

REQUEST FOR QUOTATION

RFQ 003-02-2023-24
 Enquiries: Conory Mgwena
 Tel: 012 395 6617
 Email: rfp@gtac.gov.za

ATTENTION: PROSPECTIVE BIDDERS

RFQ 003-02- 2023-24: PROVISION OF SERVICES TO THE GOVERNMENT TECHNICAL ADVISORY CENTRE (GTAC) FOR SUPPORT TO NATIONAL TREASURY FOR THE NDZHAKA PROJECT IMPLEMENTATION (OVERVIEW PAPER)

The Professional Services Procurement (PSP) Unit within Government Technical Advisory Centre (GTAC) hereby invites credible suppliers to submit a quotation in response to the Terms of Reference attached hereto.

1. EVALUATION METHODOLOGY

1.1. The table below reflects the evaluation methodology for this Request for Quotation:

Evaluation Stage	Description
Stage 1: Administrative Compliance Requirements	Evaluation of documents cited in section 2 below. Documents must be submitted and duly completed and signed where required.
Stage 2: Functionality/Technical Evaluation	Response to functionality/technical evaluation criteria cited in the attached TOR.
Stage 3: Preferential Procurement Regulations 2022 (Price and Specific Goals)	80/20 Price and specific goals evaluation based on the Preferential Procurement Regulations 2022 - (refer to the SBD 6.1 for more detail).



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2. STAGE 1: ADMINISTRATIVE COMPLIANCE REQUIREMENTS

Bidders must submit all Standard Bidding Documents (SBD), as outlined below:

SBD forms must be completed in full and duly signed where required, including the Central Supplier Database (CSD) number/ report for verification of tax compliance status.

Document to be submitted	Requirement	Non-submission may result in disqualification?
SBD 1 – Invitation to bid	Complete and sign the supplied pro forma document	NO
CSD Registration Report or CSD registration number or SARS pin	Bidders must be registered on the CSD and submit the report as confirmation of registration at the closing date of the bid.	NO
SBD 3.3 Pricing Schedule	Complete and sign the financial proposal	YES
SBD 4 – Bidder's Disclosure	Complete and sign the form	YES
SBD 6.1 Preferential Claim Form in terms of Preferential Procurement Regulation (PPR) 2022, if applicable	Complete and sign the form	NO

2.1 Tax clearance status

A tax pin, valid at the closing date and time of the bid, must be provided for purposes of verifying that the tax matters of the bidder are in order. Where consortiums/ joint ventures/ sub-contractors are involved, each party to the association must submit a separate validation of tax status, i.e. Registration number from CSD must be provided with this bid.

The bidder's tax matters must be compliant at the time of award. In cases where a bidder's tax matters are non-compliant the bidder will be given a maximum of **seven (7) days** to remedy the tax matters. Failure to remedy this will invalidate the bid.



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3. STAGE 2: FUNCTIONALITY EVALUATION (REFER TO THE TOR)

- 3.1. Bidders are required to submit a functionality/technical proposal in response to the technical evaluation criteria cited in the Terms of Reference.
- 3.2. Bidders are required to meet the minimum score of 75% for the functionality evaluation to be considered on next stage for Preferential Procurement Regulation (PPR) 2022.

4. STAGE 3: THE PREFERENTIAL PROCUREMENT REGULATIONS 2022 - (REFER TO THE SBD 6.1 FOR MORE DETAILS)

4.1. 80/20 Preference Points Evaluation

- a. 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 of SBD 6.1 as may be supported by proof/ documentation stated in the conditions of this RFQ
- b. The following preference point system is applicable to invitations to tender:
 - the 80/20 system for requirements with a Rand value **(RFQ)** up to R1 000 000 (all applicable taxes included); and
- c. Points for this RFQ shall be allocated/awarded for:
 - The bid price (maximum 80 points)
 - Specific goals (maximum 20 points) as allocated and specified on SBD 6.1 to claim points accordingly.
 - The RFQ must attain a minimum threshold score of 75% in order to be shortlisted and evaluated further based on the (80/20) principle of which eighty (80) points are allocated for price evaluation and the remaining twenty (20) points are allocated for the specific goals as indicated in the table below:

Number of points allocated (80/20 points system)	
Price	80
The specific goals allocated points in terms of this RFQ are as follows:	20
Above 30% ownership for Historically Disadvantaged Individuals who had no franchise in national elections before the 1983 or 1993 Constitutions.	10
Women percentage of ownership: 30% and above	5
Disability percentage of ownership: 30% and above	5
Total Points	100



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<u>Terminology</u>	<u>Definition</u>
<u>Black People</u>	As per the Broad-Based Black Economic Empowerment Act 53 of 20023 as Amended by Act No 46 of 2013 “Black People” is a generic term which means Africans, Coloureds and Indians – (a) who are citizens of the Republic of South Africa by birth or descent; or (b) who became citizens of the Republic of South Africa by naturalization before 27 April 1994; or on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date.
<u>“specific goals”</u>	“Means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in <i>Government Gazette</i> No. 16085 dated 23 November 1994;
<u>Historically Disadvantaged Individual</u>	Means a South African citizen: 1. who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) (“the interim Constitution”); and/ or 2. who is a female; and/ or 3. who has a disability. Provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be an HDI.

The CSD report shall be used as evidence to confirm/award points for Specific Goals. It is the responsibility of the bidding entity/bidder to ensure that the information on the CSD is updated and accurate. 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.

5. SUBMISSION REQUIREMENTS

- 5.1. The 1st submission must contain the functionality/technical proposal and the 2nd submission must contain the financial proposal (SBD 3.3), total cost must be inclusive of all applicable taxes (if no indication is given, quoted prices will be evaluated as all applicable taxes inclusive)



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- a) All returnable bid documents must be completed in full and submitted together with the bidder's proposal at closing date and time of bid.
- b) Late or incomplete submissions will not be accepted.
- c) GTAC reserves the right to verify validity of documents at any stage during this RFQ process or after award.
- d) GTAC encourage the bidder to submit a CV in a prescribed format.
- e) It will be an advantage for the bidders complying with all South African laws; including the Immigration Act 13 of 2002 (as amended).
- f) **SBD 4 - A bidder will be disqualified if the SBD 4- Bidder's Disclosure is found not to be true and complete in every respect in the attached SBD 4 form.** The following definitions should be considered when completing the form:
 - o "Person" means a bidder or supplier or shareholder, director, trustee, partner, member of a bidder or supplier having the controlling interest in the bidder or supplier.
 - o "State" means a national or provincial department, national or provincial public entity or constitutional institution, a municipality or municipal entity, a provincial legislature or parliament.
- g) Failure to adhere to the above requirements i.e., misrepresentation and/or non-submission of the required documentation may lead to a disqualification or termination of the contract with the appointed service provider at any stage of implementation.

6. SUBMISSION DETAILS AND CLARIFICATION

Submissions must be sent to: **rfp@gtac.gov.za by 14:00pm on 22 September 2023.**

Professional Services Procurement (PSP): GTAC will evaluate proposals in accordance with the evaluation methodology cited on paragraph 1.1 above but is neither legally bound nor obligated to accept quoted rates and further reserves the right to negotiate total cost price around any quotation before the award of this RFQ.

Any clarification regarding this invitation or the Terms of Reference must be addressed in writing by e-mail to **rfp@gtac.gov.za**.

No telephonic requests for clarification shall be entertained.

7. SPECIAL CONDITIONS OF THIS BID

GTAC reserves the right:



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- a) To negotiate with recommended bidder(s) identified in the evaluation process, regarding their price.

8. BID VALIDITY PERIOD

The bid will be valid for a period of 60 (sixty) days from the closing date.

Yours sincerely



Thando Nyoka
Professional Services Procurement: Acquisition and Sourcing
Date: 30 August 2023



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Enquiries: Conory Mgwena
Tel: 012 395 6617
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RFQ 003-02- 2023-24: PROVISION OF SERVICES TO THE GOVERNMENT TECHNICAL ADVISORY CENTRE (GTAC) FOR SUPPORT TO NATIONAL TREASURY FOR THE NDZHAKA PROJECT IMPLEMENTATION (OVERVIEW PAPER)

The Terms of Reference requires the CV of the proposed resource to be submitted in the prescribed format provided below.

