



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

the dtic, 77 Meintjies Street, Sunnyside, Pretoria
Tel (012) 394 5000

The Manager

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.....
.....

Sir/Madam

SERVICE: BID dtic 04/22-23: APPOINTMENT OF ENGINEERING SERVICE PROVIDERS TO A PANEL OF NOT MORE THAN FIVE (5) SERVICE PROVIDERS PER SECTOR/FIELD FOR THE DUE DILIGENCE, CLAIMS/EXPENDITURE VERIFICATIONS FOR the dtic TECHNOLOGY AND HUMAN RESOURCES FOR INDUSTRY PROGRAMME (THRIP) AND SUPPORT PROGRAMME FOR INDUSTRIAL INNOVATION (SPII) INCENTIVES ADMINISTERED BY THE INDUSTRIAL FINANCING BRANCH (IFB).

the dtic requires services as described per attached bid invitation, and you are requested to complete the bidding documents and to submit it in accordance with the under-mentioned stipulations:

- The conditions contained in the attached documents apply.
- The tender must be submitted in a sealed envelope with the **name and address of the tenderer with the tender number and closing date indicated on the envelope**. If the two envelope system is required in the Terms of Reference the same action must be followed on both envelopes. The cover or envelope must not contain documents relating to any tender other than that shown on the cover or envelope.
- ***Tenders submitted per mail must be sent per registered mail. The tender must still reach this office before the closing time. Failure to do so will invalidate the bid.***
- The closing date of the tender will be at **11h00 on 19 AUGUST 2022** and will be valid for a period of **120 days** after closing date (up to and including 16 December 2022).
- The attached forms/documents, if completed in detail and returned, will form part of your tender.
- **All communication regarding this tender must be done in writing.**

You are advised to acquaint yourself with the contents of the attached General Conditions of Contract.

It will be expected of the successful bidder to sign a Service Level Agreement at this office as soon as possible, after being notified of the acceptance of his/her tender.

NB: BIDS NOT SUBMITTED ON THE DUE DATE AND TIME AND BIDS RECEIVED AFTER THE CLOSING TIME AND DATE ARE LATE AND WILL AS A RULE NOT BE ACCEPTED FOR CONSIDERATION

Yours faithfully



.....
DEPUTY DIRECTOR: TENDERS

DATE: 28 / 7 / 2022



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

POPIA CONSENT FORM

The Bidder and the proposed team/ individuals proposed by the Bidding entity to perform work in line with the requirements stipulated in this tender document, hereby give their consent to **the dtic** and its Officials involved in the evaluation / recommendation / award / drafting of SLA / verification of submissions and advertising of results of bid in line with National Treasury Instructions, to process our personal information for all purposes related to this tender process and possible subsequent contract, in accordance with the provisions of the Protection of Personal Information Act.

.....

Signature

.....

Date

.....

Position

.....

Name of bidder



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

PLEASE TAKE NOTE:

TENDER NO: dtic 04/22-23

CLOSING TIME: 11:00

CLOSING DATE: 19 AUGUST 2022

BIDS NOT SUBMITTED ON THE DUE DATE AND TIME AND BIDS RECEIVED AFTER THE CLOSING TIME AND DATE ARE LATE AND WILL AS A RULE NOT BE ACCEPTED FOR CONSIDERATION.

BID dtic 04/22-23: APPOINTMENT OF ENGINEERING SERVICE PROVIDERS TO A PANEL OF NOT MORE THAN FIVE (5) SERVICE PROVIDERS PER SECTOR/FIELD FOR THE DUE DILIGENCE, CLAIMS/EXPENDITURE VERIFICATIONS FOR the dtic TECHNOLOGY AND HUMAN RESOURCES FOR INDUSTRY PROGRAMME (THRIP) AND SUPPORT PROGRAMME FOR INDUSTRIAL INNOVATION (SPII) INCENTIVES ADMINISTERED BY THE INDUSTRIAL FINANCING BRANCH (IFB).

The **SBD 1, 3.3, 4 & 6.1 FORMS** MUST BE COMPLETED AND SIGNED IN THE ORIGINAL THAT IS IN INK – PHOTOCOPIED SIGNATURES OR OTHER SUCH REPRODUCTION OF SIGNATURES MAY INVALIDATE YOUR BID.

BID DOCUMENTS MUST BE POSTED TO:

**Department of Trade, Industry and Competition
Private Bag x 84
PRETORIA
0001**

FOR ATTENTION: YVETTE CRONJE (Block B)

OR

HAND DELIVERED BIDS / BIDS SENT BY
COURIER:

**THE BID DOCUMENTS MUST BE
DEPOSITED IN THE BID BOX WHICH
IS IDENTIFIED AS THE BID BOX
OF THE DEPARTMENT OF TRADE,
INDUSTRY AND COMPETITION, 77
MEINTJIES STREET (CORNER OF
MEINTJIES AND ROBERT SOBUKWE
STREETS) SUNNYSIDE, PRETORIA**

SUBMIT ALL BIDS ON THE ORIGINAL FORMS



BIDS SUBMITTED ELECTRONICALLY VIA EMAIL OR ANY OTHER SIMILAR APPARATUS WILL NOT BE ACCEPTED FOR CONSIDERATION.

