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MPUMALANGA PROVINCIAL GOVERNMENT



DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT

BID NUMBER: PWRT/2596/25/MP

REQUEST FOR PROPOSALS FOR FLEET MANAGEMENT COMPANY/ COMPANIES TO MANAGE THE FREE-HOLD SCHOLAR TRANSPORT SERVICES IN THE MPUMALANGA PROVINCE FOR A PERIOD OF FIVE (05) YEARS

ISSUED BY:

Department of Public Works, Roads & Transport
Private Bag X11310
Mbombela
1200

NAME OF BIDDER:

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF PUBLIC WORKS, ROADS & TRANSPORT					
BID NUMBER:	PWRT/2596/25/IMP	CLOSING DATE:	05 September 2025	CLOSING TIME:	12H00
REQUEST FOR PROPOSALS FOR FLEET MANAGEMENT COMPANY/ COMPANIES TO MANAGE THE FREE-HOLD SCHOLAR TRANSPORT SERVICES IN THE MPUMALANGA PROVINCE FOR A PERIOD OF FIVE (05) YEARS					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
MBOMBELA , Riverside Government Complex, Building No 9, Government Boulevard, Mbombela, 1200, PIET RETIEF , No. 11 Measroch Street, Piet Retief Office, KWAMHLANGA , KwaMhlanga Government Complex, Department of Finance, Building No. 12, Computer Centre EVANDER , 10 Cornell Road (previously occupied by Evander Home Affairs Offices), Evander, 2280, BUSHBUCKRIDGE , The Provincial Treasury, R40 Road, Bakoena Business Complex, Bushbuckridge, MIDDELBURG , Department of Public Works, Cnr. Lillian Ngoyi and Dr Beyers Naudé Streets – Old TPA Building, Upper ground floor, Office numbers A20, 21 and 25, MALELANE , The Provincial Treasury no. 17 Lorenzo Street, Malelane, ELUKWATINI , Elukwatini Sub Regional offices, Office numbers A49 and A50 (opposite Elukwatini Community Hall) Stand number 12 Extension A, Elukwatini 1192. SIYABUSWA Old Parliament Building, Building No.1, Job Skhosana Street, Siyabuswa 0472					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr.JS Sibiya	CONTACT PERSON	Ms. MS Lesese		
TELEPHONE NUMBER	013 766 6555	TELEPHONE NUMBER	013 766 0872		
FACSIMILE NUMBER		FACSIMILE NUMBER			
E-MAIL ADDRESS	JSibiya@mpg.gov.za	E-MAIL ADDRESS	SLesese@mpg.gov.za		
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

**PART B
TERMS AND CONDITIONS FOR BIDDING**

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

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
(Proof of authority must be submitted e.g. company resolution)

DATE:

REQUEST FOR PROPOSALS FOR FLEET MANAGEMENT COMPANY / COMPANIES TO MANAGE THE FREE-HOLD SCHOLAR TRANSPORT SERVICES IN MPUMALANGA PROVINCE FOR A PERIOD OF FIVE (05) YEARS

1. INTRODUCTION

The Mpumalanga Department of Public Works, Roads & Transport (DPWRT) invites proposals from suitably qualified service providers to provide fleet management services for free-hold scholar transport vehicles in Mpumalanga Province for a period of five (05) years.

2. BACKGROUND

The provision of transport remains one of the key challenges confronting Government. The majority of society was placed in areas that were largely inaccessible. The Successive National Household Travel survey indicate that a significant number of learners have difficulty in accessing schools, particularly in rural areas. For example, in 2020 some 5% of learners walked more than 60 minutes to access education.

Transport plays a crucial role in fulfilling one of the important policy directives of government, i.e. providing means to enable the majority of learners to get to school. The provision of scholar transport seeks to reduce travel time by learners to schools. In this regard the Department has purchased scholar transport vehicles through a Purchase, Operate and Transfer (POT) model. Proposals are hereby requested from prospective service providers for the management, maintenance and operation of the free-hold scholar transport vehicles for scholar transport services in Mpumalanga Province for a period of five years.