A1 Qualifications:

The successful bidder will be required to submit certified copies of qualifications on appointment.

Start from the most recent and add entries if needed.

<u>Qualification Awarded</u>	
Name of Institution	
Date awarded	
<u>Qualification Awarded</u>	
Name of Institution	
Date awarded	
<u>Qualification Awarded</u>	
Name of Institution	
Date awarded	

A2 Research Outputs

Type of research output (e.g., peer reviewed paper, book, policy review, etc)	Title (include journal/ chapter name, issue, volume, and year published)	Authors	Lead author	Bibliographic reference/ website

Yours sincerely



Thando Nyoka
Professional Services Procurement: Acquisition and Sourcing
Date: 30 August 2023

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	RFQ003-02-2023-24	CLOSING DATE:	22 SEPTEMBER 2023	CLOSING TIME:	14H00PM
DESCRIPTION	PROVISION OF SERVICES TO THE GOVERNMENT TECHNICAL ADVISORY CENTRE (GTAC) FOR SUPPORT TO NATIONAL TREASURY FOR THE NDZHAKA PROJECT IMPLEMENTATION (OVERVIEW PAPER)				
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Aletta Mbuyane		CONTACT PERSON	Aletta Mbuyane	
TELEPHONE NUMBER	012 315 5867		TELEPHONE NUMBER	012 315 5867	
FACSIMILE NUMBER	-		FACSIMILE NUMBER	-	
E-MAIL ADDRESS	rfp@gtac.gov.za		E-MAIL ADDRESS	rfp@gtac.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				☐ YES ☐ NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

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

DATE:

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

Application for a Tax Clearance Certificate

Purpose

Select the applicable optionTenders ☐ Good standing ☐

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

Particulars of applicant

Name/Legal name (Initials & Surname or registered name)			
Trading name (if applicable)			
ID/Passport no		Company/Close Corp. registered no	
Income Tax ref no		PAYE ref no	7
VAT registration no	4	SDL ref no	L
Customs code		UIF ref no	U
Telephone no	CODE - NUMBER	Fax no	CODE - NUMBER
E-mail address			
Physical address			
Postal address			

Particulars of representative (Public Officer/Trustee/Partner)

Surname			
First names			
ID/Passport no		Income Tax ref no	
Telephone no	CODE - NUMBER	Fax no	CODE - NUMBER
E-mail address			
Physical address			

Tender number	
Estimated Tender amount	R ,
Expected duration of the tender	year(s)
Particulars of the 3 largest contracts previously awarded	
Date started	Date finalised

Are you currently aware of any Audit investigation against you/the company?.....

If "YES" provide details

YES	NO
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I the undersigned confirm that I require a Tax Clearance Certificate in respect of or .

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

Signature of representative/agent

- -

Date

Name of representative/agent

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

Signature of applicant/Public Officer

C

C

Y

Y

—

M

M

—

D

D

Date

Name of applicant/
Public Officer

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

PRICING SCHEDULE

(Professional Services)

NAME OF BIDDER: RFQ 003-02-2023-24

CLOSING TIME 14:00 PM ON 22 SEPTEMBER 2023

OFFER TO BE VALID FOR 60 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY INCLUSIVE OF **ALL APPLICABLE TAXES
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- Services must be quoted in accordance with the attached Terms of Reference.
- All prices quoted **must** be inclusive of all applicable taxes, if no indication is given, prices will be evaluated as all-inclusive.

Name of resource	Daily Rate (exclusive of all applicable taxes)	Total Rate x 23 days (inclusive of all applicable taxes)
1.	R	R

Quoted amount for the entire project (All applicable taxes) R** _____

- The financial proposal for this assignment should cover for all assignment activities as per the Terms of Reference (ToR) including the potential disbursements.
- Service Providers must submit a detailed breakdown of the quoted amount in their company template/letter head and submit as part of the response.**
- Period required for commencement with project after acceptance of bid _____
- Are you a VAT vendor? Yes/No
- Are the rates quoted firm for the full period? Yes/No
- 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 this Request for Quotation (RFQ) procedures may be directed to: rfp@gtac.gov.za

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

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).