THE BID BOX OF THE DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION IS OPEN 24 HOURS A DAY, SEVEN DAYS A WEEK - BIDDERS MUST ENSURE THAT BIDS ARE DELIVERED TO THE CORRECT ADDRESS. IF THE BID IS LATE, IT WILL NOT BE ACCEPTED FOR CONSIDERATION.

CHECKLIST FOR BIDDERS

Please indicate “Yes” / “No” adjacent to each column. This is to ensure that bidders complete, sign and submit all the required documentation.

BID REQUIREMENT	REFERENCE	YES / NO
<p>Bidders must ensure that they are registered on the Central Supplier Database of the National Treasury as this is compulsory with effect of 1 April 2016 for bidders to be considered for bids.</p> <p>Are you registered on the Central Supplier Database of National Treasury.</p>	<p>Par. 3.2 of National Treasury's SCM Instruction no 4A of 2016/2017</p>	
<p>Bidders must ensure that their tax matters are in order in line with the Treasury Regulations and reflect accordingly on the CSD.</p> <p>Bidder's who's tax matters are not declared to be in order will automatically be disqualified.</p> <p>Are your tax matters in order?</p>	<p>Treasury Regulation 16 A9.1.(d).</p>	
<p>Completed and signed the POPIA Consent form</p>	<p>POPIA Consent</p>	
<p>Completed and signed the SBD 1 form</p>	<p>SBD 1 (Invitation to bid)</p>	
<p>Completed the SBD 3.3 form/ pricing schedule in full.</p> <p>Failure to complete this document in full and as per the stipulated requirements may lead to disqualification of a proposal.</p>	<p>SBD 3.3 (Pricing Schedule)</p>	
<p>Submitted your bid in the TWO-ENVELOPE / FILE FORMAT.</p> <p>NO pricing may be included in your functional proposal. Pricing must only be included in your <u>financial</u> proposal envelope/file</p> <p>Failure to comply herewith will lead to automatic disqualification of your bid.</p>	<p>Paragraph 14. of the ToR</p>	
<p>Completed and signed the SBD 4 form</p>	<p>SBD 4 (Bidders disclosure)</p>	
<p>Completed and signed the SBD 6.1 form.</p> <p>No points will be allocated if certificates or affidavits are not in line with the prescripts.</p>	<p>SBD 6.1 (Preference Points Claim)</p>	

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF TRADE INDUSTRY AND COMPETITION (the dtic)					
BID NUMBER:	dtic 04/22-23	CLOSING DATE:	19 AUGUST 2022	CLOSING TIME:	11:00 am
DESCRIPTION	APPOINTMENT OF ENGINEERING SERVICE PROVIDERS TO A PANEL OF NOT MORE THAN FIVE (5) SERVICE PROVIDERS PER SECTOR/FIELD FOR THE DUE DILIGENCE, CLAIMS/EXPENDITURE VERIFICATIONS FOR the dtic TECHNOLOGY AND HUMAN RESOURCES FOR INDUSTRY PROGRAMME (THRIIP) AND SUPPORT PROGRAMME FOR INDUSTRIAL INNOVATION (SPII) INCENTIVES ADMINISTERED BY THE INDUSTRIAL FINANCING BRANCH (IFB).				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
THE DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION (the dtic) 77 MEINTJIES STREET (CORNER OF MEINTJIES AND ROBERT SOBUKWE STREETS), SUNNYSIDE, PRETORIA					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mrs. Yvette Cronje		CONTACT PERSON	Messrs. Mandla Khoza and Zuko April	
TELEPHONE NUMBER			TELEPHONE NUMBER		
E-MAIL ADDRESS	YCronje@thedtic.gov.za		E-MAIL ADDRESS	MKhoza@thedtic.gov.za ZApril@thedtic.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
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER PART B:3]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 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) AND SLA.
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 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)

NAME AND SURNAME:.....

DATE:

**GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT**

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

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

2. Application

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

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

- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
- (b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

- 9. Packing**
- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.
- 10. Delivery and documents**
- 10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.
- 10.2 Documents to be submitted by the supplier are specified in SCC.
- 11. Insurance**
- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.
- 12. Transportation**
- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.
- 13. Incidental services**
- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
 - (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.
- 14. Spare parts**
- 14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

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

15. Warranty

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment

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

- 17. Prices** 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments** 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment** 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts** 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

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

23. Termination for default

- 23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:
- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
 - (b) if the Supplier fails to perform any other obligation(s) under the contract; or
 - (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.
- 23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.
- 23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.
- 23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction

- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

25. Force Majeure

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

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
 - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

- 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

31. Notices

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

- | | |
|--|--|
| 32. Taxes and duties | <p>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.</p> <p>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.</p> <p>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.</p> |
| 33. National Industrial Participation (NIP) Programme | <p>33.1 The NIP Programme administered by the Department of Trade, Industry and Competition shall be applicable to all contracts that are subject to the NIP obligation.</p> |
| 34 Prohibition of Restrictive practices | <p>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).</p> <p>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.</p> <p>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.</p> |

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.

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.

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship 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,(name and surname) the undersigned, 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.
- 3.5 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.
- 3.6 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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.

