



agriculture, land reform & rural development

Department:
Agriculture, Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA

CHIEF DIRECTORATE: PROVINCIAL SHARED SERVICES CENTRE - GAUTENG

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TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER(S) TO PREPARE A MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (SDF) WITHIN A PERIOD OF TEN (10) MONTHS, MERAFONG CITY LOCAL MUNICIPALITY, WEST RAND DISTRICT, GAUTENG PROVINCE.

1. INTRODUCTION

- 1.1. The Department of Agriculture, Land Reform and Rural Development (DALRRD) under the Branch Spatial Planning and Land Use Management (SPLUM) needs to appoint a service provider(s) to develop the Spatial Development Framework (SDF) for the Merafong City Local Municipality (MLM) which is located within the West Rand District in Gauteng Province.
- 1.2. The Department of Agriculture, Land Reform and Rural Development (DALRRD) seeks to appoint a suitably qualified and experienced service provider(s), primarily Town/Urban/City and Regional Planners complimented by a team of other experts (outlined in section 8) for a period of ten (10) months to render professional services in preparing the Spatial Development Framework for Merafong City Local Municipality.

2. PROBLEM STATEMENT

- 2.1 The Spatial Planning Section within the Merafong City Local Municipality produced its own SPLUMA compliant MSDF in 2019. In the review process of the MSDF, the Municipality's Spatial Planning section experienced the following ongoing challenges with regards to its MSDF:
 - a) The lack of capacity to conduct spatial-statistical analysis for evidence-based planning, including modeling that links the Capital Expenditure Framework to

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budget prioritization. Currently there is a large gap in the very important nexus point between Spatial Planning, Infrastructure and Finance.

- b) There is a lack of capacity to conduct extensive public participation that is involved in the compilation of an MSDF.
- c) The Municipality through the Spatial Planning section has also concluded that there is a need for an increased external perspective on the drafting of spatial planning policies to ascertain that the municipality keeps abreast with new ideas and innovations.
- d) The Municipality also has a need for skills improvement of officials within the Spatial Planning section.

- 2.2 Given that the internal review/update of the Merafong City MSDF was completed in 2019, the next review cycle of the MSDF will be in 2024. As such, the project is also being taken preemptively in order to meet the 5-year review cycle of the MSDF.

3. BACKGROUND AND LOCATIONAL CONTEXT

- 3.1 Section 12 of SPLUMA, requires all spheres of government (National, Provincial and Local) to develop Spatial Development Frameworks (SDFs). Section 20 of SPLUMA, 2013 read together with Section 26 of the Municipal Systems Act (32 of 2000) requires that the Municipal Council after consultation with relevant stakeholders must prepare and adopt the Spatial Development Frameworks (SDF) as a core component of their Integrated Development Plans (IDP).
- 3.2 Merafong City Local Municipality is located in the southwestern extreme of the Gauteng Province. The municipality forms part of West Rand District Municipality which consists of three local municipalities namely: Mogale City, Rand West

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Municipality as well as Merafong City itself. The municipal area is bordered by JB Marks Municipality (North West Province) in the west, Mogale City LM and the Rand West LM in the north and east respectively.

- 3.3 Merafong City is situated about 65km from Johannesburg and is serviced by a number of major roads, including the N12 from Johannesburg to Cape Town and the N14. The municipality is the biggest economic contributor to the District Municipality due to the mining sector.

4. THE LEGISLATIVE FRAMEWORK

4.1 The Spatial Planning and Land Use Management Act (SPLUMA)

- 4.1.1 SPLUMA is a legislation that gives a framework for all spatial planning and land use management in South Africa. It seeks to promote consistency and uniformity in procedures and decision-making pertaining to issues such as spatial planning and land use management. Other objectives include; addressing historical spatial imbalances and the integration of the principles of sustainable development into land use, planning regulatory tools and legislative instruments.
- 4.1.2 SPLUMA requires national, provincial, and municipal spheres of government to prepare SDFs that establish a clear vision that must be developed through a thorough inventory and analysis based on national spatial planning principles and local long-term development goals and plans.
- 4.1.3 SDFs are thus mandatory at all three spheres of government. Section 12(2) of SPLUMA confirms that all three spheres must participate in each other's processes of spatial planning and land use management and each sphere must be guided by its own SDF when taking decisions relating to land use and development.

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4.1.4 Chapter 4 Part A of SPLUMA sets out the focus and general requirements that must guide the preparation and compilation of SDF products at the various scales. Section 20 and 21 gives a clear requirement for the development of municipal spatial development frameworks.

4.1.5 A Spatial Development Framework adopted in terms of this Act must guide and inform the exercise of any discretion or of any decision taken in terms of this Act or any other law relating to land use and development of land by that sphere of government.

4.1.6 In the preparation of the SDF, Section 21 of SPLUMA states amongst others that a Municipal Spatial Development Framework must:

- a) give effect to the development principles and applicable norms and standards set out in Chapter 2;
- b) include a written and spatial representation of a five-year spatial development plan for the spatial form of the municipality.
- c) include a longer-term spatial development vision statement for the municipal area which indicates a desired spatial growth and development pattern for the next 10 to 20 years;
- d) identify current and future significant structuring and restructuring elements of the spatial form of the municipality, including development corridors, activity spines and economic nodes where public and private investment will be prioritized and facilitated;
- e) include population growth estimates for the next five years;

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- f) include estimates of the demand for housing units across different socio-economic categories and the planned location and density of future housing developments;
- g) include estimates of economic activity and employment trends and locations in the municipal area for the next five years;
- h) identify, quantify and provide location requirements of engineering infrastructure and services provision for existing and future development needs for the next five years;
- i) identify the designated areas where national or provincial inclusionary housing policy may be applicable;
- j) include a strategic assessment of the environmental pressures and opportunities within the municipal area, including the spatial location of environmental sensitivities, high potential agricultural land and coastal access strips, where applicable;
- k) identify the designation of areas in the municipality where incremental upgrading approaches to development and regulation will be applicable;
- l) identify the designation of areas in which:
 - (i) More detailed local plans must be developed
 - (ii) Shortened land use development procedures may be applicable and land use schemes may be so amended;
- m) provide the spatial expression of the coordination, alignment and integration of sectoral policies of all municipal departments;

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- n) determine a capital expenditure framework for the municipality's development programmes, depicted spatially;
- o) determine the purpose, desired impact and structure of the land use management scheme to apply in that municipal area; and
- p) include an implementation plan, comprising of:
 - (i) Sectoral requirements, including budgets and resources for implementation;
 - (ii) Necessary amendments to a land use scheme;
 - (iii) Specification of institutional arrangements necessary for implementation;
 - (iv) Specification of implementation targets, including dates and monitoring indicators; and
 - (v) Specification, where necessary, of any arrangements for partnerships in the implementation process.

4.2 The Municipal Systems Act

4.2.1 The Local Government Municipal Systems Act (MSA), 32 of 2000, first introduced the concept of the Municipal Spatial Development Framework (MSDF) as a component of the mandatory Integrated Development Plan (IDP) that every municipality must adopt.

4.2.2 The provisions of the MSA that deal with MSDFs have to be read closely with the relevant provisions, especially Part E, of SPLUMA. While the MSA establishes the core features of the MSDF, SPLUMA adds detailed provisions.

