construed as breach of the terms of this Agreement, and GTA is entitled, but not obliged, to proceed in terms of Clause 15 hereof.

## Insurance

For the duration of the Contract Period, the Tenderer shall take out and thereafter maintain or procure the maintenance of the insurances against all risk of damage or loss relating to the Services, and in particular the Professional Indemnity Insurance and including to the satisfaction of GTA, with the following additional provisions:

The Tenderer must furnish GTA's Key Personnel at its domicile with 1 (one) month's written notice of its intention of cancellation, non-renewal or amendment to the insurance policy.

The Tenderer is obliged to furnish GTA upon its written request, with a copy of the insurance policy referred to in Clause 10 above, any additional terms and conditions thereof, as well as the annual renewal thereof within 14 (fourteen) days of the request. iii. The Tenderer is to furnish GTA with any other information or document relating to the insurance policy referred to in Clause 10 above, including proof of the premiums paid and payable and that the insurance is in full force and effect in accordance with this Agreement, within 14 (fourteen) working days of GTA's written request.



The insurance premiums for the insurances referred to in this Agreement shall be for the account of the Party who bears the responsibility of taking out and maintaining the insurance.

In the event that the Tenderer is in breach of Clause 10 above, and in addition to any other remedies that GTA may have in terms of this Agreement, GTA may pay any premiums required to keep such insurance in full force and effect or itself procure such insurance and may in either case recover such amounts from the Tenderer on written demand or by set off against any amounts due and payable by GTA under this Agreement.

Neither Party to this Agreement may take action or fail to take any action or insofar as is reasonably within its power, permit anything to occur in relation to it, that would entitle any insurer to refuse to pay any claim under any insurance policy in which that party is an insured, co-insured or additional insured person.

Neither failure to comply nor full compliance with the insurance provisions of this Agreement shall limit or relieve the Tenderer of its liabilities and obligations under this Agreement.

#### Confidentiality

The Tenderer will keep confidential and will not disclose to any person: –

The details of this Agreement, the details of the negotiations leading to this Agreement, and the information handed over to it by GTA during the course of negotiations, as well as the details of all the transactions or agreements contemplated in this Agreement; and

All information relating to the business or the operations and affairs of GTA, (hereinafter referred to as “Confidential Information”).

The Tenderer further undertakes as follows: –

Not to, directly or indirectly, detract from, expand on, amend, decompile, reverse engineer, use, exploit, permit use of, or exploitation of, confidential information in any other manner whatsoever or for any purpose whatsoever other than with the explicit written consent of GTA and in accordance with the provisions of this Agreement; ii. To treat any information, it is uncertain as to its nature as Confidential Information until written notice to the contrary is received from GTA;

To take reasonable security measures, at least as great as the precautions it takes to protect its own confidential or proprietary information, to keep the Confidential Information confidential.

GTA may, in its sole discretion, require the Tenderer's Employees to sign a Nondisclosure/Confidential Statement/Form and follow all provisions, restrictions, procedures, and policies commensurate to the tasks to be performed.

The Tenderer agrees to keep all Confidential Information and to disclose it only after obtaining prior written approval of GTA's Key Personnel, and then only to its officers, directors, employees, consultants and professional advisors, who:

- Have a need to know (and then only to the extent that each such person has a need to know);
  - ii. Are aware that the Confidential Information should be kept confidential;
- Are aware of the Tenderer's undertaking in relation to such information in terms of this Agreement; and iv. Have been directed by the Tenderer to keep the confidential information confidential.

The Tenderer's obligations in relation to the maintenance and non-disclosure of Confidential Information in terms of this Agreement does not extend to information that:

- Is or becomes public knowledge, otherwise than pursuant to a breach of this Agreement by the Tenderer or third party who disclosed such Confidential Information, but only to the extent that the Confidential Information has become public knowledge;
- Is required by the provisions of any law, statute or regulation or during any court proceedings, or by the rules or regulations of any recognised stock exchange to be disclosed and subject to the provisions of this Agreement, the Tenderer has taken all reasonable steps to oppose or, prevent the disclosure of and to limit, as far as reasonably possible, the extent of such disclosure and has consulted with GTA prior to making such disclosure; and
- Is disclosed to GTA in terms of this Agreement but, at the time of such disclosure such information is known to be in lawful possession or control of that party and not subject to an obligation of confidentiality.