3.7 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 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

- 1.1 The following preference point systems are applicable to all bids:
- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
 - the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).
- 1.2 The value of this bid is estimated to **not exceed** R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable;

- 1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

- 1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

- 1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

- ### 3. POINTS AWARDED FOR PRICE

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

90/10

Where

Ps = Points scored for price of bid under consideration

P_t = Price of bid under consideration

P_{min} = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

- 5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

- 6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

7. SUB-CONTRACTING

- 7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

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

- 7.1.1 If yes, indicate:

- What percentage of the contract will be subcontracted.....%
- The name of the sub-contractor.....
- The B-BBEE status level of the sub-contractor.....
- Whether the sub-contractor is an EME or QSE

(Tick applicable box)

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

- Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people		
Black people who are youth		
Black people who are women		
Black people with disabilities		
Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
☐ One person business/sole propriety
☐ Close corporation
☐ Company
☐ (Pty) Limited
 [TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

.....

.....

.....

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
☐ Supplier
☐ Professional service provider
☐ Other service providers, e.g. transporter, etc.
 [TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
 - (a) disqualify the person from the bidding process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution.

WITNESSES

1.....

2.....

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

THE TERMS OF REFERENCE

*To invite bids from Engineering Service Providers to be appointed to a panel of not more than five (5) Service Providers per sector/field for the due diligence, claims/expenditure verifications for **the dtic** Technology and Human Resources for Industry Programme (THRIP) and Support Programme for Industrial Innovation (SPII) incentives administered by the Industrial Financing Branch (IFB) .*

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REQUEST FOR PROPOSALS:

The Department of Trade, Industry and Competition (**the dtic**) request proposals from interested Engineering Service Providers to be appointed to a panel of not more than five (5) Service Providers per sector/field to conduct due diligence and claims verification on projects for **the dtic** THRIP and SPII incentives administered by the Industrial Financing Branch (IFB).

NOTE: Should a vendor have reason to believe that the specification / Terms of Reference is not open to promote competition or that it is written based on a particular brand / product / entity; the vendor shall notify the Bid Office of **the dtic** within ten (10) calendar days after publication of the bid.

1 PURPOSE

1.1 The Department of Trade, Industry and Competition (**the dtic**) wishes to contract not more than five (5) service providers per sector/field to perform due diligence and claim verifications on projects considered for incentives from **the dtic** Technology and Human Resources for Industry Programme (THRIP) and Support Programme for Industrial Innovation (SPII).

1.2 Conduct project inspection, verification and due-diligence for THRIP and SPII incentives.

1.3 Provide engineering and technology advisory services for THRIP and SPII applications and claims.

The sectors / fields are as follow:

- Agricultural engineering and or sciences;
- Biomedical sciences and pharmaceuticals;
- Chemical and petroleum engineering;
- Civil and structural engineering;
- Earth sciences, geological and mining and materials engineering;
- Industrial and process engineering;
- Mechanical & mechatronics engineering;
- Aeronautical & space engineering;
- Natural sciences, marine engineering and environmental management;
- Power, energy and electrical engineering;
- Software and/or electronic engineering/data sciences, IoT and digital technologies.

2 BACKGROUND

- 2.1 IFB is an integral part of **the dtic's** value chain entrusted to stimulate and facilitate the development of sustainable and competitive enterprises through the efficient provision of effective and accessible incentives, that support national priorities.
- 2.2 In accordance with its strategic objective, **the dtic** implements a range of incentives and in terms of this particular tender, is focussing on the following two incentives:
 - 2.2.1 *Support Program for Industrial Innovation (SPII);*
 - 2.2.2 *Technology and Human Resources for Industry Program (THRIP).*
- 2.3 Medium, Small and large businesses apply for the incentive scheme/fund in accordance with specific criteria relevant to each scheme/fund where after departmental adjudication committees, consider and approve their participation. Once participation is approved, a commitment is created whereby **the dtic** will provide financial assistance based on specific performance requirements of approved projects, according to the approval conditions, outputs and impact of the incentive schemes.
- 2.4 The nature of the incentives implies that expenses will be incurred by approved projects and claims submitted for payment of qualifying claims, by **the dtic**.
- 2.5 Cash flow and contingent management forms an integral part of efficient and prudent utilisation of funds to ensure 100% expenditure of approved funds.
- 2.6 Many projects are planned in such a manner that they are not completed within a financial year in which they were approved, leading to the Department accumulating contingency liabilities, and thus this requires an ongoing verification and validation of technical and financial progress to manage and minimise contingent liabilities and risks.
- 2.7 Verification and validation of expenditure and innovation work concluded at claim stages, is an important control to validate, verify and justify the economic merits and value of each project/milestone in relation to the funding claimed.
- 2.8 Project based expenses substantiated by verifiable invoices and proof of payment towards the approved project milestone specific activities for each project, are incurred by approved projects and require multiple disbursements over the lifecycle of the approved project/s.
- 2.9 The application due diligence and claim verification work requested from specialist service providers in the engineering, scientific/technology and applied Research and Development

(R&D) fields, will provide **the dtic** with independent and specialist opinion on the substance and compliance of claims lodged by the approved project owners.

3 OBJECTIVES

The objectives of this assignment is as follows:

- 3.1 Conduct basic and comprehensive application due diligence and claim verification procedures in line with the incentive guidelines in the innovation economy.
- 3.2 Execute desktop investigations and/or onsite inspections encompassing the performance of due diligence and/or verification procedures by independent registered engineering and technology specialists. These inputs must provide management with a reasonable level of assurance that specific performance to the conditions of the incentive are met by projects, prior to the approval of the application and the payment incentive/fund claims, via independent due diligence and/or factual finding report and inspections.
- 3.3 Asses project risk and mitigation factors in relation to incentive projects at applications and claim and at various project milestone stages, in order to reduce project execution risks and to make recommendations for improving standard operating procedure.
- 3.4 Provide technical advisory inputs in relation to individual project progress and technology content in relation to planned and actual project and milestone expenditures and budgets, as and when required.
- 3.5 The science consultants will be expected to prepare and present technical due diligence or claim reports with findings and recommendations to the Adjudication Committee or any delegated official for evaluation and decision making as and when required pertaining to applications for incentives and claims for payment.