4.2.3 Two elements of the MSA's treatment of MSDFs should be noted:

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- ✓ Chapter 5 of the Act deals with integrated development planning and provides the legislative framework for the compilation and adoption of IDPs by municipalities. Within the same chapter, section 26 (e), specifically requires an SDF as a mandatory component of the municipal IDP. The rest of the chapter's provisions on IDPs thus apply to SDFs as well.
- ✓ In 2001, the Minister for Provincial and Local Government issued the Local Government: Municipal Planning and Performance Management Regulations. Within these regulations, Regulation 2 (4), prescribes the minimum requirements for a municipal SDF.

5. OBJECTIVES

- 5.1 The key objective of the project is to appoint a service provider to prepare the Spatial Development Framework for the Merafong City Local Municipality (MLM) within a period of ten (10) months that should: -
- ✓ Provide a clear and comprehensive Spatial Development Framework for the MLM;
 - ✓ Inform, improve and guide cross-sectoral policy or project implementation and integration;
 - ✓ Provide a strategic spatial development vision for the municipality in line with the broad development objectives of National and Provincial policies;
 - ✓ Indicate in as much detail as possible to members of the public and others with an interest in the municipality, the desired spatial form for the municipality;

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- ✓ Indicate planning, environment, infrastructure and institutional issues that gave rise to the proposals contained in the final document and provides all stakeholders an opportunity to participate during the process of formulating the SDF;
- ✓ To provide a spatial reflection of the needs and priorities established in the integrated development plan and identify specific issues which are unique to the municipalities;
- ✓ To address rural development issues such as the integration with urban areas, the provision of social and economic amenities, the provision of infrastructure and involvement during the public participation process;
- ✓ To provide long-term strategic mechanisms on: -
 - Identifying areas for economic opportunities, particularly for industrial, commercial and agriculture.
 - To identify infrastructure needs and services constraints and bring forward tangible solutions to address these constraints.
 - Accommodate the growing housing needs considering the need for development of various housing typologies and programmes (e.g. "Gap Housing", social housing, FLISP, etc.)
 - Protection of natural environment e.g. Conservation Corridors, Green Wedges, hydrological resources, biodiversity areas, etc.
- ✓ Be data and systems supportive by containing spatial and financial modeling that can link seamlessly into project prioritization and budgeting through the Capital Expenditure Framework (CEF). Clear linkages are required to facilitate the interaction between Spatial Planning, Infrastructure Planning and Financial Planning through integrated modeling.

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6. SCOPE OF WORK

6.1 The successful service provider(s) would be expected to undertake the following towards the development of the SDF: -

- a) Conduct a status quo analysis which will entail but not limited to sectoral and spatial analysis, policy analysis and gap analysis of the current Merafong City MSDF, 2019.
- b) Draft a Spatial Vision for the SDF, in line with the Municipal Integrated Development Plan. The Spatial Vision will be subject to consultation with the municipality and various stakeholders.
- c) Develop spatial challenges, options and proposals for the municipality taking into cognizance the local circumstance, local policies, local economic challenges and development, provincial and national policies and strategies. The options must also consider government priority programs from all relevant spheres of government, such as the 9-Point Plan, Strategic Infrastructure Projects, the relevant District Development Model/One Plan etc.
- d) The envisaged outcome of this exercise is the development of Spatial Options that will inform the SDF and also highlight and identify visible changes, trends, and their opportunities, conflicts and tensions and how they can be addressed. The SDF should also provide guidance to township modernization and township economic revitalization processes in alignment to the relevant legislation and policies.
- e) Compile a Capital Expenditure Framework that is aligned to the proposals contained in the SDF.

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- f) The SDF must also include an Implementation Plan with timelines and a detailed Capital Expenditure Framework that identifies the responsibilities for its implementation both within and outside the municipality.
- g) Provide clear demand quantification and spatial based Functional and Priority Area modeling and delineation.
- h) The Capital Expenditure Framework must -:
 - Identify Functional Areas (FA) and Priority Development Areas (PDAs);
 - Undertake developmental and socio-economic profiling for the municipality as a whole, as well as each Functional Area;
 - Compile a land budget for residential and commercial growth for the next ten years;
 - Confirm the appropriateness of the SDF vision and long-term spatial structure for the municipality as an input to the prioritisation and budget alignment of the municipality;
 - Prepare programmatic and project-based responses per sector based on the land budget and residential and commercial growth estimates, in order to identify capital investment requirements and backlogs.
 - Responses to spatial analysis outcomes must be done through a platform that can create unbiased project prioritisations and link in a causal manner to the budgeting and wider Integrated Development Plan (IDP).
 - ~~Develop a long term financial plan, with a planning horizon of 10 years;~~
 - Compile a 10 – 20 year financial model including an affordability envelope and optimal capital funding mix;
 - Structure capital investment programmes per Functional Area;
 - Compile a CEF for a 10-year horizon based on spatial-prioritisation;

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- Conceptualise a 3-year (MTREF) CEIP with project and programmes which will serve as the municipal capital budget.
- i) The service provider shall comply with all the requirements of Section 21 of SPLUMA and furnish DALRRD and MLM with all the documents referred to in Section 21.
- j) Calculation methodologies and data sets must be made available for future use by the municipality for its own purposes. This includes unit costs related to infrastructure.
- k) Develop a stakeholder engagement plan for the various consultation processes with various stakeholders, including government, private sector and any other stakeholders throughout the lifespan of the project. The service provider should cater for additional unplanned meetings that may be required for the duration of the project.
- l) The service provider will also be required to assist the municipality in finalizing any documents for the presentation of the SDF in various committees towards/and for the adoption by Council.
- m) The Service Provider is responsible to ensure that the final gazette notice is placed once the SDF is approved and adopted by Council.

7. DELIVERABLES

- 7.1 The appointed service provider will be required to deliver the following to the DALRRD and the Merafong City Local Municipality: -

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- a) Spatial Development Framework with Spatial challenges and opportunities, Spatial vision, spatial proposals and options report with related mapping submitted in digital format and a full colour hard copy.
- b) Capital Expenditure Framework and Implementation Plan (Graphically Illustrated) for approval by Council.
- c) Executive Summary Document and a public participation report;
- d) SDF textual document including all maps, tables and figures in both hardcopy (printed) and softcopy (electronic as MS word document) image files as (e.g. JPEG, windows Bitmap, GIF, etc.);
- e) A0 SDF Maps x 2;
- f) GIS Information (spatial information collected and derived should be submitted in GIS capable file format i.e. shapefiles, geo-database, layer file, data package, MXD files and must include metadata records (Database) captured in line with the South Africa National Standard (SANS -1878). Spatial information captured must be in line with Regulation 5(2) of the Spatial Data Infrastructure Act, 2003;

7.2 Submissions of reports should be in the form of both hard and electronic versions. Ownership of documentation collected from this assignment vest in DALRRD and the municipality. The DALRRD and the municipality will become the custodian of documentation submitted. The service provider will be responsible for the layout design and editing of the publication in line with the municipal corporate identity. The project manager must sign off the final document before printing. The proposed Specification for the Final SDF can be seen below: -

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Booklet Size	A4
Cover Page	250 gsm Hi-Q Titan double coated gloss
Text Printed	113 gsm Hi-Q Titan double coated gloss
Colour	Full Colour
Binding	PUR binding
Volume	50 copies
An open file and a print ready artwork of the final Draft SDF and implementation plan is to be submitted on a printed CD along with the all map mxd and Geo-database (shapefiles)	X20

a. Supplemented by Roll-up banners X3 and posters x10.