No Disparagement and Use of Name

The Tenderer undertakes not to do anything that may disparage the good name of GTA, and any such action or omission occasioned by the Tenderer or its employees, acting in the course and scope of their employment, will be deemed a breach of this Agreement.

The Tenderer shall not utilise the name “Gauteng Tourism Authority” in conjunction with the Tenderer's marketing, research, development or other business activities without the prior written consent of the GTA, which GTA, in its sole discretion, may grant or refuse.

#### Limitation of Liability

Notwithstanding anything to the contrary herein contained, GTA shall not be liable to the Tenderer or any other person, and the Tenderer shall likewise indemnify and keep GTA indemnified, for any damages arising out of the death of or injury to an employee of the Tenderer or any of its agents, representatives or sub-contractors whilst such person is at the Premises or whilst using any equipment owned or operated by GTA for the following:

- As a direct result of the negligence, wilful act or wilful omission to act on the part of the Tenderer and/or any of its employees whilst they are acting in the course and scope of their employment;
- 
- As a result of the information supplied by, or misrepresentations, acts and omissions, breaches of law, fraudulent acts or wilful default on the part of the Tenderer, the Tenderer's Personnel, or any third party under the control of the Tenderer;
- Any claim for or in respect of the death or personal injury of any occupant or user of the Premises, whether legally or not;
- 
- Any loss of or damage to property within the Premises save to the extent caused by the negligence, wilful act or omission of GTA or any of its Personnel; and
- 
- Any breach of any Law arising in connection with the Services, save to the extent caused by the wilful misconduct of GTA or GTA's breach of the terms of this Agreement.
- Without derogating from the generality of a foregoing, the Tenderer hereby indemnifies GTA and its employees, agents and contractors against losses, damages and expenses suffered by it in the circumstances set out in this Clause 13.

#### Dispute Resolution

The Parties accept that disputes and differences may arise between the Parties during the course of this Agreement.

If any dispute or difference arises between Parties arising out of the contract, the Parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

If, after TWENTY (20) days, the Parties have failed to resolve their dispute or difference by such mutual consultation, then either Party may give notice to the other party of his intention to commence with mediation or arbitration.

No mediation or arbitration may be commenced unless such notice is given to the other party.

The arbitration shall be held:

- at a mutually agreed venue by the Parties;
- on the basis that the proper law of the agreement contained in this clause and of the contract in which this clause is contained shall be the law of the Republic of South Africa; h. with only the legal and other representatives of the Parties to the dispute present thereat;
- in terms of the Arbitration Act, No 42 of 1965 (as amended), it being the intention that the arbitration shall be held and completed as soon as possible.
- The arbitrator shall be, if the matter in dispute is principally: -
  - a legal matter, a practicing advocate or Professional of at least ten (10) years' standing;
  - an accounting matter, a practicing-chartered accountant of at least ten (10) years' standing;
  - any other matter, an independent person, agreed upon between the Parties to the dispute.

Should the Parties to the dispute fail to agree whether the dispute is principally a legal, accounting or other matter within seven (7) days after arbitration was demanded, the matter shall be deemed to be a legal matter.

Should the Parties fail to agree on an arbitrator within fourteen (14) days after giving of notice in terms of clause n above, the arbitrator shall be appointed at the request of either party to the dispute by the Arbitration Foundation of South Africa (AFSA).

The arbitrator shall have the power to fix all procedural rules for the holding of the arbitration, including discretionary powers to make orders as to any matters which he may consider proper in the circumstances of the case with regard to submissions, pleadings, discovery, inspection of documents, examination of witnesses and any other matter relating to the conduct of the arbitration. The arbitrator may receive and act on all such evidence, whether oral or written, strictly admissible or not, as he in his discretion may deem fit. Unless the arbitrator otherwise expressly directs, the arbitration shall be conducted according to the procedures laid down by the Uniform Rules of the High Court of South Africa as amended and adapted by any special rules or practices applicable in the North Gauteng High Court, Pretoria.