4 METHODOLOGY

- 4.1. The service Providers are expected to outline and explain the methodology that will be used to conduct project basic and comprehensive due diligence, project inspections, project claims verifications for these incentives administered by IFB and for technical advisory services in relation to individual project technical and financial merits and progress.
- 4.2. It will be imperative for the Service Providers to outline in the methodology the verification steps and process to be followed and how quality of the application and claim auditing will be assured in order to reduce the time required for analysis and conclusion of these activities.

5 SCOPE OF WORK

The appointed service provider will undertake the following tasks across the THRIP and SPII incentive schemes as and when assigned by the relevant incentive manager and based on receipt of qualifying claims:

Focus Area	Key Activities (not limited to these activities):	Outputs	Time Frame
Application due diligence			
Basic review of the project application documentation	Analyse project details including the scope, level of innovation, technologies, project structure, resourcing plan, technology sector, budgets, project costs and applicant skills and credentials.	Due diligence procedures and planning of the due diligence work with the applicant.	Within 7 work days of receiving the application pack and request.
Conduct due diligence on individual projects	Conduct the technical and financial due diligence on the merits, risks, locality, value for money, structure, resourcing, ownership of IP, type of technological innovation and readiness etc. The service provider should analyse all relevant documentation e.g. the application form, asset registers, agreements, black economic empowerment certificates, tax certificates, financial statements, employee records, zoning certificates, relevant licences, compliance certificates, lease agreements, production records, research reports, product specifications, intellectual property ownership and registration documents, product and process design documentation, tertiary education skills and qualifications of project participants, market and product research etc. and any other evidence deemed necessary in the performance of the due diligence procedures.	Completed due diligence report and visits including clarifications of observations, project risks and recommendations, as may be required by the relevant incentive.	Within 21 work days of the commencement of the due diligence.
Claim stage verification and auditing			
Basic review of the project and claim documentation	May include any of the following documents:	Analysis, observations and findings during site inspections and	Within 3 work days of receiving the claim pack details with a list

	Claim form, asset registers, funding agreements, special conditions, black economic empowerment certificate, tax clearance certificates, financial statements,	interviews with project owners and or their participating students, as and when required, at each project milestone claim stage.	of outstanding information to be collected at the inspection visit.
Project Inspection	bank statements, invoices, delivery notes, employee and or student involvement and bursary records, zoning certificates, relevant licences, compliance certificates,		Within 7 work days of receiving the claim pack details.
Project Claims/Expenditure analysis verification	lease agreements, production records, relevant professional and R&D reports, R&D project schedules, R&D agreements, foreign investment grant documentation etc. whichever is deemed necessary for the claim verifications. This should be undertaken in line with generally applicable independent professional codes and auditing procedures. The analysis is inclusive of all project owner interactions to source and validate supporting documentation and evidence of millstone delivery and expenditures.		Within 10 work days of receiving the claim pack details.
Compilation of project milestone focused factual findings report.	<ul style="list-style-type: none"> Detail all findings in a consolidated /Factual Finding Summary report per claim using a standard format that reports on student numbers, budget variances such as project cost and research innovation output appraisal; project control and or project governance that could include PMBOK/PRINCE certification (the latter not mandatory); technology and innovation risk identification; project expenditure and or value for money analysis etc. Identify and include key project execution, governance and or disbursement risks; Calculate the qualifying amounts in line with approval conditions and cost items with their supporting information such 	Factual findings report reviewed by the service provider principal detailing milestone observations, variances, qualifying costs and activities, project risks and recommendations for project governance improvements.	Within 14 work days of receiving the claim pack details.

	<p>as invoices and proofs of payment for each assigned claim and indicate any value for money issues related to deliverables produced;</p> <ul style="list-style-type: none"> Document recommendations for areas of improvement in the execution of the project, variances detected and quality of the deliverables verified and validated. 		
Knowledge and skills transfer/sharing			
Engineering and technology related due diligence and project progress verification	Should cover but not limited to assessment of technology and R&D project risk identification, best practices in product and process technology auditing and verification, innovation project governance and expenditure controls, due diligence planning and execution methods, technology readiness assessments, R&D expenditure tracking, new technology viability assessments, project governance best practices, R&D output verification and assessment and any engineering discipline/sector specific best practices to consider when funding R&D/innovation related projects, etc.	<p>Interactive, structured, pre-scheduled sessions with incentive teams once per quarter including handouts for reference materials.</p> <p>Quarterly and annual summary reports on the skills transferred as outlined under paragraphs 6.4 and 7.3 below.</p>	Within 14 days of the end of each quarter.