7.3 The GIS data must further meet the following requirements: -

- ✓ All maps should be in A4 size in the document;
- ✓ Maps must be numbered and listed in the page of contents;
- ✓ All the text in the maps and the legends must be legible;
- ✓ The same map template/ layout must be used throughout the document;
- ✓ All maps should have the basic map elements, namely: a title, north arrow, legend, scale bar;
- ✓ All the features on the map must be explained in the legend;
- ✓ All mapping must be developed at an appropriate and readable scale;
- ✓ All maps must also be available in Power point Presentation format as well as the corresponding Map Document (MXD) with all spatial information in shapefiles or a geodatabase ready to be accessed in ArcGIS;

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- ✓ The final SDF Map should be printed on an A0 size (5 copies) and
- ✓ All maps must be included in the draft SDF document.

8. SKILLS REQUIREMENTS

8.1 Companies with individuals with qualifications and extensive experience will be required as detailed in Table 1 and in section 8.3 and 17 respectively.

Table: MINIMUM QUALIFICATIONS REQUIRED BY THE DALRRD

No.	Minimum Qualification	Key Skill Set	Registration Requirements
1.	B Degree in Town/Urban/City and Regional Planning B Degree in Urban Design	<ul style="list-style-type: none"> • Spatial Planning • Land use management • Urban Design • Report writing 	Registration with SACPLAN as Professional Planner
2.	B Degree in Economics with specialisation in Development Economics	<ul style="list-style-type: none"> • Development Economics • Urban Economics 	
3.	Relevant B Degree Qualification related to Geographic Information Systems	<ul style="list-style-type: none"> • Mapping • Spatial analysis • Data modelling 	Registration with SAGC (South African Geomatics Council) as a GIS Practitioner / Professional
4.	BSc in Civil Engineering with specialisation in Infrastructure Planning and Transport planning	<ul style="list-style-type: none"> • Infrastructure planning • Transport planning 	Registration with ECSA (Engineering Council of South Africa)

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5.	BSc or Bachelor's Degree or BTech Environmental Sciences/ Environmental Management	<ul style="list-style-type: none"> • Environmental management 	
6.	Diploma in Graphic Design or Visual Communication	<ul style="list-style-type: none"> • Layout design • Animation • Attention to detail • Layout design • Animation • Attention to detail 	

8.2 Please note that above is a minimum set of skills required, the company/consortium is welcome to add more skills as deemed necessary to undertake the work.

8.3 In order to deliver successfully on the scope of work that is expected to be done the table below attempts to provide clarity on the extent of work, but not limited to this table only, which is expected by different skilled sectors: -

Table 1: EXTENT OF WORK

Town and Regional Planning
<ul style="list-style-type: none"> • Consultation and stakeholder engagements (including workshops) • Skills Transfer Plan • Marketing Plan and Materials • National Legislation, Policies and Development Plans (NDP, SPLUMA etc.). • Provincial Legislation, Policies and Development Plans.

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- Assessment of specific legislation and regulations impacting on the national assets in the study area, specifically the National Key Points, etc.
- District municipalities: IDP and SDF.
- Local Municipalities: IDP and SDF.
- Develop municipal spatial structure (Spatial Conceptual Vision)
- Development trends and situational analysis.
- Cross Border functional linkages, urban-rural linkages, functional nodes and corridors.
- Synthesis: Spatial Structuring Elements.
- Compilation of Spatial Development Framework.
- Compilation of Capital Expenditure Framework
 - Functional and Priority Development Area Identification
 - Socio-Economic and Spatial Profiling
 - Project prioritisation
 - Implementation Framework
- Coordinate/Compile Implementation Framework
 - Capital and catalytic projects and costs
 - Institutional and governance arrangements.

Environmental Management

- Existing environmental policies in affected Municipalities and Provinces.
- Topography, Hydrology and Catchment areas
- State of the Environment and Pollution Risks
- Other Environmental Policies Applicable
- Synthesis: Environmental Issues
- Proposed Environmental Management Guidelines for catalytic projects
- Identification of priority environmental projects for the Implementation Plan.
- Climate Change considerations and mitigation proposals.
- Impact of Arid Innovation Hub in NSDF.

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Economic Development (agricultural economist and logistics specialist expertise needed)
<ul style="list-style-type: none"> • Existing economic policies applicable to the municipality including SALGA Baseline, Municipal LED Plans, Provincial PGDPs and District Rural Development Plans. • Socio-Economic Profile (not addressed in the Baseline Study) <ul style="list-style-type: none"> ○ Population size and composition ○ Projected population growth ○ Workforce (Characteristics) ○ Education ○ Income ○ Unemployment • Economic Overview <ul style="list-style-type: none"> ○ Global, National and Provincial economic overview ○ Economic overview focusing on sectoral characteristics, trends, forecasts and potential markets for: <ul style="list-style-type: none"> ○ Agriculture and Agri-hubs (key commodities and agricultural potential) ○ Mining ○ Industrial/Manufacturing ○ Business ○ Tourism ○ Informal Sector • Synthesis: Key local economic drivers, economic development potential, value chains and functional regions per sector. • Economic Development Strategy and Key Projects
Movement Network
<ul style="list-style-type: none"> • A detailed investigation into the movement network: Provincial, District, Regional and Local Context: Road, Rail and Air • Public transport network and services (incl. key markets and logistics)

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<ul style="list-style-type: none"> • Identification of Municipal Issues • Inputs into SDF: <ul style="list-style-type: none"> ○ Proposed movement and public transport network projects ○ Priority Projects
Engineering Services
<ul style="list-style-type: none"> • Infrastructure Demand Analysis and growth impact forecasting • Assessment of Bulk Infrastructure Network capacity: <ul style="list-style-type: none"> ○ Water (including water sources i.e. ground water and water quality) ○ Sanitation ○ Electricity ○ Solid waste ○ Communication infrastructure • Identification of municipal issues and implications for Spatial Plans. • Inputs to SDF regarding: <ul style="list-style-type: none"> • Integrated Infrastructure Investment Framework • Project Prioritisation
Financial analysis
<ul style="list-style-type: none"> • Medium and long term financial modeling <ul style="list-style-type: none"> ○ Scenario building and affordability envelope

8.4 A qualified and skilled Town and Regional Planner with project management background will also be required to manage the different specialists and coordinate the work being undertaken.