3. DESCRIPTION OF SERVICES REQUIRED

The Department requires the services of suitably qualified service providers to:

- 3.1 Manage, maintain and operate **206** scholar transport vehicles (201 standard buses with a sitting 65 capacity of passengers and 5 mini buses with sitting capacity of 15 passengers) in Mpumalanga Province.
- 3.2 Maintain an operationally efficient system of scholar transport vehicles.
- 3.3 Maintain resilient cash-flow in order to ensure uninterrupted scholar transport services.

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- 3.4 Maintain drivers with relevant documentation in terms of the National Road Traffic Act (ACT 85 of 1993).
- 3.5 Comply with the National Road Traffic Act (Act 93 of 1996) (NRTA) and NRTA Regulations.
- 3.6 Comply with Occupational Health and Safety Act (ACT 85 of 1993) (OHS), and OHSA Regulations.
- 3.7 Install vehicle-tracking device with capability to monitor and report speed violations, on-route adherence, stop adherence, and pre-determined arrival times.
- 3.8 Develop and implement a risk management system for the operations.
- 3.9 Own or have access to an appropriately equipped depot, of which location minimises positioning kilometres.
- 3.10 Demonstrate the capacity or ability to immediately provide replacement vehicles when the operations experiences any breakdown.
- 3.11 Maintain customer complaints register.
- 3.12 Ensure compliance with all legislation and Mpumalanga Scholar Transport Policy.
- 3.13 Comprehensively insure with a registered (authorised) financial service provider, including a passenger liability cover.
- 3.14 Should have qualified mechanics.
- 3.15 Drivers should be paid according to the minimum wage as per remuneration by Department of Labour.
- 3.16 The Department may invite shortlisted bidders to make a presentation of bids submitted in order to validate information submitted.

4. PROJECT DELIVERABLES

The expected outputs include the following:

- 4.1 A financially viable proposition to the Department and
- 4.2 An effective and efficient scholar transport service
- 4.3 A satisfactory learner transport scheme for all stakeholders
- 4.4 Drivers should have all relevant documentation in terms of the National Road Traffic Act
- 4.5 Implementation of a robust operational plan containing:
 - 4.5.1 The organisational structure of the entity,
 - 4.5.2 Procedure- for recruitment and training of all personnel,

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- 4.5.3 How the vehicles will be maintained, service record, reputable mechanics
- 4.5.4 Driver shift system,
- 4.5.5 How timetable will be adhered to.
- 4.5.6 How the NRTA will be complied with.
- 4.6 Implementation of monthly reporting system to support invoices submitted containing:
 - 4.6.1 Number of registered learners transported,
 - 4.6.2 Number of routes operated,
 - 4.6.3 Kilometres travelled,
 - 4.6.4 Number of trips,
 - 4.6.5 Extent of adherence to timetable,
 - 4.6.6 Extent of adherence to routes,
 - 4.6.7 Customer complaints,
 - 4.6.8 Driver and vehicles valid documents
 - 4.6.9 Proof of resolved penalties where applicable

5. PROJECT DESCRIPTION

5.1 Request for proposals for fleet management company / companies to manage the free-hold scholar transport services in Mpumalanga Province for a period of five (05) years.

6. PROJECT TIMELINES

6.1 Project will be for a period five (05) years.

7. GENERAL CONDITION OF CONTRACT

7.1 This bid and all contracts will be subjected to the General Conditions of Contract (2010) issued by the National Treasury.

8. SPECIAL CONDITION OF CONTRACT

8.1 The special condition of the contract are supplementary to the General Conditions of Contract. Wherever there is conflict, the provisions in the SCC shall prevail.