- 5.1. The total hours billed per project should **not exceed 20 and 30 man-hours** for claim verification and application due diligence work respectively per project, from the date of the allocation of the assignment by **the dtic** to the submission of the final report. The man-hours are inclusive of internal auditor review and senior principal sign off and exclude standing and travel time to the assignment.
- 5.2. The procedures will include inspections, obtaining, enquiring, certifying, agreeing, calculating and recalculating to confirm the information presented by the project on the incentive application and claim form and supporting documentation. In certain instances, the specialists will also be required to perform their own analysis and/or utilise other processes or systems etc. as well, utilise necessary additional engineering skills, in order to finalise the due diligence and verification works.
- 5.3. The work includes due diligence and/or verification procedures as agreed with **the dtic** through desktop investigations and/or onsite inspections. The due diligence and/or factual

findings reports with a recommendation to support or not to support the project and or claim disbursements, must be returned to **the dtic** within the stipulated time frames above, along with all supporting documentation that may be collected during the onsite inspections.

- 5.4. The estimated number of applications or claims are dependent on **the dtic's** requirements and the respective engineering and or technology focus of each applications and claim.
- 5.5. Service providers will be required to make recommendations on improvement of internal project controls and standard operating procedures for the respective incentives as part of their application and or claim recommendations/deliverables.

6 DELIVERABLES

- 6.1. The service providers are expected to produce the due diligence and project factual finding reports as defined in Paragraph 5.
- 6.2. A report of projects risks, control weaknesses identified and recommendations of additional procedures and implementable controls, should be submitted to the respective incentive managers and office of the COO annually, within 13 months of the appointment.
- 6.3. The service provider will also submit a quarterly progress report to the IFB Chief Director of Operations, within 7 days after the quarter on all completed projects. This should indicate any delays in completing the above work activities if any, a combined list of project disbursement risks and implementable controls to mitigate such risks and the basic skills that were transferred during the claim due diligence assignments.

7 SKILLS TRANSFER

- 7.1 Transfer of basic and comprehensive project due diligence and milestone verification and innovation project related appraisal skills to relevant officials of **the dtic**, forms an integral part of the bidder's proposal. Where possible, the service provider should be accompanied by **the dtic** official from each incentive when conducting due diligence and milestone verification.
- 7.2 The service provider must include in its proposal, the basic skills/knowledge to be transferred to relevant IFB team members and how this will be achieved through a structured process and knowledge sharing sessions.
- 7.3 The relevant skills and knowledge thus transferred must be indicated in the quarterly report outlined above. The service provider will also submit a consolidated report to **the dtic** providing feedback on skills transferred during the execution of this project annually within 13 months of the appointment.

8 QUALIFICATIONS, EXPERIENCE AND EXPERTISE

To be considered for this project the staff that will perform the work should have the following qualification(s) and number of years' experience:

- 8.1 The individual team members of the service provider **must** be registered with relevant professional and or regulatory bodies for their specific sector/discipline in the engineering, technology management and or innovation domains. **A copy of registration must be submitted together with the proposal as proof of registration. FAILURE TO BE REGISTERED OR PROVIDE PROOF OF REGISTRATION WILL LEAD TO AUTOMATIC DISQUALIFICATION OF THE BID.**
- 8.2 The proposed key staff for this project must comply with the following requirements:
- 8.2.1 The project leader must hold a professional engineering and / or scientific post graduate qualification with at least 7 years working experience in the relevant discipline and be registered with at least one relevant professional regulatory body such as IRBA, ECSA, CESA, IRMSA, PMI etc.
- 8.2.2 The proposed key staff that will perform the application due diligence and claim verification and validation procedures, must as a minimum hold a bachelor degree in engineering / sciences / technology / innovation management / project governance and or technology auditing. Must have relevant work experience of at least 3 years and be registered with at least one relevant professional regulatory body such as IRBA, ECSA, CESA, IRMSA, PMI etc.
Copies of qualifications of the project leader and key staff should be submitted with the bid. The South African Qualification Authority (SAQA) must endorse foreign acquired qualifications before it can be considered by the dtic.
- 8.2.3 The proposed key staff should have the ability to independently conduct these claim verification assignments and possess amongst others, the following skills:
- Project cost and research innovation output appraisal;
 - Project control and or project governance that could include PMBOK/PRINCE certification (the latter not mandatory);
 - Technology and innovation risk identification;
 - Project expenditure and or value for money analysis.
- 8.2.4 The proposed key staff should be able to travel as the projects will be located throughout the country.

8.2.5 Bidders must submit comprehensive CV's of the project leader and all proposed key staff in the following format:

Title and full names of project leader / proposed key staff	Relevant qualification(s) and courses successfully completed	Number of years' relevant experience in <u>numerical</u> format against any or all of skill areas listed in paragraph 8.	Case studies and references to prove relevant experience and knowledge in the fields of expertise in Agricultural engineering and or sciences; Biomedical sciences and pharmaceuticals; Chemical and petroleum engineering; Civil and structural engineering; Earth sciences, geological and mining and materials engineering; Industrial and process engineering; Mechanical & mechatronics engineering; Aeronautical & space engineering; Natural sciences, marine engineering and	Relevant professional body registration and membership numbers.
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			environmental management; Power, energy and electrical engineering; Software and/or electronic engineering/data sciences, IoT and digital technologies.	
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8.3 The bidding company must be in existence for at least two years and with two years of relevant operational experience, in delivering technology and or engineering and innovation services in any or all of the fields of expertise in paragraph 8.3.2.

8.3.1 Proof of relevant experience should be provided by means of at least four case studies/client references detailing the type of project, the period of the project, the magnitude of the project and the results of the project. Reference letters from former clients will be an added advantage.