8.5 Proven experience and thorough understanding in the following is also required: -

- a) Spatial, social economic and infrastructure development policies and legislation;

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- b) Urban and rural development and land reform;
- c) Previous experience in the development of a spatial development framework either at municipal or provincial levels;
- d) Previous experience with policy and / or planning work at a National Level;
- e) Strategic capability and understanding of strategic planning process;
- f) Understanding of the interrelationship amongst the following: social, economic, land use, transport and environmental issues;
- g) Stakeholder and Project Management;
- h) Facilitation and negotiation skills;
- i) Research, analytical writing and communication skills.
- j) Infrastructure Demand Analysis
- k) Municipal Financial Analysis

9. PROJECT DURATION AND PAYMENT MILESTONES

- 9.1 The project will commence after the letter of appointment has been issued and Service Level Agreement has been signed which will expire in ten (10) months thereafter and is subject to addition, extension or early termination, depending on the need and performance assessment of the service provider.
- 9.2 The DALRRD reserve full rights to implement the above-mentioned clause.
- 9.3 The target dates for each milestone (as well as the associated deliverable) and the amount of financial compensation for the work done is detailed in Table 3 below.

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Table 2: PROJECT PHASES

PHASES	% PAYABLE	TIME FRAMES	DELEVIRABLE
Phase 1: Inception report	5%	2 weeks	Final inception report Stakeholder Engagement Plan
Phase 2: Status Quo Analysis, Policy, CEF socio-economic profiling, Context and Spatial Vision	15%	1 month	Status Quo and Spatial Analysis Report. Draft Spatial Vision
Phase 3: Spatial & Sectoral Analysis and Stakeholder Consultation, CEF demand quantification and financial modeling	20%	3 months	Spatial Options and Proposal Report
Phase 4: Spatial Proposal and Land Use Budget Plan, CEF prioritisation framework	20%	2 months	Draft SDF Report with Land Use Budget Plan Stakeholder Engagement Report
Phase 5: Implementation Framework	15%	1 month, 2 weeks	Implementation Framework and Capital Expenditure Framework
Phase 6: Final Comprehensive Draft	15%	2 months	Final Comprehensive Draft SDF document

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PHASES	% PAYABLE	TIME FRAMES	DELEVIRABLE
SDF and CEF, workshop/s			
Close-out report and Retention	10%		Copies of the Final SDF with proof of submission of the final SDF and approval by the municipality.
Total	100%	10 months	

9.4 A 10% retention will be paid once final project documentation has been approved and adopted by the relevant stakeholders.

9.5 Monthly reports (per phase) will be forwarded by the service provider to the designated project manager. The service provider will be required to report via a written and electronic report. It is expected that stakeholder engagement is a continuous process within all stages of the project, and it is to be reported as an item in monthly reports (per phase). A final comprehensive report is also expected to be submitted as a deliverable in phase 6.

9.6 The service provider shall forfeit the total payment per milestone in the case of the project being delayed for longer than 30 days after milestone due date.

9.7 The service provider may apply to the DALRRD for an extension on the delivery date on any milestone – provided that the service provider gives valid reason(s) to the sole satisfaction of the DALRRD.

9.8 On completion of the SDF, the DALRRD Project Manager must submit a 'Close-Out Report' to the MLM Project Manager. The 'Close-Out Report' must only be submitted

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after all other deliverables have been signed off. The following must be reflected in this report:

- a) Confirmation that the project has been fully completed as per the requirements of this bid document.
- b) This report should reflect if the project expectations of all key-role-players as indicated with the project inception, were met.
- c) Any other aspect deemed of importance by the Project Manager.

10. UNDUE DELAY REMEDIES

10.1 Should it be found that the delay of the project in terms of the agreed time period is unreasonable, then for every 5 (five) days or other stipulated time frame there shall be a penalty in terms of percentages which will be deducted from the payment as indicated below:

Table 3: UNDUE DELAY PENALTIES

Milestone	% Payable	5 Days Overdue	10 Days Overdue	15 Days Overdue	30 Days Overdue	More than 30 days overdue
Phase 1:	5%	15%	25%	50%	75%	100%
Phase 2:	15%	30%	60%	75%	85%	100%
Phase 3:	20%	20%	40%	60%	80%	100%
Phase 4:	20%	15%	25%	50%	75%	100%
Phase 5:	15%	30%	60%	75%	85%	100%
Phase 6:	15%	30%	60%	75%	85%	100%
Retention	10%					
Total	100%					

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11. EXTRA WORK

- 11.1 Any costs for extra work by the service provider, incurred over and above this bid which, in the sole opinion of the delegated official is due to reasons attributable to the service provider during any phase of the project shall be borne by the service provider.

12. CONTENTS OF THE PROJECT PROPOSAL

The service provider will be expected to provide a clear and concise project proposal covering the aspects listed below as well as responding to the terms of reference.

- 12.1 An executive summary of the key issues covered in the Proposal.
- 12.2 A company profile and profile of each employee forming part of Project Team with clear references to similar and related work undertaken in the past with clear evidence where a person/member participated in or managed certain projects in the past which bears relevance to the work at hand. Clear indication of actual roles and responsibilities must be presented with verifiable proof.
- 12.3. General methodology for undertaking work of this nature. The methodology should also indicate the project milestones that will be used to measure the project progress, as well as the cost break down.
- 12.4. Certified copies of all certificates, references, professional registration and related certification for all members of the proposed team must be attached.
- 12.6. Any other information relevant to the determination of the suitability of the interested bidder for this project should be listed.
- 12.7 All-inclusive costing model and a project plan.

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12.8 *The following technical information **must** be submitted with the bid proposal:*

- a) Organogram outlining the project team members with a clear indication of the project leader and support team;
- b) Relevant professional experience of the team leader and core supporting experts;
- c) Organisational, managerial and technical ability;
- d) Full CV's of all proposed team members;
- e) Minimum 3 contactable current and previous client references for 3 different clients;
- f) Associations and Professional Affiliations of companies and individuals;

13. INFORMATION GATHERING

13.1. The selected service provider will be expected to make contact with all the relevant officials and units within all spheres of government and other stakeholders of government or any relevant stakeholder or entity holding information relevant to the project to obtain relevant information that will be required for the project when a need arises.

13.2. Existing information which is available within the DALRRD and the MLM will be made available to the appointed service provider during the execution of the project.

13.3. In the case where a letter to confirm and motivate for requesting information from the different spheres of government or parastatals is required, the DALRRD will provide the requested letter.

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13.4. Notwithstanding anything written in these terms of reference, the responsibility for collecting and obtaining information necessary for the successful execution of the project remains entirely with the service provider.

14. TERMS AND CONDITIONS OF THE BID

14.1 Awarding of the bid will be subject to the Service Provider's express acceptance of the DALRRD Supply Chain Management general contract conditions.

14.2 The DALRRD and successful Service Provider(s) will sign a Service Level Agreement upon appointment. Such a Service Level Agreement will include the following:

- a) Period of agreement;
- b) Project objectives, milestones and scope;
- c) Staffing;
- d) Project plan and project plan management;
- e) Budget;
- f) Cost and fee payment;
- g) Method of communication;
- h) Reporting relationship;
- i) Deliverables and conditions and terms of deliverables;
- j) Form and formats of working papers;
- k) Reviews;
- l) Uncompleted work;
- m) Confidentiality;
- n) Disputes; and
- o) Financial penalties and termination of contract.