REQUEST FOR PROPOSALS FOR FLEET MANAGEMENT COMPANY / COMPANIES TO MANAGE THE FREE-HOLD SCHOLAR TRANSPORT SERVICES IN MPUMALANGA PROVINCE FOR A PERIOD OF FIVE (05) YEARS

9. COMPULSORY RETURNABLE DOCUMENTS

Where any of the compulsory returnable schedules makes a provision for signature, the said schedule must be fully completed and signed. Failure of which the bidder will be automatically disqualified.

9.1 Fully completed original bid document.

9.2 Copy of business Registration Certificate from CIPRO.

9.3 Certified copy / copies of Identity Documents of Directors / partners / shareholders of the business.

9.4 In bid where Consortia / Joint Venture are involved, each party must submit copy of business registration certificate and certified copies of identity document of each partner.

9.5 Fully completed Standard Bidding Documents (SBD forms).

9.6 Certificate of Authority for Signature of an Entity.

9.7 Record of Addenda to Tender Documents (where applicable).

9.8 Prove of registration National Treasury Central Supplier Database (CSD)

9.9 Two envelope, one for price and one for functionality.

9.10 Company Financial Statement not older than three months.

10. SPECIAL CONDITION OF CONTRACT (Failure to comply with this clause will result in automatic disqualification).

10.1 Bidder shall ensure that bid document are completed in its entirety.

10.2 Bid document must be submitted in its original form.

10.3 All returnable documents must be attached as ANNEXTURES to the bid document.

10.4 The bid document must be completed in black ink and signed by authorized signatory.

10.5 Electronic bid documents will not be accepted.

10.6 Person who signs any alteration must be the same authorised signatory as clause 8.5.

10.7 The use of erasable pen or fluid is prohibited.

10.8 Validity period is 90 days

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11. DEPARTMENTAL RIGHTS

The Department of Public Works, Roads and Transport reserves a right to:

- 11.1 Verify information and documentation of the respective bidder (s).
- 11.2 Verify if the bidder (s) have necessary infrastructure to execute the contract prior awarding of the contract.
- 11.3 Terminate the contract if there is a deviation from the specification in the bid document.
- 11.4 Take any steps to monitor and assess whether the service provider complies with the management processes as detailed in the SLA without notice.
- 11.5 Decrease or increase number of learners stipulated on the contract at any point in time, if necessary, in line with the prescribed threshold.
- 11.6 Give consent to the successful bidder, the right to operate on the routes identified by the Department. This consent shall only be for the period of the bid.
- 11.7 The department is not bound to accept any of the proposals submitted and reserves a right to call for Best and Final Offers from short listed bidders before final selection.
- 11.8 The Department reserves a right to call for interviews with shortlisted bidders before final selection.
- 11.9 The department reserves the right to negotiate price with preferred bidder.
- 11.10 The bidder or any bid will not necessary be accepted and the department reserves the right to accept whole or part of any bid.
- 11.11 The department reserves a right to appoint more than one service provider.
- 11.12 The department reserves a right not to appoint any bidder whose name appears on the National Treasury Database of Restricted Suppliers will not be considered.

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12. EVALUATION CRITERIA

12.1 Table 1: Total Evaluation points available for functionality / Quality

Functionality	100
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The applicable points to be applied to functionality evaluation are as follows:

- A maximum equal to 100 evaluation points will be awarded for functionality, for evaluation purposes.
- All bidders who scored less than minimum threshold of **85** points for functionality shall not be evaluated further.

The responsive bidder will be scored according to the criteria detailed in the table below:

No	Criteria	Sub-Criteria	Total Points scored
1	Methodology NB: <i>1. Attach clear approach paper to the project.</i>	Approach paper	30
		Management Plan	10
		Maintenance Plan	10
		Operational Plan	10
		Reporting system	5
		Financial viability	5
2	Relevant Experience in Fleet Management NB: <i>1. Attach appointment letters / purchase orders of similar works from institution.</i> <i>2. Attach completion certificate / reference letter form the institution.</i> <i>3. Department reserves a right to verify information attached.</i>	Years of experience	30
		10 years and above	30
		5 years and above	20
		2 to 4 years	10