The award of the arbitrator shall be final and binding upon all the Parties to the dispute (who hereby agree to carry out the award). The Parties hereby exclude all rights of appeal which might otherwise be conferred on them by law but give each other right to review the decision of the Arbitrator.

The arbitrator's award may be made an order of any court of competent jurisdiction including, for the avoidance of doubt, any court which is authorised to make such an order by virtue of any treaty or legislation relating to the reciprocal enforcement of foreign arbitral awards or judgments.

The Parties agree to keep the arbitration including the subject-matter of the arbitration and the evidence heard during the arbitration confidential and not to disclose same to anyone except for the purposes of the arbitration proceedings in terms of this clause, any review thereof and obtaining an order in terms of sub-clause 10 above.

The provisions of this clause: -

Constitute an irrevocable consent by the Parties to any proceedings in terms hereof and no party shall be entitled to withdraw there from or claim at any such proceedings that it is not bound by such provisions; ii. Constitute a separate agreement, severable from the rest of this agreement and shall remain in effect despite determination of or invalidity for any reason of this agreement.

Dispute may be settled in South African court of law in the event it is not possible to settle by mediation.

#### Litigation

Save as provided herein, neither party shall be entitled to institute any legal proceedings against the other in connection with any dispute to this Agreement, unless and until such dispute has been submitted to resolution by mutual consultation, mediation or by arbitration as provided for in Clause 15 above and such mutual consultation, mediation, or arbitration has been concluded, and then only to the extent that such legal proceedings are not otherwise prohibited in accordance with the provisions of this Agreement.

Apart any reference to mediation and/or court proceedings herein, the Parties shall continue to perform their respective obligations under the contract unless they otherwise agree.



## DOMICILIUM AND NOTICES

For all purposes of this Agreement including, but not by way of limitation, the giving of any notice, the making of any communication, or the serving of any process, the Parties respectively choose domicilium citandi et executandi ("domicilium") at the addresses set out hereunder:

Gauteng Tourism Authority,

For attention: The Chief Executive Officer

PHYSICAL

124 Main Street

Marshalltown

Johannesburg

POSTAL

PO Box 155

Newtown

2113

The Tenderer chooses as its domicilium the details set out in the Bidder's Information set out above.

- a. Each of the Parties, by written notice to the other party 2 (two) months prior to such change, shall be entitled from time to time to vary its domicilium to any other address within South Africa, provided that such address may not be a poste restante, or, in the Tenderer's case, a post office box.
- b. Any notice given and any communication or payment made by either Party to the other ("the addressee") which:– i. is delivered by hand or faxed by facsimile transmission during the normal business hours of the addressee at the addressee's domicilium for the time being, shall be presumed, until the contrary is proved, to have been received by the addressee at the time of delivery or on the first business day after the date of facsimile transmission; ii. Is posted by prepaid registered post from an address within South Africa to the addressee at the addressee's domicilium for the time being, shall

be presumed, until the contrary is proved, to have been received by the addressee on the 7th (seventh) day after the date of posting.

### Intellectual Property

- a. The ownership of any Intellectual Property owned by either Party prior to the commencement of the Tender shall be and remain vested with that Party.
- b. Any Intellectual Property emanating from the activities undertaken under this Tender shall be and remain vested with GTA subject to the following conditions:

The Government of the Republic of South Africa shall under circumstances of national need or emergency have absolute and irrevocable rights to a license to use an Intellectual Property developed under this Agreement; ii. GTA owns the copyright for the works, documents and other object capable of intellectual property rights developed and/or produced for the purposes of this Agreement (if any); and iii. The Intellectual Property Rights from Publicly Financed Research and Development Act, 2008 (Act No. 51 of 2008) insofar as may be relevant to this Agreement, shall be applicable.