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- 14.3 The service provider should submit an acceptance letter and be available to commence with the project within five (5) days after receiving official order and the service level agreement being signed.
- 14.4 During the execution of the project, the service provider is required to give reports on the progress of the project. It is the responsibility of the service provider to organise the progress report meetings and have one of their representatives assigned to taking minutes and circulating them to the steering committee members.
- 14.5 Project team members must be available for the duration of the project, the service provider is not allowed to change the composition without prior consent of the DALRRD and MLM.
- 14.6 Any deviation from the project plan should be put in writing and signed by the project manager of DALRRD.
- 14.7 Any suggestions during the progress meetings, once accepted by both parties, shall form part of the contract.
- 14.8 Payments will be on work-completed basis i.e. on set milestones as per the project plan.
- 14.9 Financial penalties will be imposed for agreed upon milestones, targets, and deadline not met without providing:
- a) Timely notification of such delays.
 - b) Reasons for the delays.
 - c) Supporting evidence that the delays were outside of the influence of the service provider.

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- 14.10 Payment will **ONLY** be made as per deliverables and upon **SATISFACTION** of good and quality product. Therefore, original invoices submitted for payments must be submitted for payment with relevant supporting documents. No copies of invoices will be processed.
- 14.11 Financial penalties will be imposed if the outputs produced do not meet the agreed upon deliverables criteria as stipulated in the General Conditions of Contract.
- 14.12 Original invoices to substantiate all costs must be provided. The invoices should include the DALRRD order number that will be provided to the selected service provider upon acceptance of the proposal.
- 14.13 When DALRRD accepts the final product, the appointed service provider will be liable to correct errors and fill gaps that may be discovered in the data/project, at no charge to DALRRD. This condition will apply for a period of one month from the day the project was completed and submitted to DALRRD.
- 14.14 The DALRRD reserves the right not to appoint anyone.
- 14.15 No material or information derived from the provision of the services under the contract may be used for any other purposed except for those of the DALRRD, except where duly authorized to do so in writing by the DALRRD.
- 14.16 Copyright in respect of all documents and data prepared or developed for the purpose of the project by the Service Provider shall be vested in DALRRD.

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14.17 The successful Service Provider agrees to keep confidential all records and information of or related to the project and not disclose such records or information to any third party without the prior written consent of DALRRD.

14.18 All works relating to spatial information remains the property of the state and shall be disseminated in line with the policy on pricing of spatial information products and services.

14.19 The successful Service Provider agrees to maintain the level of technical capacity as indicated in the bidding document submitted, throughout the duration of the project and any change to their team shall not compromise the technical capacity of the Service Provider or impact negatively on the pace and quality of the project outcome.

**15. MANDATORY REQUIREMENTS
MANDATORY AND NON-MANDATORY REQUIREMENTS**

NB: Failure to submit / attach proof of the following requirements with the proposal will disqualify the bidder's proposal.

15.1 Evaluation for mandatory criteria:

a. Tax Requirements:

- Bidders must ensure compliance with their tax obligations.
- Bidders are required to submit their unique personal identification number (pin) issued by SARS to enable the organ of state to view the taxpayer's profile and tax status.

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- Application for tax compliance status (TCS) or pin may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the website www.sars.gov.za.
 - Bidders may also submit a printed TCS together with the bid.
 - In bids where consortia / joint ventures / sub-contractors are involved; each party must submit a separate proof of TCS / pin / CSD number.
 - Where no TCS is available, but the bidder is registered on the central supplier database (CSD), a CSD number must be provided.
- b. Bidders must submit a resolution made by board members authorizing a particular person to sign the bid documents (LA1,6) on the company letterhead:
- In the case of a **ONE-PERSON CONCERN** submitting a tender, this shall be clearly stated on the company letter head.
 - In case of a **COMPANY** submitting a tender, include a copy of a resolution by its board of directors authorizing a director or any other official of the company to sign the documents on behalf of the company.
 - In the case of a **CLOSED CORPORATION** submitting a tender, include a copy of a resolution by its members authorizing a member or any other official of the

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corporation to sign the documents on each member's behalf.

- In the case of a **PARTNERSHIP** submitting a tender, all the partners shall sign the documents, unless one partner or a group of partners has been authorized to sign on behalf of each partner, in which case proof of such an authorization shall be included in the Tender.
- In the case of a **JOINT VENTURE** submitting a tender, include a resolution of each company of the Joint Venture together with a resolution by its members authorizing a member of the Joint Venture to sign the documents on behalf of the Joint Venture." i.e., the Joint Venture must submit three Letters of Authority as per the aforesaid Joint Venture requirement.

c. The Bidder has completed the Pricing Schedule and is signed by the duly authorized person (SBD3.3).

d. Bidders must complete and sign all standard bidding documents (SBD1, SBD4, SBD6.1)

15.2 Recognising and developing new precincts successfully is a complex task that requires skills in:

- Intuitive and analytical problem recognition;
- Strategic and physical planning;
- Architectural and urban design;
- Environmental assessment and planning;
- Statutory control;
- Strategic and day-to-day management and financial processes; and

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- Community liaison and participation.

15.3 Mandatory Requirements:

- Team leader must hold a **tertiary qualification in planning** which is recognized for registration in the category of Professional Planner by the South African Council for Planners (SACPLAN) in terms of the Planning Profession Act, 2002; and
- Proof of Registration as a **Professional Planner** by the South African Council for Planners (SACPLAN) in terms of the Planning Profession Act, 2002; and
- Key member or Team Leader must hold appropriate qualification, practice experience as **Urban Designer** [minimum of 7 years demonstrable urban design experience]; and
- Proven experience in rural development planning, Geography, GIS and Project Management;

15.4 Non-Mandatory Requirements

- Strategic Planning including scenarios and future planning; and
- Advanced understanding of three-dimensional form and space in cities and settlements, and the relationship of this form to land, context, society and history; and

16. REPORTING AND ACCOUNTABILITY

- 16.1. During the execution of the project, the service provider will be required to submit progress reports and attend meetings at intervals as it will be determined by the project team or steering committee managing the project.

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16.2. All information captured and or used to generate the outputs of the project remains the property of DALRRD and Merafong City Local Municipality and must be handed over in its totality when the project is closed. DALRRD and Merafong City Local Municipality will retain copyright and all associated intellectual rights thereof. This document together with all agreements to be or reached during the project become part of the contract. The information must be captured and provided in a digital format as agreed (in writing) between the service provider and DALRRD. This agreement must be reached and signed off together with the project plan before the project commences.

17. EVALUATION CRITERIA

EVALUATION OF TENDERS/ PROPOSALS

Tenders will be evaluated in terms of the evaluation criteria stipulated below:

- Evaluation for mandatory criteria
- Evaluation in terms of Functionality
- Evaluation in terms of Presentation
- Evaluation in terms of 80/20 preference point system as prescribed in the Preferential Procurement Regulations 2022.

17.1 Evaluation of Functionality

The evaluation of the functionality will be evaluated individually by Members of Bid Evaluation Committee in accordance with the below functionality, criteria and values. The applicable values that will be utilized when scoring each criterion range from **1 being poor, 2 being average, 3 being good, 4 being very good and 5 being excellent.**

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The minimum requirements as highlighted in the below table is an indication of the benchmark required to qualify for the third stage (presentation) of the evaluation.