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3	Key personnel NB: <i>1. Attach cv and qualification of key personnel.</i> <i>2. Attach declaration / or letter of intent from the personnel.</i> <i>3. Attach affidavits to confirm.</i>	Personnel relevant experience and qualification		20
		One Operation's Manager with a Transport Management qualification at least NQF 7 level and minimum of 05 years experience	5	
		One Qualified Accountant at least NQF level 7, with a minimum of 05 years experience.	5	
		Two Auto-Electricians at least NQF level 5 with 05 years' experience	5	
		Three Diesel Mechanics at least NQF level, with 05 years experience	5	
		No proof attached.	0	
4	Financial Capacity <i>1. Proof of audited financial statements not older than 3 months</i>	Bank cash guarantees of R10 million and above	20	20
		Bank cash guarantees of R5 million and above	10	
		Bank cash guarantees of below R5 million or no proof attached .	0	
total				100

NB: Failure of the bidder to attach any of the above-mentioned supporting documents will result in zero points during the evaluation process.

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12.2 Table 2: Points for price and Specific goals

Price	90
Specific goals	10
Enterprises/Companies owned by people without franchise in the national elections prior to 1994 (Africans, Indians and Coloured)	5
Women	2
Youth	2
Persons with Disabilities	1

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B: CERTIFICATE OF AUTHORITY FOR SIGNATURE OF AN ENTITY

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

(I) Company	(II) Close Corporation	(III) Partnership	(IV) Joint Venture	(V) Sole Proprietor

(I) CERTIFICATE FOR COMPANY

I, chairperson of the Board of Directors of
....., hereby confirm by resolution of the Board (copy
attached) taken on 20....., that

Mr/Ms, acting in the capacity of
....., was authorised to sign all documents in
connection with this tender and any contract resulting from it on behalf of the company.

Signature of Chairman:

Signature of Signatory:

As Witnesses:

1..... Name in Block Letters.....

2..... Name in Block Letters.....

Date:

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(II) CERTIFICATE FOR CLOSE CORPORATION

We, the undersigned, being the key members in the business trading as

.....hereby authorise Mr/Ms

acting in the capacity of, to sign all documents

in connection with the tender for Contract No and any contract resulting from it on our behalf.

Signature of Signatory:

As Witnesses:

1..... Name in Block Letters.....

2..... Name in Block Letters.....

Date:

NAME	ADDRESS	SIGNATURE	DATE

Note: *This certificate is to be completed and signed by all of the key members upon whom rests the direction of the affairs of the Close Corporation as a whole.*

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(III) CERTIFICATE FOR PARTNERSHIP

We, the undersigned, being the key partners in the business trading as,

.....hereby authorise

Mr/Ms..... acting in the capacity of

....., to sign all documents in connection

with the tender for Contract No and any contract resulting from it on
our behalf.

Signature of Signatory:

As Witnesses:

1..... Name in Block Letters.....

2..... Name in Block Letters.....

Date:

NAME	ADDRESS	SIGNATURE	DATE

Note: *This certificate is to be completed and signed by all of the key partners upon who rests the direction of the affairs of the Partnership as a whole.*

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(IV) CERTIFICATE FOR JOINT VENTURE

We, the undersigned, are submitting this tender offer in Joint Venture and hereby authorize

Mr/Ms....., authorized signatory of the company,

.....acting in the capacity of lead partner, to sign all documents in

connection with the tender offer for Contract Noand any contract resulting from it on our behalf.

This authorization is evidenced by the attached power of attorney signed by legally authorized signatories of all the partners to the Joint Venture.

Signature of Signatory:

As Witnesses:

1..... Name in Block Letters.....

2..... Name in Block Letters.....

Date:

NAME OF FIRM	ADDRESS	AUTHORISING SIGNATURE, NAME AND CAPACITY
Lead partner		

Note: *This certificate is to be completed and signed by all of the key partners upon who rests the direction of the affairs of the Partnership as a whole.*

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(V) CERTIFICATE FOR SOLE PROPRIETOR

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

Signature of Sole owner:

As Witnesses:

1..... Name in Block Letters.....