### ELECTRONIC COMMUNICATIONS AND TRANSACTIONS ACT

No data message (as defined in the Electronic Communications and Transactions Act, 25 of 2002), including an e-mail, SMS, and recorded voice message, sent by one Party to the other, shall amend this Agreement, or the rights and duties of the parties in any manner, unless such data message is reduced to paper and signed by both parties or their duly authorized signatories.

Data messages (as defined above) sent by one Party to the other shall be deemed to be received by such other Party only when it responds thereto, and for purposes of this clause an auto-response shall not be a response.

Legal notices and/or disclaimers linked to, accessible from or attached to a data message (as defined above) sent by one Party to the Other shall be deemed part of this Agreement and shall override and replace any such notices or disclaimers linked to, accessible from or attached to any data message sent by the other Party in a return message.

## RELATIONSHIP OF THE PARTIES

Nothing in this Agreement shall be construed as creating the relationship of employee and employer between the Tenderer or any of its employees, and GTA. Neither the Tenderer nor any of its employees shall at any time be or become an agent or representative of GTA nor shall the Tenderer or any of its employees hold itself out as such nor shall the Tenderer or any of its employees be entitled to any of the benefits provided by GTA to any of its officers and employees.

This Agreement shall not give rise to any joint venture or partnerships between the Parties and neither Party shall hold itself out as a partner of the other.

The Tenderer confirms that none of its directors, shareholders, employees or other related parties, are employed by GTA or any other organ of state (as defined in the Constitution of the Republic of South Africa, Act 108 of 1996).

### Limitation of Employment

- a. Neither party shall appoint, employ or in any way whatsoever obtain the services of the other party's Personnel, unless specifically so agreed to by the other party in writing.
- b. This clause will remain in force until twelve (12) months after the termination of this Agreement mutually, by expiration or by default.

### No Disparagement and Use of Name.

- a. The Tenderer undertakes not to do anything that may disparage the good name of GTA, and any such action or omission occasioned by the Tenderer or its employees, acting in the course and scope of their employment with the Tenderer, will be deemed a breach of this Agreement.
- b. The Tenderer shall not utilise the name "Gauteng Tourism Authority" in conjunction with the Tenderer's marketing, research, development or other business activities without the prior written consent of the GTA, which GTA, in its sole discretion, may grant or refuse.



## Taxes and Duties

- a. The Tenderer shall be entirely responsible for payment of all taxes, stamp duties, license fees etc.
- b. No award shall be made to any Tenderer whose tax matters are not in order.

## Force Majeure

- a. For the purpose of this Agreement, force majeure shall mean war, fire, flood, explosion, lightning, storm, earthquake, riots, insurrection or other act of nature.
- b. Neither Party shall be responsible to the other for delay nor is failure in performance of any of the obligations imposed by this Agreement, if and to the extent that such delay or non-performance occasioned by force majeure.
- c. Upon any of these events happening, both Parties shall do everything in their power to mitigate the consequences of such an event and establish restitution of the rights and obligations under this Agreement as soon as possible.
- d. The Party claiming relief shall serve written notice on the other Party within 3 (three) working days of the event of force majeure, containing all such relevant information as may be available, including the effect of the event of force majeure on the ability of the Party to perform, actions being taken in terms of Clause c above, the date of the occurrence of the event of force majeure, and an estimation of the time period required to overcome it and/or its effects. The Party claiming relief shall furnish the other Party with any further information as and when it comes to their attention.
- e. If restitution cannot be or can only partly be restored, the Parties shall endeavour to agree to suitable and equitable modifications to this Agreement that may or may not include the termination of this Agreement.

## General Provisions

- a. The Tender Document and Tender Submission contains the entire agreement between the Parties, and GTA shall not be bound by any representations, warranties, undertakings, promises or the like (whether or not made by the Tenderer, its agents or servants) which are not recorded herein. No adjustment, variation or cancellation by

agreement of, addition or amendment to, or deletion from this Agreement shall be of any force or effect unless in writing and signed by or on behalf of the Parties. In the event of any conflicts between the Tender Documents (including this SCC) and the Tender Submission, the Tender Documents shall take preference and shall supersede the provisions of the Tender Submission.