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

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the **80/20** preference point system.
- b) Either the 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 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 PREFERENCE POINT SYSTEMS

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

80/20

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

Where

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

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 specific goals stated in **table 1** below as may be supported by proof/ documentation stated in the conditions of this tender:

- (a) any other invitation for tender, that either the 80/20 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

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

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

The specific goals allocated points in terms of this RFQ	Number of points allocated (80/20 system)	Number of points claimed (80/20 system) (To be completed by the tenderer/bidder on this column)
Price	80	
The specific goals allocated points in terms of this tender.	20	
Above 30% ownership for Historically Disadvantaged Individuals who had no franchise in national elections before the 1983 or 1993 Constitutions.	10	
Women percentage of ownership: 30% and above	5	
Disability percentage of ownership: 30% and above	5	
Total Points.	100	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.2. Name of company/firm.....

4.3. Company registration number:

4.4. 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]

4.5. 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:	
	
	
	

TERMS OF REFERENCE (ToR)

For the Ndzhaka Research Project Overview Paper

Required Service Providers: Qualified Researchers in Public Financial Management

Project Number: PEP004

Programme Identification

Tender reference	GTAC
Contracting authority	Government Technical Advisory Centre (GTAC)
Name of project	Ndzhaka
Name of Client	National Treasury (NT)
Purpose	The Ndzhaka initiative aims to research, analyse and document the range of reforms in the National Treasury, since 1994. Annually, topics will be identified that will result in individual research articles. The individual articles will form part of an ongoing publication series about the history of National Treasury. The primary aim is that the research results will inform officials when future reforms are considered. Secondary aim will be that a compendium of analysis on government reforms will be available for academic interest (including tertiary training) and general public debates. This, the first paper, will be an overview paper to set the scene and provide context to the papers that will follow.
Accountable officer	Ronette Engela (Acting Head, GTAC)

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1. BACKGROUND AND RATIONALE

Since 1994, National Treasury (NT) has driven a number of substantial reforms, including but not limited to, budget management, intergovernmental fiscal relations, fiscal policy, accounting and reporting policies, internal control and audit functions, debt management, cash management, management of assets and liabilities, financial sector policies, tax policy, relationships with international finance organization, and other central finance functions. Despite extensive media interest in the South African National Treasury, the academic literature on the role of National Treasury, post-1994, is limited. The Ndzhaka project aims to document the role of National Treasury in driving reforms from its position as a centre of government department. The current, and future cohort of officials needs to better understand the scope and nature of the reform processes that Treasury drove in fiscal policy, budget management and accounting and reporting systems, and what the impact of these reforms were in shaping government economic and social policy in Government.

These reforms were based on local and international best practices, in-depth analysis of post 1994 conditions in government and extensive discussion and consultations at the centre of government. The cohort senior public servants that were at the helm of these reforms, are close to retirement, or are in the process of retiring. It would be important that the knowledge, experience, and considerations around these reforms are documented and conveyed to a next generation of NT officials. In some of these areas, new reforms are being considered and it would be crucial that these new generation of reforms be underpinned by an in-depth analysis of previous considerations.

Creating a compendium of information about important reforms in the past 25 years could be a useful resource for students at university level. At the moment, there is a dearth of academic literature on the role of Treasury, post 1994. In addition, some of these topical areas are part of the broader public debate in South Africa and greater insight and more publicly available information would be of value in these discussions.

2. THE PURPOSE OF THE PROJECT

The purpose of the project is to support National Treasury in capturing its institutional transformation by documenting decisions, principles and values that informed key public finance management reforms. The project further aims to enable the future generation to have a sound foundation and institutionalised baseline information to inform innovative solutions.

It is envisaged that the project will benefit National Treasury and the finance family by:

- Institutionalising the evolution of the departmental processes and major public finance management reforms.
- Informing the future generations to take informed decisions and to design innovative solutions without repeating past mistakes.
- Preserving public finance research generated since 1994.
- Understanding how these reforms shaped government economic and social policy since 1994
- Creating an enabling environment for cross-divisional knowledge sharing and collaboration and contribute towards business process optimisation.
- Also mitigating the risk of information loss due to staff resignation.