2..... Name in Block Letters.....

Date:

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C: RECORD OF ADDENDA TO TENDER DOCUMENTS

We confirm that the following communications received from the Employer before the date of submission of this tender offer, amending the tender documents, have been taken into account in this tender offer.

ADD. No.	DATE	TITLE OR DETAILS
1		
2		
3		
4		
5		

SIGNATURE:
(of person authorised to sign on behalf of the Tenderer)

DATE:

HABANA TRADING
GERT SIBANDE DISTRICT

	<u>Reg no.</u>	<u>Make</u>	<u>Odometer</u> <u>Reading</u>	
1	FTG763MP	Scania	226 700	Std Bus
2	FTG764MP	Scania	146 511	Std Bus
3	FTG766MP	Scania	147 889	Std Bus
4	FTG767MP	Scania	168 301	Std Bus
5	FTG768MP	Scania	181 261	Std Bus
6	FVY828MP	Toyota Qwantum	326 312	Midi bus 16 St
7	FVY831MP	Toyota Qwantum	329 584	Midi bus 16 St
8	FWG651MP	Toyota Qwantum	296 467	Midi bus 16 St
9	FWG654MP	Toyota Qwantum	309 164	Midi bus 16 St
10	FWG659MP	Toyota Qwantum	283 947	Midi bus 16 St
11	FYP882MP	MAN	274 330	Std Bus
12	FYP883MP	VW	181 134	Std Bus
13	FYP889MP	VW	255 206	Std Bus
14	FYP890MP	VW	277 714	Std Bus
15	FYP891MP	VW	232 750	Std Bus
16	FYP893MP	MAN	206 863	Std Bus
17	FYP895MP	MAN	301 438	Std Bus
18	FYP898MP	MAN	259 943	Std Bus
19	FYP904MP	MAN	235 101	Std Bus
20	FYP906MP	MAN	366 126	Std Bus
21	FYP907MP	MAN	272 167	Std Bus
22	FYP910MP	VW	275 778	Std Bus
23	FYP912MP	VW	243 954	Std Bus
24	FYP921MP	VW	283 138	Std Bus
25	FYP922MP	VW	253 912	Std Bus
26	FYP923MP	VW	312 426	Std Bus
27	FYP926MP	VW	229 955	Std Bus
28	FYP929MP	VW	268 203	Std Bus
29	FYR728MP	VW	304 846	Std Bus
30	FYR731MP	VW	226 690	Std Bus
31	FYR735MP	VW	197 722	Std Bus
32	FYR741MP	MAN	298 695	Std Bus
33	FYR743MP	MAN	280 664	Std Bus

34	FYR744MP	MAN	231 536	Std Bus
35	FYR746MP	VW	284 353	Std Bus
36	FYR748MP	MAN	250 645	Std Bus
37	FYR751MP	MAN	226 773	Std Bus
38	FYR755MP	MAN	285 704	Std Bus
39	FYR756MP	MAN	230 706	Std Bus
40	FYR759MP	MAN	248 717	Std Bus
41	FYR760MP	MAN	256 796	Std Bus
42	FYR763MP	MAN	260 677	Std Bus
43	FYR766MP	MAN	239 293	Std Bus
44	FYR767MP	MAN	321 218	Std Bus
45	FYR770MP	MAN	218 192	Std Bus
46	FYR772MP	MAN	306 552	Std Bus
47	FYR774MP	MAN	220 579	Std Bus
48	FYS337MP	VW	293 626	Std Bus
49	FYS351MP	MAN	282 471	Std Bus
50	FYZ213MP	MAN	222 045	Std Bus
51	HBZ864MP	MAN	261 621	Std Bus
52	HBZ869MP	MAN	236 774	Std Bus
53	HBZ872MP	VW	326 728	Std Bus
54	HBZ874MP	MAN	204 835	Std Bus
55	HBZ901MP	MAN	249 946	Std Bus
56	HCP031MP	VW	261 528	Std Bus
57	HCP036MP	VW	222 291	Std Bus
58	HCP041MP	VW	290 504	Std Bus
59	HCP045MP	VW	277 086	Std Bus
60	HCP048MP	VW	275 514	Std Bus
61	HCP288MP	VW	201 856	Std Bus
62	HCP290MP	VW	243 812	Std Bus
63	HCP291MP	VW	239 133	Std Bus
64	HCP293MP	VW	254 736	Std Bus
65	HCP295MP	VW	249 609	Std Bus
66	HCP305MP	VW	304 517	Std Bus
67	HCP311MP	VW	250 513	Std Bus
68	HCP313MP	VW	313 442	Std Bus
69	HCP321MP	VW	267 452	Std Bus
70	HCR022MP	VW	222 978	Std Bus