- b. No indulgence, extension of time, relaxation or latitude shown, granted or allowed by GTA to the Tenderer shall constitute a waiver by GTA of any of its rights and GTA shall not be prejudiced or estopped from exercising any of its rights against the Tenderer which may have arisen in the past or which may arise in the future.
- c. The Tenderer consents to the jurisdiction of the Magistrate Courts of South Africa in respect of any action or proceedings which may be brought against it by GTA, or brought by it against GTA; provided that GTA shall be entitled to bring proceedings in any other Court if it so elects.
- d. All notices, consents, advice or other communication between the Parties to the other of them shall be in writing, and unless in writing shall be deemed not to have been given or made.
- e. If any term of this Tender Document should be held to be invalid, unenforceable or unlawful, then such term shall be severable from the balance of this Tender Document and be treated as pro non scripto without invalidating or affecting the enforceability of the remaining provisions, and the remaining terms of this Tender Document shall continue in full force and effect.
- f. All supporting documentation and submitted with the response will become GTA's property unless otherwise stated by the Tenderer at the time of submission.
- g. All information provided by the Tenderer is accepted in good faith as being true and accurate. Any false declaration or intentional omission of relevant facts shall be reported, which on receipt of such report by either party may result in the immediate termination of this agreement.
- h. All costs incurred in the preparation of a response or any activity pursuant thereto shall be for the account of the Tenderer. All supporting documentation and submitted with the response will become GTA's property unless otherwise stated by the Tenderer at the time of submission.



## C4.2: GENERAL CONDITIONS OF CONTRACT (GCC)

National Treasury July 2010

### NOTES

#### Purpose:

The purpose of this document is to:

- Draw attention that the GTA is regulated by the government procurement regulations;
- Draw special attention to certain general conditions applicable to government bids (quotations, bids, bids) and which form part of subsequent supply contracts and supply orders; and
- To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government (GTA).

#### Singular / plural

Words in the singular also mean in the plural or the other way around and words in the masculine also mean in the feminine and neuter.

#### Integral part

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

#### Special conditions of contract

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

## 1. Definitions

The following terms shall be interpreted as indicated:

- 1.1. "Closing time" the date and hour specified in the bidding documents for the receipt of bids.
- 1.2. "Contract" 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" the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
- 1.4. "Corrupt practice" the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5. "Countervailing duties" Are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6. "Country of origin" of the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, Process 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" delivery in compliance of the conditions of the contract or order.
- 1.9. "Delivery stock" eximmediate delivery directly from stock actually on hand.

1.10. "Delivery into consignees store or to his site"

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"

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"

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"

the General Conditions of Contract.

1.15. "Goods"

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" 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" the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19. "Order" 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" the organization purchasing the goods.
- 1.22. "Republic" the Republic of South Africa.
- 1.23. "SCC" 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, course, 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.

## 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. With certain exceptions, invitations to bid are only published in the Government Bid Bulletin. The Government Bid Bulletin may be obtained directly from .....

## 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 analysed 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.

## 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;  
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
- d) Course 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 10 such remedial actions as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

## 16. Payment

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

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

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

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

## 17. Prices

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

## 18. Contract amendments

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

## 19. Assignment

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

## 20. Subcontracts

20.1. The supplier shall notify the purchaser in writing of all subcontracts awarded under these 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 Obtain of supplies or services from a national department, provincial department, or a local authority.

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

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

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

## 22. Penalties

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

## 23. Termination for default

- 23.1. The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- a) If the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
  - b) If the Supplier fails to perform any other obligation(s) under the contract; or
  - c) If the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2. In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3. Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4. If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.
- 23.5. Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other



person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

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

- I. The name and address of the supplier and / or person restricted by the purchaser;
- II. The date of commencement of the restriction
- III. The period of restriction; and
- IV. The reasons for the restriction.

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

23.7. If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Bid 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 antidumping 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,

- I. The parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
- II. The purchaser shall pay the supplier any monies due the supplier.