8.3.2 In addition to the table above, the service provider should indicate the years of experience for each team member in any or all of the below fields of expertise:

- Agricultural engineering and or sciences;
- Biomedical sciences and pharmaceuticals;
- Chemical and petroleum engineering;
- Civil and structural engineering;
- Earth sciences, geological and mining and materials engineering;
- Industrial and process engineering;
- Mechanical & mechatronics engineering;
- Aeronautical & space engineering;
- Natural sciences, marine engineering and environmental management;
- Power, energy and electrical engineering;
- Software and/or electronic engineering/data sciences, IoT and digital technologies.

NB: the dtic reserves the right to vet all documentation and information provided by bidders to prove their relevant experience and ability to perform the service.

9 SERVICE PROVIDER CAPACITY

The bidder must have current technical and logistical capacity to perform the work required. In order to prove this, the bidder must provide details of facilities, resources, capacity and brief company profile in addition to the schedules outlined above in paragraph 8.

10 CONDITIONS

10.1 AWARD:

- 10.1.1 For all the science and engineering fields (mentioned under purpose), **the dtic** will be appointing between (1) and (5) (not more than 5) service providers per field in order to accommodate for volumes when due diligence and claim verification services are required. A bidder may be appointed for more than one field.

The bidders that scored the highest points on price and B-BBEE score for a specific sector / field (in the top five), will be appointed for that specific sector / field.

10.2 ALLOCATION OF WORK:

- 10.2.1 Work will be allocated on an as and when required basis. No work can be guaranteed under this contract. An equal distribution of work cannot be guaranteed as it is not known upfront how many due diligence or verification services will be required by **the dtic** per field

10.3 ROTATION OF WORK:

- 10.3.1 Work per sector / field will be rotated between the appointed service providers in sequence of the final scores obtained during the final stage of evaluation (stage 2 – price and B-BBEE points) as follow:

Per sector / field, allocating the first assignment to the bidder that scored the highest final score, the second assignment will be allocated to the bidder with the second highest final score, the third assignment to the bidder with the third highest final score, fourth assignment to fourth highest score and fifth assignment to the bidder that scored fifth highest final score. From there onwards, the rotation process will repeat in the same sequence for as long as services are required. The rotation method will apply for each sector / field mentioned under purpose on page 2 of the ToR. Once work has been allocated to a service provider by **the dtic**, a written confirmation must be sent to the relevant **the dtic** official indicating the start and end date of the application due diligence and claim verification assignments, within 7 days of receipt of the request by **the dtic**.

In cases where only one service provider was successful to be awarded a specific sector / field that service provider will be allocated the work for that sector / field as and when a requirement arise.

- 10.4 **The project leader and individual team members, proposed by the bidder, must be registered with at least one relevant professional regulatory body such as IRBA, ECSA, CESA, IRMSA, PMI etc. FAILURE TO BE REGISTERED AND PROVIDE PROOF OF SUCH REGISTRATION WILL LEAD TO AUTOMATIC DISQUALIFICATION OF THE BID.**
- 10.5 **Companies that apply for THRIPP, SPII or other pre-production incentive programmes OR assist 3rd parties with their applications for such incentive programmes will not be allowed to perform work under the intended contracts due to conflict of interest issues. Therefore bidders who submit proposals for this bid must ensure that they in no form or instance form part of or are linked (in any form whatsoever) to an entity that receives assistance via THRIP, SPII and others. All successful bidders will be required to submit an affidavit in this regard together with their SLA in order to provide assurance of no conflict.** Service Level Agreements will be signed with the successful bidders.
- 10.6 Proposed key staff members must participate actively and be available to perform services in accordance with the contract. In instances where a proposed key staff member is not available to perform services at a specific period in time, the bidder will be responsible to provide a replacement with similar qualifications and experience in order to guarantee the same standard of work to **the dtic**. Each team member's role must be clearly outlined in the project plan.
- 10.7 A project plan detailing the tasks, activities and target dates for the work to be undertaken should be submitted to **the dtic** within 10 working days of allocation of work to the successful Service Provider. Each team member's role must be clearly outlined in the project plan;
- 10.8 As previously indicated **the dtic** reserves the right to vet all qualifications and other documentation provided by bidders to prove relevant qualifications, experience and expertise prior to the appointment of a Service Provider;
- 10.9 Copyright and intellectual property rights to all documentation, reports etc. that emanate from this assignment will vest with **the dtic**.
- 10.10 This bid and all contracts emanating there from will be subject to the General Conditions of Contract issued in accordance with Treasury Regulation 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999). Special Conditions of Contract are supplementary to that of the General Conditions of Contract. Not all bids will contain special conditions of contract. Where, however,

the Special Conditions of Contract are in conflict with the General Conditions of Contract, the Special Conditions of Contract prevail.