71	HCR042MP	MAN	203 112	Std Bus
72	HCR052MP	MAN	231 122	Std Bus
73	HCR054MP	MAN	255 163	Std Bus
74	HCR057MP	MAN	187 194	Std Bus
75	HCR060MP	MAN	248 343	Std Bus
76	HCR063MP	MAN	286 574	Std Bus
77	HCR066MP	MAN	227 139	Std Bus
78	HCR068MP	MAN	303 839	Std Bus
79	HCR071MP	MAN	268 691	Std Bus
80	HCR075MP	MAN	218 643	Std Bus
81	HDD129MP	Scania	177 423	Std Bus
82	HDD137MP	Scania	155 772	Std Bus
83	HDD141MP	Scania	407 189	Std Bus
84	HDD185MP	Scania	142 236	Std Bus
85	HDK744MP	M/Benz	212 566	Std Bus
86	HDK779MP	M/Benz	236 645	Std Bus
87	HDK781MP	M/Benz	252 950	Std Bus
88	HDK787MP	Scania	30 916	Std Bus
89	HDK792MP	M/Benz	252 517	Std Bus
90	HDK795MP	M/Benz	261 542	Std Bus
91	HDK803MP	M/Benz	335 487	Std Bus
92	HDK805MP	M/Benz	46 610	Std Bus
93	HDK807MP	M/Benz	225 118	Std Bus
94	HGN896MP	MAN	214 126	Std Bus
95	HGN905MP	MAN	252 343	Std Bus
96	HGN918MP	MAN	183 707	Std Bus
97	HGN922MP	VW	241 990	Std Bus
98	HGN926MP	VW	272 711	Std Bus
99	HGN930MP	VW	256 752	Std Bus
100	HGN933MP	VW	257 231	Std Bus
101	HGN942MP	VW	217 310	Std Bus
102	HGN947MP	VW	259 585	Std Bus
103	HGN950MP	MAN	263 412	Std Bus
104	HGN955MP	VW	232 790	Std Bus
105	HGP038MP	VW	222 861	Std Bus
106	HGP043MP	VW	231 426	Std Bus
107	HGP049MP	VW	265 243	Std Bus
108	HGP054MP	VW	195 578	Std Bus