17.2 The bids that fail to achieve a minimum of 75 points out of 100 points for functionality will be disqualified. This means that such bids will not be evaluated on third stage (presentation) and fourth stage (Preference Points System). The following Quality (functionality) criteria set out in the table below will be used in the evaluating of the tenders regarded as being responsive.

CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	WEIGHT	
1. Capability: Team Leaders' experience, track record and competency	<p>Team leader must be a Town Planner registered as a Professional Planner with SACPLAN. Must have project management experience and a minimum of five (5) years post registration experience and expertise in managing and coordinating multi -disciplinary projects in the spatial planning environment:</p> <p>Attach CV's clearly indicating a detailed profile of the previous work experience, registration with SACPLAN, contactable references of similar work undertaken (list names, addresses, telephone numbers, fax numbers and e-mail).</p> <p>1. More than 10 years working experience post registration in a spatial planning and Capital Expenditure Framework environment.</p> <p>- Excellent (score 5)</p>	10	20

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CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	WEIGHT	
	<p>2. 8 - 10 years working experience post registration in a spatial planning and Capital Expenditure Framework environment. - Very Good (score 4)</p> <p>3. 5 - 7 years working experience post registration in a spatial planning and Capital Expenditure Framework environment. - Good (score 3)</p> <p>4. 3 - 4 years working experience post registration in a spatial planning and Capital Expenditure Framework environment. - Average (score 2)</p> <p>5. Less than 3 years working experience post registration in a spatial planning and Capital Expenditure Framework environment. - Poor (score 1)</p>		
	<p>Team leader must have successfully managed a minimum of two (4) projects in the spatial planning and Capital Expenditure Framework (CEF) environment in the past five (10) years.</p> <p>Attach short profile clearly demonstrating successful completion of previous projects, contactable references of similar work done (list names, addresses, telephone numbers, fax numbers and e-mail).</p>	10	

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CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	WEIGHT	
	<p>1. Managed 5 or more projects in the spatial planning including Capital Expenditure Framework (CEF) environment in the past 5 years. - Excellent (score 5)</p> <p>2. Managed 3 projects in the spatial planning including CEF environment in the past 5 years. - Very Good (score 4)</p> <p>3. Managed 2 projects in the spatial planning including CEF environment in the past 5 years. - Good (score 3)</p> <p>4. Managed 1 project in the spatial planning including CEF environment in the past 5 years. - Average (score 2)</p> <p>5. Managed 0 projects in the spatial planning including CEF environment in the past 5 years. - Poor (score 1)</p>		
2. Capability: Project Teams' experience, track record and competency	Composition of technical team to be utilized in the execution of the project consist of the below professions: Attach copies of qualifications and CV's clearly indicating a detailed profile of their previous work experience, contactable references of similar work done (list names, addresses, telephone numbers, fax numbers and E-mail numbers, fax numbers and e-mail).		30
	Three (3) Town/Urban/City and Regional Planners and Urban Designers: A minimum of two (2) Town Planners and one (1) Urban Designer registered as professional	10	

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CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	WEIGHT	
	<p>planners with SACPLAN, each with five (5) years post qualification experience in Spatial Planning. In the absence of an Urban Designer the SP will forfeit 1 point.</p> <p>1. 5 Planners, (Town planners (4) registered with SACPLAN and Urban Designer (1)) each with 7 years post qualification experience in Spatial Planning. - Excellent (score 5)</p> <p>2. 4 Planners, (Town planners (3) registered with SACPLAN and Urban Designer (1)) each with 7 years post qualification experience in Spatial Planning. - Very Good (score 4)</p> <p>3. 3 Planners, (Town planners (2) registered with SACPLAN and Urban Designer (1)) each with 7 years post qualification experience in Spatial Planning. - Good (score 3)</p> <p>4. 2 Planners, (Town planner (1) registered with SACPLAN and Urban Designer (1)) each with 7 years post qualification experience in Spatial Planning. - Average (score 2)</p> <p>5. 1 Planner registered with SACPLAN and with 7 years post qualification experience in Spatial Planning. - Poor (score 1)</p>		
	<p>Economist: B Degree with specialization in Economics / Development Economics / plus 5 years post qualification experience.</p>	5	

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CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	WEIGHT	
	<p>1. Relevant qualification with more than 10 years post qualification experience in relevant field. - Excellent (score 5)</p> <p>2. Relevant qualification with 8 – 10 years post qualification experience in relevant field. - Very Good (score 4)</p> <p>3. Relevant qualification with 5 – 7 years post qualification experience in relevant field. - Good (score 3)</p> <p>4. Relevant qualification with 3 – 4 years post qualification experience in relevant field. - Average (score 2)</p> <p>5. Relevant qualification with less than 3 years post qualification experience in relevant field. - Poor (score 1)</p>		
	<p>Professional Geographic Information Specialist:</p> <p>Relevant B Degree qualification in, registered as a professional with SAGC plus 5 years post qualification experience in mapping and analysis.</p> <p>1. Relevant qualification plus registration with SAGC with more than 10 years post qualification relevant experience mapping and analysis - Excellent (score 5)</p> <p>2. Relevant qualification plus registration with SAGC with 8 – 10 years post qualification experience in mapping and analysis</p>	5	

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CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	WEIGHT	
	<p>- Very Good (score 4)</p> <p>3. Relevant qualification plus registration with SAGC with 5 – 7 years post qualification experience in mapping and analysis</p> <p>- Good (score 3)</p> <p>4. Relevant qualification plus registration with SAGC with 3 – 4 years post qualification experience in mapping and analysis</p> <p>– Average (score 2)</p> <p>5. Relevant qualification plus registration with SAGC with less than 3 years post qualification experience in mapping and analysis</p> <p>– Poor (score 1)</p>		
	<p>Environmental Specialist: B degree or BTech in Environmental Sciences/ Environmental management plus 5 years post qualification experience in Environmental Sciences/ Environmental Management/ Environmental Planning.</p> <p>1. Relevant qualification with more than 10 years post qualification experience in relevant field.</p> <p>- Excellent (score 5)</p> <p>2. Relevant qualification with 8 - 10 years post qualification experience in relevant field.</p> <p>- Very Good (score 4)</p> <p>3. Relevant qualification with 5 - 7 years post qualification experience in relevant field.</p>	5	

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CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	WEIGHT	
	<p>– Good (score 3)</p> <p>4. Relevant qualification with 3 - 4 years post qualification experience in relevant field.</p> <p>– Average (score 2)</p> <p>5. Relevant qualification with less than 3 years post qualification experience in relevant field.</p> <p>- Poor (score 1)</p>		
	<p>Graphic designer: Diploma in Graphic design or Visual Communication and 7 years post qualification experience in design layout and animation.</p> <p>1. Relevant qualification with more than 10 years post qualification experience in relevant field.</p> <p>- Excellent (score 5)</p> <p>2. Relevant qualification with 8 - 10 years post qualification relevant experience in relevant field.</p> <p>- Very Good (score 4)</p> <p>3. Relevant qualification with 5 - 7 years post qualification experience in relevant field.</p> <p>– Good (score 3)</p> <p>4. Relevant qualification with 3 - 4 years post qualification experience in relevant field.</p> <p>– Average (score 2)</p> <p>5. Relevant qualification with less than 3 years post qualification experience in relevant field.</p> <p>- Poor (score 1)</p>	5	
3. Capability:	Town Planning Company with experience in developing a minimum of 3 spatial development frameworks, within	10	10