3. CONTRACT OBJECTIVES

3.1. Specific objectives

This Terms of Reference (ToR) is for the first of a series of papers, the so-called '*Overview Paper*' and will provide the conceptual framework for the research papers that will follow annually. Once the *Overview Paper* is completed and approved a series of research papers on the history of Treasury reforms will be commissioned.

3.2. Scope of the Work

3.2.1 General tasks

General tasks include:

- a) Submit a research proposal with workplan (specific requirements provided in section 3.2.2.), to reflect the design or development of the research methodology suitable to meet the research objectives of the *Overview Paper*. Demonstrate how the literature review and evidence gathering will be conducted.
- b) Conduct the actual research based on the methodology developed as part of the research proposal as referred to in 3.2.1 (a).
- c) Sources to be utilised will include academic literature, grey literature, archival material and oral historical interviews.

- c.1. The formal and informal archive of National Treasury that contain, inter alia, memorandums, presentation, proposals, minutes, correspondence, policy drafts, guidelines etc. will be made available.
- c.2. Treasury will facilitate oral interviews with current and ex-Treasury political leaders, officials and advisors.
- d) To lead and participate in seminars where required. These engagements will facilitate discussions that will enrich the research process and ensure that all the relevant NT officials provide inputs towards the final product.
- e) Produce an initial first draft of the *Overview Paper* within three months of the contract being awarded.
- f) Produce the final *Overview Paper* within six months of the contract being awarded.
- g) Liaise fortnightly with the Project Coordinator
- h) If so requested by the Project Coordinator, the successful bidder must be prepared to allow an official from Treasury to shadow the process.

3.2.2 Specific requirements

- a) The *Overview Paper* must provide a high-level overview (inclusive of a timeline) of the development of various reforms in NT. This should, primarily, be based on a desk top study. Particularly, describe how these reforms promoted Treasury's role in shaping government economic and social policy, or how did these reforms contribute to state building in post-apartheid South Africa.
- b) Describe the content, historical trajectory, and synergetic relationship among the reforms in fiscal policy, budget management, and accounting and reporting systems (audit type functions), between 1994 and 2022, and how these reforms contributed to building a credible and resilient central fiscal institution.
- c) Do a comparative international study to contextualize the South African experience.

3.2.3. Structure and Data requirements

- a) The *Overview Paper* will meet the minimum requirements outlined below, additional sections can be determined and discussed with the Project Coordinator:
 - a.1. Background and socio-political context
 - a.2. Literature review, inclusive of any evaluations, reviews, academic research, media responses
 - a.3. Analysis of problem(s) that needed to be addressed, leading to the need for the reform

- a.4. What the reform involved – legislation, policies, regulations, and process innovations, among others and a clear timeline of reform
- a.5. Positive and negative consequences of the reform: assessment of the outcome indicators of success/ failures
- a.6. A section on lessons learnt and recommendations
- a.7. Considerations for any future reforms
- b) The *Overview Paper* will meet peer review evaluation on the appropriateness of the overall study design and approach/ methodology, demonstrate that the underlying evidence base was covered fully, provide an interpretation and presentation of reforms that is accurate and precise, reflect a balanced and unbiased overview of current understanding and indicate the impact and significance of the reforms.
- c) All literature cited in the paper, must be provided in downloaded format.

4. ASSUMPTIONS & RISKS

4.1. Assumptions

- a) Bidders are knowledgeable in their subject area, can remain objective and conduct unbiased research.
- b) Bidders have access to support, literature, and other sources of information as well as computer software and hardware to do the research.
- c) Stakeholders available to provide inputs and attend meetings.
- d) National Treasury current and ex officials will support the researchers to retrieve historical information.

4.2. Risks

- a) Difficulty in accessing the appropriate data.
- b) Limited availability of officials to provide required support during the research.
- c) Availability of key NT officials to participate effectively and efficiently.

5. EVALUATION CRITERIA

GTAC has set minimum standards that bidders must meet to be selected as a successful bidder.