109	HGP061MP	VW	205 525	Std Bus
110	HGP063MP	VW	187 285	Std Bus
111	HJD478MP	VW	227 995	Std Bus
112	HJD482MP	VW	228 654	Std Bus
113	HJD484MP	VW	254 734	Std Bus
114	HJD485MP	VW	228 848	Std Bus
115	HJD487MP	VW	211 249	Std Bus
116	HJD490MP	VW	208 215	Std Bus
117	HJD494MP	VW	243 413	Std Bus
118	HJD497MP	VW	233 824	Std Bus
119	HJD501MP	VW	209 954	Std Bus
120	HKP492MP	VW	256 101	Std Bus
121	HKP496MP	VW	212 204	Std Bus
122	HKP499MP	VW	187 158	Std Bus
123	HKP503MP	VW	183 253	Std Bus
124	HYN988MP	VW	127 094	Std Bus
125	HYN990MP	VW	101 475	Std Bus
126	HYN992MP	VW	200 242	Std Bus
127	HYN995MP	VW	153 449	Std Bus
128	HYN996MP	VW	199 707	Std Bus
129	HYN997MP	VW	190 614	Std Bus
130	HYP007MP	VW	165 448	Std Bus
131	HYP021MP	VW	178 789	Std Bus
132	HYP025MP	VW	212 784	Std Bus
133	HYP033MP	VW	202 934	Std Bus
134	HYP042MP	VW	157 597	Std Bus
135	HYP050MP	VW	114 076	Std Bus
136	HYP068MP	VW	170 693	Std Bus
137	HYP072MP	VW	159 694	Std Bus
138	HYP080MP	VW	96 509	Std Bus
139	HYP089MP	VW	159 021	Std Bus
140	HYP142MP	VW	124 939	Std Bus
141	HZB127MP	VW	174 338	Std Bus
142	HZB132MP	VW	201 545	Std Bus
143	HZB135MP	VW	166 796	Std Bus
144	HZB139MP	VW	220 860	Std Bus
145	HZB146MP	VW	163 162	Std Bus

146	HZB156MP	VW	159 037	Std Bus
147	HZB171MP	VW	55 058	Std Bus
148	HZB185MP	VW	136 974	Std Bus
149	HZB209MP	VW	190 490	Std Bus
150	JBB413MP	VW	171 131	Std Bus
151	JBB424MP	VW	217 990	Std Bus
152	JBB427MP	VW	218 348	Std Bus
153	JBZ918MP	VW	198 407	Std Bus
154	JHC225MP	VW	161 710	Std Bus
155	JHC227MP	VW	200 939	Std Bus
156	JHC228MP	VW	151 673	Std Bus
157	JHC232MP	VW	169 091	Std Bus
158	JHC233MP	VW	135 090	Std Bus
159	JHC235MP	VW	177 487	Std Bus
160	JHC239MP	VW	130 109	Std Bus
161	JHC242MP	VW	215 860	Std Bus
162	JHC246MP	VW	185 580	Std Bus
163	JHC247MP	VW	155 580	Std Bus
164	JHC248MP	VW	157 428	Std Bus
165	JHC636MP	VW	161 479	Std Bus
166	JHC637MP	VW	135 414	Std Bus
167	JHC638MP	VW	233 798	Std Bus
168	JHC639MP	VW	262 617	Std Bus
169	JHC646MP	VW	158 098	Std Bus
170	JHC649MP	VW	192 415	Std Bus
171	JHC652MP	VW	174 930	Std Bus
172	JHC656MP	VW	136 245	Std Bus
173	JHC665MP	VW	167 828	Std Bus
174	JHC670MP	VW	119 575	Std Bus
175	JHN976MP	VW	196 740	Std Bus
176	JJG583MP	VW	146 058	Std Bus
177	JJG588MP	VW	135 150	Std Bus
178	JJG589MP	VW	132 132	Std Bus
179	JJG592MP	VW	118 813	Std Bus
180	JJG593MP	VW	107 935	Std Bus
181	JJG608MP	VW	134 348	Std Bus
182	JJG611MP	VW	106 885	Std Bus