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CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	WEIGHT	
Firms' experience, track record and competency	<p>the last six (6) years (Provide client reference for all projects completed within the last six years).</p> <ol style="list-style-type: none"> Five (5) or more Spatial Development Frameworks completed in the last 6 years. - Excellent (score 5) Four (4) Spatial Development Frameworks completed in the last 6 years. - Very Good (score 4) Three (3) Spatial Development Frameworks completed in the last 6 years. - Good (score 3) Two (2) Spatial Development Frameworks completed in the last 6 years. - Average (score 2) Below two Spatial Development Frameworks completed in the last 6 years. - Poor (score 1) 		
4. Methodology	<p>Clear approach and methodology of how the project deliverables will be executed:</p> <ol style="list-style-type: none"> The service provider approach and methodology are exceptional, with highly innovative solutions and demonstrates an exceptional understanding on how to execute the project. - Excellent (score 5) 	30	40

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CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	WEIGHT
	<p>2. The service provider approach and methodology are very-well defined and demonstrate a thorough understanding on how to execute the project and includes some innovative ideas. - Very Good (score 4)</p> <p>3. The service provider approach and methodology are clearly defined and demonstrate good understanding on how to execute the project. - Good (score 3)</p> <p>4. The service provider approach and methodology are fair and demonstrate little understanding on how to execute the project. - Average (score 2)</p> <p>5. The service provider approach and methodology are not clearly defined. - Poor (score 1)</p>	
	<p>A project plan demonstrating a coordinated approach of how various project deliverables will be managed against timeframes.</p> <p>1. The proposed project plan has innovative solutions to deliver the project ahead of schedule. - Excellent (score 5)</p> <p>2. The proposed project plan meets all requirements and demonstrates a high standard of project execution. - Very Good (score 4)</p>	10

TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER(S) TO PREPARE A MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (SDF) WITHIN A PERIOD OF TEN (10) MONTHS, MERA FONG CITY LOCAL MUNICIPALITY, WEST RAND DISTRICT, GAUTENG PROVINCE.

CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	WEIGHT	
	<p>3. The proposed project plan is in line with all the requirements.</p> <p>- Good (score 3)</p> <p>4. The proposed project plan meets some of the requirements. Delays are unlikely to have a significant impact on the outcome.</p> <p>- Average (score 2)</p> <p>5. The proposed project plan does not meet the requirements.</p> <p>- Poor (score 1)</p>		

17.3 Third Stage - Presentation

Only bids that achieve the minimum qualifying score of 75 points out of 100 points in the third stage (functionality) will be evaluated in the fourth stage (presentation). The evaluation of the presentation in the fourth stage of evaluation will be evaluated individually by Members of Bid Evaluation Committee in accordance with the below criteria and values.

The applicable values that will be utilized when scoring each criterion range from **1 being poor, 2 being average, 3 being good, 4 being very good and 5 being excellent.**

EVALUATION CRITERIA	WEIGHT	INDICATE VALUE 1 - 5	COMMENTS/REMARKS
Approach of Methodology <ul style="list-style-type: none"> Understanding of the project Scope 			

TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER(S) TO PREPARE A MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (SDF) WITHIN A PERIOD OF TEN (10) MONTHS, MERA FONG CITY LOCAL MUNICIPALITY, WEST RAND DISTRICT, GAUTENG PROVINCE.

	20		
<ul style="list-style-type: none"> Methodology to the development of the Spatial Options and Proposals for the spatial development 	40		
<ul style="list-style-type: none"> Approach to the development of the stakeholder's engagements Innovation - Value add to benefit the municipality 	40		
Total Points	100		

17.4 Fourth Stage - Evaluation in terms of 80/20 Preference Points System

Only bids that achieve the minimum qualifying score of 75 points out of 100 points for the third stage (presentation) will be evaluated further in accordance with the 80/20 preference points system.

18.5 The proposal will be evaluated individually on score sheets, by a representative evaluation panel according to the evaluation criteria indicated above. All service providers who scored less than **75 out of 100 points** for Presentation will not be considered further and considered to be non-responsive. This means that such bids will not be evaluated on the fourth stage (80/20) Preference Point System as prescribed in the Preferential Procurement Regulations 2022).

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER(S)
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RAND DISTRICT, GAUTENG PROVINCE.**

**18.5 Evaluation in terms of 80/20 preference point system as prescribed in the
Preferential Procurement Regulations 2022**

Apply the 80/20 Preference Point system where a maximum of Eighty (80) tender adjudication points be awarded for price. Twenty (20) points will be awarded for preference in terms of the Preferential Procurement Policy Framework Act (Act 5 of 2000) and Preferential Procurement Regulation, 2022

POINTS AWARDED FOR PRICE

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

80/20

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmax = Price of highest acceptable tender

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

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

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER(S)
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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.

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.)

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER(S)
TO PREPARE A MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (SDF) WITHIN
A PERIOD OF TEN (10) MONTHS, MERAFOG CITY LOCAL MUNICIPALITY, WEST
RAND DISTRICT, GAUTENG PROVINCE.**

Table 4: Specific goals for the tender points

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Who had no franchise in national elections before the 1983 and 1993 Constitution	10	
Who is female	5	
Who has a disability	2	
Specific goal: Youth	3	

Only proposals with the highest number of points scored in respect of the goals contemplated above and points scored for price may be selected.

- 17.8 Any suggestions during the progress meetings, once accepted by both parties, shall form part of the contract. It is expected that the consultant will regularly affect all recommended amendments before the plan or document is resubmitted to relevant stakeholders.

The Department of Agriculture, Land Reform and Rural Development reserves the right not to award the bid to any service provider, or to various Service Providers.

18. PROJECT MANAGEMENT WITHIN DALRRD

- 18.1 This project will be facilitated by a team consisting of officials from the Department of Agriculture, Land Reform and Rural Development (DALRRD) and the Merafong City Local Municipality (MLM) and any other person(s) appointed by DALRRD.

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER(S)
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RAND DISTRICT, GAUTENG PROVINCE.**

19. OUTCLAUSE

- 19.1. The Department of Agriculture, Land Reform and Rural Development (DALRRD) reserves the right not to appoint if suitable candidates are not found, at the complete discretion of the Department.
- 19.2. The Department of Agriculture, Land Reform and Rural Development (DALRRD) reserves the right to terminate the contract in the event that there is clear evidence of non-performance.