## 28. Limitation of liability

28.1. Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 6;

- I. 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

- II. 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 GTA must be in possession of a CSD report with a tax compliant status, submitted by the bidder.

This certificate must be an original issued by the South African Revenue Services.

### 33. National Industrial Participation (NIP) Programme

33.1. The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

### 34. Prohibition of Restrictive practices

34.1. In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).

34.2. If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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



----- END -----

**GOVERNMENT PROCUREMENT**

**GENERAL CONDITIONS OF CONTRACT**

**NOTES**

The purpose of this document is to:

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

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

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

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## **General Conditions of Contract**

### **1. Definitions**

1. The following terms shall be interpreted as indicated:
  - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
  - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 “Day” means calendar day.
  - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
  - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
  - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
  - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
  - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

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

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| <b>2. Application</b>  | <p>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.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p>   |
| <b>3. General</b>  | <p>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.</p> <p>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 <a href="http://www.treasury.gov.za">www.treasury.gov.za</a></p>  |
| <b>4. Standards</b>  | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p>  |
| <b>5. Use of contract documents and information; inspection.</b> | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |
| <b>6. Patent rights</b>  | <p>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.</p>   |
| <b>7. Performance security</b>                                   | <p>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.</p>   |

- 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.

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| <b>16. Payment</b>                              | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p>  |
| <b>17. Prices</b>                               | <p>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.</p>   |
| <b>18. Contract amendments</b>                  | <p>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.</p>  |
| <b>19. Assignment</b>                           | <p>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.</p>  |
| <b>20. Subcontracts</b>                         | <p>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.</p>  |
| <b>21. Delays in the supplier's performance</b> | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |

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

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|--|------|--|
|  |      | (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.  |
| <b>29. Governing language</b>                                | 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.   |
| <b>30. Applicable law</b>                                    | 30.1 | The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.  |
| <b>31. Notices</b>   | 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.   |
| <b>32. Taxes and duties</b>                                  | 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.                                      |
| <b>33. National Industrial Participation Programme (NIP)</b> | 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.  |

## PART A INVITATION TO BID

|  |  |               |  |  |   |
|--|--|---------------|--|--|---|
| <b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>   |  |               |  |  |   |
| BID NUMBER:  | GTA/IATENDER/2024/01   | CLOSING DATE: | 12 JULY 2024   | CLOSING TIME:  | 11:00   |
| DESCRIPTION  | PROVISION OF INTERNAL AUDIT SERVICES FOR A PERIOD OF THREE (3) YEARS                 |               |  |  |   |
| <b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>   |  |               |  |  |   |
| 124 MAIN STREET  |  |               |  |  |   |
| MARSHALLTOWN   |  |               |  |  |   |
| JOHANNESBURG   |  |               |  |  |   |
| GAUTENG TOURISM OFFICES  |  |               |  |  |   |
| <b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>  |  |               | <b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>                           |  |   |
| CONTACT PERSON   | MR. SAMKELO ZOZI   |               | CONTACT PERSON   | MS. TINYIKO NKUNA  |   |
| TELEPHONE NUMBER   | 011 085 2500   |               | TELEPHONE NUMBER   | 011 085 2500   |   |
| FACSIMILE NUMBER   |  |               | FACSIMILE NUMBER   |  |   |
| E-MAIL ADDRESS   | <a href="mailto:samkelo@gauteng.net">samkelo@gauteng.net</a>                         |               | E-MAIL ADDRESS   | <a href="mailto:audittender@gauteng.net">audittender@gauteng.net</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]<br><br><input type="checkbox"/> Yes <input type="checkbox"/> No |               | B-BBEE STATUS LEVEL SWORN AFFIDAVIT                                      |  | [TICK APPLICABLE BOX]<br><br><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<br>[IF YES ENCLOSE PROOF]   |               | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? |  | <input type="checkbox"/> Yes <input type="checkbox"/> No<br>[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

|  |
|--|
| <b>1. BID SUBMISSION:</b>  |
| 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.   |
| 1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b>  |
| 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. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b>   |
| <b>2. TAX COMPLIANCE REQUIREMENTS</b>  |
| 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.: GTA/IATENDER/2024/01  |
| CLOSING TIME 11:00    | CLOSING DATE...12 JULY 2024... |