183	JJG613MP	VW	120 750	Std Bus
184	JJG617MP	VW	169 495	Std Bus
185	JJG621MP	VW	125 964	Std Bus
186	JJG628MP	VW	148 994	Std Bus
187	JJG631MP	VW	125 355	Std Bus
188	JJG633MP	VW	140 776	Std Bus
189	JJG638MP	VW	127 331	Std Bus
190	JJG640MP	VW	125 485	Std Bus
191	JJG643MP	VW	186 915	Std Bus
192	JJG649MP	VW	145 475	Std Bus
193	JJG655MP	VW	163 806	Std Bus
194	JJK609MP	VW	110 341	Std Bus
195	JJK610MP	VW	135 643	Std Bus
196	JJK612MP	VW	165 638	Std Bus
197	JJK614MP	VW	140 926	Std Bus
198	JJK616MP	VW	190 089	Std Bus
199	JJK618MP	VW	115 868	Std Bus
200	JJK619MP	VW	207 812	Std Bus
201	JWL244MP	VW	87 016	Std Bus
202	KBZ984MP	VW	115 388	Std Bus
203	KPN157MP	VW	80 615	Std Bus
204	No Plate	MAN	345 956	Std Bus
205	LCX060MP	M/Benz	265 599	Std Bus
206	LCX062MP	M/Benz	276 425	Std Bus



Application for a Tax Clearance Certificate

Purpose

Select the applicable option Tenders Good standing

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

Empty text box for purpose of application

Particulars of applicant

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

Trading name (if applicable)

ID/Passport no Company/Close Corp. registered no

Income Tax ref no PAYE ref no 7

VAT registration no 4 SDL ref no L

Customs code UIF ref no U

Telephone no Fax no

E-mail address

Physical address

Postal address

Particulars of representative (Public Officer/Trustee/Partner)

Surname

First names

ID/Passport no Income Tax ref no

Telephone no Fax no

E-mail address

Physical address

Particulars of tender (If applicable)

Tender number

Estimated Tender amount R

Expected duration of the tender year(s)

Particulars of the 3 largest contracts previously awarded

Date started	Date finalised	Principal	Contact person	Telephone number	Amount
--------------	----------------	-----------	----------------	------------------	--------

Audit

Are you currently aware of any Audit investigation against you/the company? YES NO
 If "YES" provide details

Appointment of representative/agent (Power of Attorney)

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

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

Signature of representative/agent

Date

Name of representative/agent

Declaration

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

Signature of applicant/Public Officer

Date

Name of applicant/Public Officer

Notes:

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

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....
.....

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

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

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

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

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

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

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

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

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

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

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

1. GENERAL CONDITIONS

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

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

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

(delete whichever is not applicable for this tender).

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

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

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

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

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	90
SPECIFIC GOALS	10
Total points for Price and SPECIFIC GOALS	100

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

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:

$$Ps = 80 \left(1 + \frac{Pt - Pmax}{Pmax} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - Pmax}{Pmax} \right)$$

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Enterprises/Companies owned by people without franchise in the national elections prior to 1994 (Africans, Indians and Coloured)	5			
Women	2			
Youth	2			
Persons with Disabilities	1			

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:

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

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

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) on the date of advertisement of the bid as indicated in paragraph 3.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

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

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

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

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

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

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

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

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

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

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

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

IN RESPECT OF BID NO.

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

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on http://www.thedti.gov.za/industrial_development/ip.isp. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

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

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

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

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above. The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017

promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

Annex C

Local Content Declaration - Summary Schedule

(C1) Tender No.
 (C2) Tender description:
 (C3) Designated product(s)
 (C4) Tender Authority:
 (C5) Tendering Entity name:
 (C6) Tender Exchange Rate:
 (C7) Specified local content %

Pula EU GBP

Note: VAT to be excluded from all calculations

Tender item no's	List of items	Calculation of local content				Local content % (per item)	
		Tender price - each (excl VAT)	Exempted imported value	Tender value net of exempted imported content	Imported value		
(C8)	(C9)	(C10)	(C11)	(C12)	(C13)	(C14)	(C15)

Tender summary			
Tender Qty	Total tender value	Total exempted imported content	Total Imported content
(C16)	(C17)	(C18)	(C19)

Signature of tenderer from Annex B

Date: _____

(C20) Total tender value
 (C21) Total Exempt imported content
 (C22) Total Tender value net of exempt imported content
 (C23) Total Imported content
 (C24) Total local content
 (C25) Average local content % of tender

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

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

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

3. General

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

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

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

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

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation (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.