Proposals should indicate an understanding of NT's historical context, reforms, and current projects. The proposal must reflect the applicants interpretation and formulation of the ToR, and must not just repeat wording from sections 3.2.2. and 3.2.3.

Professional fees will be paid on delivery. The budget will be expected to cover all costs associated with conducting research. Any project-related travel costs associated with workshops and seminars at National Treasury will be covered by GTAC.

A two-phased approach will be followed for the evaluation:

- a) Functionality/ technical evaluation
- b) Price and specific goals in terms of the Preferential Procurement Policy Framework Act of 2000, updated 2022.

5.1. Functional Evaluation Criteria

The evaluation committee members will individually evaluate the responses received against the following criteria as set out below.

The functional evaluation of the bid will be based on an assessment of:

- a) A1 Relevant Qualifications – use the template A1 as provided below
- b) A2 Research Outputs – use the template A2 as provided below
- c) B1 Research proposal
- d) B2 Workplan

The description and quality criteria and the maximum possible score for each criterion are shown in the table.

Please note that this overview paper will be awarded to a single bidder – we will not base the award on a team proposal. Please provide ONLY information (qualifications and research outputs) for one person.

Table 5.1 – Evaluation Criteria

CRITERIA	SCORING	WEIGHT
A. Qualification and research outputs		
This will be evaluated based on the CV and copies of qualifications.		
A1. Relevant Qualifications		
Relevant postgraduate academic qualification in Public Finance Management/ Economics/Political Science/ Public Administration/ Historian/ Policy Management or related field.	5= PhD (NQF 10)	15%
	4= Masters (NQF 9)	
	3= Honours (NQF 8)	
	2=Degree/ BTech (NQF 7)	

CRITERIA	SCORING	WEIGHT
	1=Diploma Advanced Certificate (NQF 6), and lower	
	0=No Related/Relevant qualification submitted	
A2. Research Outputs (Publications/Evaluations/Policy Reviews authored or co-authored)		
This will be evaluated based on successfully completed research outputs (relevant to the focus areas listed in section 3.2.2 & 3.2.3 above). Research outputs include but are not limited to peer review publications, policy reviews and briefs and book chapters. <i>This criterium jointly considers experience in terms of number of outputs as well as relevance of research completed.</i>	5= Lead author of 5 or more completed research outputs	25%
	4= Co-author in 5 or more completed research outputs or Lead author in 2 to 4 completed research outputs	
	3= Co-author of 2 to 4 completed research outputs or Lead author of 1 completed research output	
	2= Co-author of 1 completed research output	
	1= Author (lead or co-author) of reports that are not clearly research outputs in terms of using standard research methodology	
	0=No relevant research outputs completed	
B. Research Proposal		
B1. Research proposal		
Quality and coverage of key elements of research proposal: 1. Outline of research paper (headings & sub-headings <i>with</i> short narratives), 2. Provide a brief description of the literature and other information to be collected, in less than one page. 3. Outline your research methodology and provide us with an indication of how you will work within the limitations of oral–historical interviews and informal archives.	5 = All three elements of research proposal are discussed, and, in addition, the proposal contains extra ideas to deliver the overview paper (according to the specific requirements as set out in section 3.2.2. & 3.2.3.) 4 = All three elements of research proposal provide relevant information to deliver the overview paper (according to the specific requirement as set out in section 3.2.2. & 3.2.3.) 3 = All three elements of research proposal provide information to deliver the overview paper, but information is not detailed (according to the specific requirement as set out in section 3.2.2. & 3.2.3.) 2 = Two out of three elements of research proposal provide information to deliver the overview paper (according to the specific requirement as set out in section 3.2.2. & 3.2.3.) 1 = One out of three elements of research proposal provide relevant information to deliver the overview paper, but information is not comprehensive enough (according to the specific requirement as set out in section 3.2.2. & 3.2.3.) 0 = Research proposal does not provide relevant information to deliver the overview paper (according to the specific requirement as set out in section 3.2.2. & 3.2.3.)	40%
B2. Workplan		

CRITERIA	SCORING	WEIGHT
Provide a high-level work plan with steps and timelines outlined	5 = Research proposal provides detailed information on steps and timeline, demonstrating clear understanding of realistic timelines and sequencing of steps 4 = Research proposal provides information on steps and timeline 3 = Research proposal provides inadequate information on steps and timeline 2 = Research proposal only provides information on steps or timeline 1 = Research proposal provides no information on steps and timeline	20%
Total Technical score		100%
MINIMUM THRESHOLD		75%

The bid must attain a minimum threshold score of 75% in order to be shortlisted and evaluated further based on the (80/20) principle.