OFFER TO BE VALID FOR ...120...DAYS FROM THE CLOSING DATE OF BID.

| ITEM NO | DESCRIPTION   | BID PRICE IN RSA CURRENCY<br>**(ALL APPLICABLE TAXES INCLUDED) |                 |
|---------|---|--|-----------------|
| 1.      | The accompanying information must be used for the formulation of proposals.   |  |                 |
| 2.      | Bidders are required to indicate a ceiling price based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. | R.....   |                 |
| 3.      | PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)  |  |                 |
| 4.      | PERSON AND POSITION   | HOURLY RATE  | DAILY RATE      |
|         | .....   | R.....   | .....           |
|         | .....   | R.....   | .....           |
|         | .....   | R.....   | .....           |
|         | .....   | R.....   | .....           |
|         | .....   | R.....   | .....           |
| 5.      | PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE SPENT  |  |                 |
|         | .....   | R.....   | ..... days      |
|         | .....   | R.....   | ..... days      |
|         | .....   | R.....   | ..... days      |
|         | .....   | R.....   | ..... days      |
| 5.1     | Travel expenses (specify, for example rate/km and total km, class of airtravel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.    |  |                 |
|         | DESCRIPTION OF EXPENSE TO BE INCURRED   | RATE   | QUANTITY AMOUNT |
|         | .....   | .....  | R.....          |
|         | .....   | .....  | R.....          |
|         | .....   | .....  | R.....          |
|         | .....   | .....  | R.....          |
|         |   | TOTAL: R.....  |                 |

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

Name of Bidder: .....

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

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

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

.....

.....

.....

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

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

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

### 2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

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

| Full Name | Identity Number | Name of State institution |
|-----------|-----------------|---------------------------|
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |
|           |                 |                           |

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

---

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



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

2.2.1 If so, furnish particulars:

.....  
 .....

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

2.3.1 If so, furnish particulars:

.....  
 .....

### **3 DECLARATION**

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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<sup>2</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.

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

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

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

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

|           |                |
|-----------|----------------|
| .....     | .....          |
| Signature | Date           |
| .....     | .....          |
| Position  | Name of bidder |

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

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

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

### 1. GENERAL CONDITIONS

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

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

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

*(delete whichever is not applicable for this tender).*

- a) The applicable preference point system for this tender is the **80/20** preference point system.

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

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

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

The maximum points for this tender are allocated as follows:

|  | POINTS     |
|--|------------|
| PRICE  | 80         |
| SPECIFIC GOALS                                   | 20         |
| <b>Total points for Price and SPECIFIC GOALS</b> | <b>100</b> |

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

## 2. DEFINITIONS

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

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

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

#### 3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

- Ps = Points scored for price of tender under consideration  
Pt = Price of tender under consideration  
Pmax = Price of highest acceptable tender

### 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

| The specific goals allocated points in terms of this tender | Number of points allocated<br>(80/20 system)<br>(To be completed by the organ of state) | Number of points claimed<br>(80/20 system)<br>(To be completed by the tenderer) |
|---|---|---|
| Enterprises with black ownership                            | 9   |   |
| Enterprises with women ownership                            | 4   |   |
| Enterprises with youth ownership                            | 4   |   |
| SMME (EME/ QSE)<br>Enterprise                               | 3   |   |

#### **DECLARATION WITH REGARD TO COMPANY/FIRM**

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

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

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

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

- i) The information furnished is true and correct;

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

|                          |                                    |
|--------------------------|------------------------------------|
|                          | .....                              |
|                          | <b>SIGNATURE(S) OF TENDERER(S)</b> |
| <b>SURNAME AND NAME:</b> | .....                              |
| <b>DATE:</b>             | .....                              |
| <b>ADDRESS:</b>          | .....                              |
|                          | .....                              |
|                          | .....                              |
|                          | .....                              |