- 10.11 Bids received after the closing date and time, at the address indicated in the bid documents, will not be accepted for consideration and where possible, be returned unopened to the bidder.
- 10.12 Bidders' attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by bidders may result in the invalidation of such bids.
- 10.13 The State reserves the right to conduct supplier due diligence prior to final award or at any time during the contract period. This may include site visits.
- 10.14 The Bid Office Officials of **the dtic** may communicate with bidders where clarity is sought after the closing date of the bid and prior to the award of the contract, or to extend the validity period of the bid, if necessary.
- 10.15 All communication between the bidder and the Bid Office Officials of **the dtic** must be done in writing.
- 10.16 Bidders must ensure that they are registered on the Central Supplier Database of the National Treasury in order for bidders to be considered for bids.
- 10.17 Bidders must ensure that their tax matters are in order in line with the Preferential Procurement Policy Framework Act and the Treasury Regulations.
- 10.18 Bidders' whose tax matters are not declared to be in order will be disqualified.
- 10.19 Bidders' attention is drawn to the tax requirements stated on the SBD 1 form.
- 10.20 Where applicable acceptance of a bid will be subject to the condition that both the contracting firm and its personnel providing the service must be cleared by the appropriate authorities to the level of CONFIDENTIAL/SECRET/TOP SECRET (whichever one is stipulated in the relevant specification / ToR). Obtaining a positive recommendation is the responsibility of the contracting firm concerned. If the principal contractor appoints a subcontractor, the same provisions and measures will apply to the subcontractor. Acceptance of the tender is also subject to the condition that the contractor will implement all such security measures as the safe performance of the contract may require." (Minimum Information Security Standards. Chapter 5).
- 10.21 The points scored for functionality, price and B-BBEE points will be rounded off to the nearest 2 decimals as determined in the PP Regulations of 1 April 2017.
- 10.22 In cases where the tender invitation is subject to a pre-qualification requirement based on sub-contracting, then it is the responsibility of the tenderer to select competent sub-contractors that meet all the requirements of the tender in order to ensure that the bidders tender is not jeopardized by the subcontractor during evaluation. Bidders are responsible for all due diligence on their subcontractors.

- 10.23 In cases where above market related prices are quoted the right is reserved to negotiate with the three preferred bidders (three highest on final points for price and B-BBEE).
- 10.24 Bidders to take note that the award of the tender may be subject to price negotiation with the preferred bidder.
- 10.25 This bid is subject to the PP Regulations of 1 April 2017.
- 10.26 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 10.27 Bidders must submit concrete proof of the existence of joint ventures and/or consortium arrangements. **the dtic** will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.
- 10.28 The joint venture and/or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.
- 10.29 Regulation 13 (c) of the Public Service Regulations 2016 determines that an employee shall not conduct business with an organ of state or be a director of a public or private company conducting business with an organ of state unless such employee is in an official capacity a director of a company listed in schedule 2 and 3 of the Public Finance Management Act. As this regulation prohibits public service employees from conducting business with an organ of state; either in a personal capacity or as a director of a private or public company, non-compliance with this regulation will lead to automatic disqualification of a bid.
the dtic reserves the right:
- 10.30 To award this tender to a bidder that did not score the highest total number of points, only in accordance with section 2(1)(f) of the PPPFA (Act 5 of 2000).
- 10.31 To negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).
- 10.32 To accept part of a tender rather than the whole tender.
- 10.33 To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid.

- 10.34 To correct any mistakes at any stage of the tender that may have been in the Bid documents or occurred at any stage of the tender process.
- 10.35 To cancel and/or terminate the tender process at any stage, including after the Closing Date and/or after presentations have been made, and/or after tenders have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.
- 10.36 Award to multiple bidders based either on size or geographic considerations.
- 10.37 Bidders will be allowed to submit queries or request clarification up to one week prior to the closing date of this bid. Thereafter no queries / clarification requests will be responded to.
- 10.38 If the Bidder failed to comply with any of the administrative pre-qualification requirements, or if **the dtic** is unable to verify whether the pre-qualification requirements are met, then **the dtic** reserves the right to –
- 10.39 Reject the bid and not evaluate it, or
- 10.40 Accept the bid for evaluation, on condition that the Bidder must submit within 7 (seven) calendar days any supplementary information to achieve full compliance, provided that the supplementary information is administrative and not substantive in nature

11 PRICE

- 11.1 Bid prices are required in the form of hourly rates. The bid price must represent hourly rates of the project leader and key team members allocated to **the dtic**. Three fixed hourly rates, one for each year of the contract period, for each key team member and the project leader is required. Payment based on hourly rates will be payable by **the dtic** to the successful Service Provider upon satisfactory work delivery, in accordance with an agreed payment schedule which will be linked to set deliverables. Please see the attached SBD 3.3 on how pricing must be quoted. The average hourly rate will be used for price comparison purposes in the 80/20 point system.
- 11.2 The bid price must be inclusive of VAT and quoted in RSA currency.
- 11.3 Consultants will only be remunerated in accordance with the following prescribed rates:
 - 11.4.1 The rates as determined in the “guidelines for fees”, issued by the relevant professional bodies such as ECSA, or
 - 11.4.2 The rates set out in the “Guide on Hourly Fees Rates for Consultants”, by the Department of Public Service and Administration (DPSA); or
 - 11.4.3 The rates as prescribed by the body regulating the profession of the consultant; e.g. Law Society of South Africa for Lawyers / Advocates. Proof of the latest approved rates should be attached to the pricing SBD 3.3;

- 11.4 Hotel and accommodation costs will be limited to a maximum of R1350 for dinner, bed and breakfast at a graded Bed & Breakfast, Country House or Guest House OR R1 530 for Grand Hotel or Boutique Hotel (in line with latest National Treasury prescripts).
- 11.5 For the use of personal vehicles, the rates per kilometre may not exceed the monthly rates published by the Department of Transport (this travel does not include travel between home and the Office / home and **the dtic** / Office and **the dtic**).
- 11.6 Air travel will be restricted to economy class travel for the purposes of travelling required for the project.