20. PUBLICATION

- 20.1 21 days advertisement
- 20.2 Government and Tender Bulleting
- 20.3 E-portal

21. CONTACT PERSON FOR TECHNICAL ENQUIRIES

All enquiries related to this bid call must be forwarded to:

**SPATIAL PLANNING AND LAND USE MANAGEMENT SERVICES (GAUTENG)
DEPARTMENT OF AGRICULTURE LAND REFORM AND RURAL
DEVELOPMENT
PRIVATE BAG X833
PRETORIA
0001**

Technical Related Enquiries

Attention: Mr. Samuel Osei

Telephone: 012 337 3712/13 /0825626154

Email: Samuel.Osei@dalrrd.gov.za

**TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER(S)
TO PREPARE A MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (SDF) WITHIN
A PERIOD OF TEN (10) MONTHS, MERA FONG CITY LOCAL MUNICIPALITY, WEST
RAND DISTRICT, GAUTENG PROVINCE.**

Bid Related Enquiries

Mr. Absalom Marema / Ms. Jane Mpepele

Telephone: (012) 337 3634/3700

Email: Absalom.marema@dalrrd.gov.za

Email: jane.mpepele@dalrrd.gov.za

22. APPROVAL

Merafong City Municipality SDF terms of reference are approved as follows:

PRICING SCHEDULE FOR TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER(S) TO PREPARE A MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (SDF) WITHIN A PERIOD OF 10 MONTHS FOR MERAFOG CITY LOCAL MUNICIPALITY IN WEST RAND DISTRICT, GAUTENG PROVINCE.

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO.:

CLOSING DATE:

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

ITEM NO TAX	DESCRIPTION	BID PRICE IN RSA CURRENCY INCLUSIVE OF <u>VALUE ADDED</u>
----------------------------	--------------------	--

- The accompanying information must be used for the formulation of proposals.
- Bidders are required to indicate rates based on the total cost to the department for completion of each stage and including Expenses for the project.

3. TOTAL BID PRICE (INCLUSIVE OF VAT) R.....

PHASES: (refer to the Terms of Reference; table 2 Project Phases)	PERCENTAGE	TIMEFRAME S	TOTAL COST
Phase 1: Detailed Inception Report	5%	2 weeks	R.....
Phase 2: Status Quo Analysis, Policy, CEF Socio-Economic Profiling, context and Spatial Vision	15%	1 month	R.....
Phase 3: Spatial proposals & Sectoral Analysis and Stakeholder Consultation, CEF demand quantification and Financial Modeling	20%	3 months	R.....

Name of Bidder:

PRICING SCHEDULE FOR TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER(S) TO PREPARE A MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (SDF) WITHIN A PERIOD OF 10 MONTHS FOR MERA FONG CITY LOCAL MUNICIPALITY IN WEST RAND DISTRICT, GAUTENG PROVINCE [SBD 3.3]

Phase 4: Spatial Proposal and Land Use Budget Plan, CEF prioritization framework	20%	2 Months	R.....
Phase 5: Implementation Framework	15%	1 month & 2 weeks	R.....
Phase 6: Final Comprehensive Draft, SDF and CEF, workshop/s	15%		R.....
Close-out report and Retention	10%	Copies of Final SDF with proof of submission of the Final SDF and approval by Municipal.	R.....
SUB –TOTAL (Excluding VAT)			R.....
VAT			R.....
TOTAL (Including VAT)			R.....

NB! The Department will not be responsible for any travelling cost

4. Period required for commencement with project after acceptance of bid
.....
5. Estimated man-days for completion of project
.....
6. Are the rates quoted firm for the full period of contract?
.....
7. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.
.....

Any enquiries regarding bidding procedures may be directed to the –
AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

Bid Initials
Bid's Signature.....
Date:.....

Name of Bidder:

PRICING SCHEDULE FOR TERMS OF REFERENCE FOR THE APPOINTMENT OF A SERVICE PROVIDER(S) TO PREPARE A MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (SDF) WITHIN A PERIOD OF 10 MONTHS FOR MERA FONG CITY LOCAL MUNICIPALITY IN WEST RAND DISTRICT, GAUTENG PROVINCE **[SBD 3.3]**

524 CNR STANZA BOPAPE & STEVE BIKO
6TH FLOOR SANCADIA BUILDING
ARCADIA
PRETORIA

Bid related enquiries:

SUPPLY CHAIN ENQUIRIES

Mr. A Marema / Ms Jane Mpepele

Directorate: Supply Chain Management

Contact Number: 012 337 3634/3700

E-mail: absalom.marema@dalrrd.gov.za / jane.mpepele@dalrrd.gov.za

TECHNICAL ENQUIRIES

Attention: Mr S Osei

Directorate: SPLUM

Telephone: (012) 337 3712/13 (0825626154)

E-mail: samuel.osei@dalrrd.gov.za

Bid Initials
Bid's Signature.....
Date:.....

AUTHORITY OF SIGNATORY

Signatories for companies, closed corporations and partnerships must establish their authority **BY ATTACHING TO THIS FORM, ON THEIR ORGANISATIONS'S LETTERHEAD STATIONERY**, a copy of the relevant resolution by their Board of Directors, Members or Partners, duly signed and dated.

An **EXAMPLE** is shown below for a COMPANY:

MABEL HOUSE (Pty) Ltd	
By resolution of the Board of Directors taken on 20 May 2000,	
MR A.F JONES	
has been duly authorised to sign all documents in connection with	
Contract no CRDP 0006, and any contract which may arise there from,	
on behalf of <i>Mabel House (Pty) Ltd.</i>	
SIGNED ON BEHALF OF THE COMPANY:	(Signature of Managing Director)
IN HIS CAPACITY AS:	Managing Director
DATE:	20 May 2000
SIGNATURE OF SIGNATORY:	(Signature of A.F Jones)
As witnesses:	
1.
2.
Signature of person authorised to sign the tender:	
Date:	

**AUTHORITY TO SIGN THE STANDARD BIDDING DOCUMENTS
(SBD) ON BEHALF OF AN ENTITY.**

"Only authorized signatories may sign the original and all copies of the tender offer where required.

In the case of a **ONE-PERSON CONCERN** submitting a tender, this shall be clearly stated.

In case of a **COMPANY** submitting a tender, include a copy of a resolution by its board of directors authorizing a director or other official of the company to sign the documents on behalf of the company.

In the case of a **CLOSED CORPORATION** submitting a tender, include a copy of a resolution by its members authorizing a member or other official of the corporation to sign the documents on each member's behalf.

In the case of a **PARTNERSHIP** submitting a tender, all the partners shall sign the documents, unless one partner or a group of partners has been authorized to sign on behalf of each partner, in which case proof of such authorization shall be included in the Tender.

In the case of a **JOINT VENTURE** submitting a tender, include a resolution of each company of the Joint Venture together with a resolution by its members authorizing a member of the Joint Venture to sign the documents on behalf of the Joint Venture."

Accept that failure to submit proof of Authorization to sign the tender shall result in a Tender Offer being regarded as non-responsive.

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	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

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

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

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 (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Who had no franchise in the National elections before the 1983 and 1993 Constitution	10	
Who is female	5	
Who is disabled	2	
Who is youth	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:

.....

.....

.....

Annexure A

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT **July 2010**

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

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

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

- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.
- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za
- 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**
- 7.1 Within thirty (30) days of receipt of the notification of contract award,

security

the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

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

**8. Inspections,
tests and
analyses**

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

cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties,

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

may have against the supplier under the contract.

16. Payment

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily

available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the

envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

**25. Force
Majeure**

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

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

**26. Termination
for insolvency**

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

**27. Settlement of
Disputes**

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

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

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

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

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

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

**28. Limitation of
liability**

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

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

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

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

Js General Conditions of Contract (revised July 2010)