A1 Qualifications: (Successful bidder will be required to submit certified copies of qualifications on appointment). Add entries if needed. Start from the most recent)

Qualification Awarded	
Name of Institution	
Date awarded	
Qualification Awarded	
Name of Institution	
Date awarded	
Qualification Awarded	
Name of Institution	
Date awarded	

A2 Research Outputs

Type of research output (e.g., peer reviewed paper, book, policy review, etc)	Title (include journal/ chapter name, issue, volume, and year published)	Authors	Lead author	Bibliographic reference/ website

Preferential Procurement Evaluation (80/20 Principle)

The applicable formula (80/20) will be used to evaluate the bid, of which eighty (80) points are allocated for technical evaluation and the remaining twenty (20) points are allocated for the specific goals as indicated in Annexure B.

6. CONTRACTUAL CONDITIONS

6.1. Appointment Terms

The successful bidder will be contracted by GTAC for a maximum period of one year.

Bidders must note that transgressions or acting in bad faith may lead to GTAC electing not to make any further use of the services of such service provider.

6.2. Maximum contract rates

GTAC seeks to appoint one resource at a maximum rate of R8 000 per day for a maximum of 23 days. This capped daily rate will be **VAT inclusive**.

Project-related travel costs, associated with workshops and seminars at National Treasury, will be covered by GTAC.

6.3. Mandatory requirements

Bidders should ensure that the following submission requirements are included in their bids:

6.3.1 CV template

The CV of the proposed resource must be submitted in the prescribed format provided in Annexure B. Please note that this overview paper will be awarded to a single bidder – we will not base the award on a team proposal. Please provide ONLY information (qualifications and research outputs) for one person. CVs from persons in the employment of the State will not be considered.

6.3.2 Proof of qualifications

Bidders must provide supporting documentation as proof of educational qualifications as well as certified copies of all required certificates, on appointment. Non-submission of qualifications will lead to a score of zero for the qualifications technical criterion (Section A of the evaluation criteria).

6.2.3 Price proposal

The submission of a price proposal is required (SBD 3.3) for Preferential Procurement Regulation, 2022 (PPR) evaluation. Failure to comply with this requirement will lead to a disqualification.

7. LOGISTICS AND SCHEDULE OF THE ASSIGNMENT

7.1. Location where the services are required

Most of the work can be done remotely, including interviews, workshops and seminars. However, some of the archival material is only available for in-person access.

7.2. Logistic Support

No office accommodation will be provided. The researcher must provide their own equipment (such as a laptop computer and cell phone, transport and office accommodation). They will, however, be assisted with access to the NT archive.

7.3. Time Frame

The contract period is expected to be a minimum of one (1) year from the date of appointment.

7.4. Contracting

The appointed Service Provider/ Individual shall enter into an agreement with GTAC as soon as possible after receiving and accepting of the award.

7.5. Reporting

Regular progress reports should be provided to the GTAC Project Coordinator in line with project requirements. Draft and final research papers will be submitted to the Project Coordinator for the review by the Advisory Committee. Should the papers not pass the quality assurance process, payment of invoices may be withheld until the identified shortcomings have been corrected.

Annexure A

GOVERNMENT PROCUREMENT GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

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

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)

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 | <p>2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p> |
| 3. General | <p>3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.</p> <p>3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za</p> |
| 4. Standards | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p> |
| 5. Use of contract documents and information; inspection. | <p>5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.</p> <p>5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.</p> <p>5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.</p> <p>5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.</p> |
| 6. Patent rights | <p>6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.</p> |
| 7. Performance security | <p>7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.</p> |

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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.