12 the dtic OBLIGATIONS

- 12.1 **the dtic** Incentive Managers will serve as the contact person on all matters relating to the project;
- 12.2 **the dtic** Incentive Managers will review, evaluate and approve the services provided by the Service Provider against the Service Level Agreement on an ongoing basis and prior to payments being made;
- 12.3 **the dtic** will supply all reasonable, relevant, available data and information required and requested by the Service Provider for the proper execution of the services and such assistance as shall reasonably be required by Service Provider, in carrying out their duties under this contract.

13 SERVICE PROVIDER'S OBLIGATIONS

- 13.1 The service Provider undertakes to act as an independent contractor in respect of the work;
- 13.2 To work closely with the Programme Managers responsible for the projects in **the dtic**;
- 13.3 Attend meetings when required by the Programme Managers for the purposes of obtaining information or advice with regard to the work and assignments or any matters arising from or in connection therewith;
- 13.4 The Service Provider will be responsible for its own computers and technical literature to adequately perform all the functions;
- 13.5 The Service Providers must exercise all reasonable skill, care and diligence in the execution of the work and shall carry out their obligation in accordance with professional standards;
- 13.6 The Service Providers must in all professional matters act as a faithful advisor to **the dtic**, as well as respecting the laws and customs of any country and provinces in which any business in relation to the project is conducted;
- 13.7 All information availed to the Service Provider in the course of the project must be deemed confidential and will remain the property of **the dtic**;

- 13.8 The Service Providers will be required to sign a confidentiality declaration form, undertaking to keep all the information at his/her disposal as a result of being awarded the contract by **the dtic** strictly confidential;
- 13.9 The Service Providers must not disseminate any information gathered during the conduct of the project, publicize or release media statements in relation to the assignment;
- 13.10 Any information gathered during the conduct of the assignment is the property of **the dtic** and may not be distributed without prior written approval of **the dtic**;
- 13.11 The Service Providers will be deemed to have been satisfied as to the correctness and sufficiency of the rates and prices set out in their bid for the services to be rendered;
- 13.12 The Service Providers must plan and provide for all possible risks that may affect the delivery of the project on time and indicate what mechanisms are in place to manage such risks.

14 BID EVALUATION CRITERIA

- 14.1 The 80/20 principle and two envelope / file system will apply in evaluating the proposals in accordance with the amended PP Regulations pertaining to the Preferential Procurement Policy Framework Act, Act no 5 of 2000 that came into effect on 1 April 2017.

- 14.2 The **two envelope system** will be used and is based on the submission of the functional and financial proposals in two separate envelopes/files. **NO financial information may be contained in the functional envelope as this will lead to automatic disqualification.** The reason for applying the two envelope/ file system is to ensure that the price does not influence the evaluation of functional proposal

The submission of proposals must be done as follows:

- 14.3 **Functional proposal:**

Bidders must submit their functional proposal in a sealed envelope / file with the name of the bidder, closing date and time and the bid number clearly indicated on the envelope. This envelope should only contain the functional proposal and the compulsory forms: SBD 1; 4; 6.1; and General Conditions of Contract as well as the original / original certified copy of the B-BBEE certificate or Affidavit but **NO** financial information.

- 14.4 **Financial proposal:**

The financial proposal (SBD 3.3 form) must be submitted in a SEPARATE sealed envelope / file with the name of the bidder, closing date and time and the bid number clearly indicated on the envelope. Pricing must be quoted on the prescribed SBD 3.3 form.

- 14.5 **FAILURE TO COMPLY WITH THE TWO-ENVELOPE SYSTEM WILL AUTOMATICALLY INVALIDATE A BID.**
- 14.6 All proposals will be evaluated in terms of the two-phase process once the pre-qualifying of bids received is done. All bid proposals received are subject to a pre-qualification process to determine compliance with compulsory requirements / conditions. All bids that pass the pre-qualification process will then be evaluated as follows:
- 14.6.1 **First phase: Functional evaluation.** This evaluation is based on the functional proposal submitted in envelope one (functional envelope). For this phase there is a cut-off score of 60% and only the proposals that score 60% and above during the functional evaluation, will be considered during the second phase of evaluation.
- 14.6.2 **Second phase:** During the second phase all Bids that scored 60% and above during the functional evaluation will be considered for the second phase where points will be calculated for price and B-BBEE scores in accordance with the amended PP Regulations of 1 April 2017 pertaining to the Preferential Procurement Policy Framework Act, Act no 5 of 2000.

FIELD(S) THAT PROPOSAL IS SUBMITTED FOR:

14.1.1 Bidders are required to clearly mark with an “X” the relevant field(s) that their proposal is submitted for. **Failure to indicate the specific field(s) will render the proposal non-compliant and will lead to automatic disqualification, as it will not be possible to evaluate such proposal without knowing what it should be evaluated for.** The Bid Evaluation Committee will evaluate each proposal only for the specific field(s) indicated by the bidder:

ITEM NUMBER	RELEVANT FIELDS	MARK CHOSEN FIELD(S) WITH AN “X”
a.	<i>Agricultural sciences and engineering;</i>	
b.	<i>Biomedical sciences and pharmaceuticals;</i>	
c.	<i>Chemical and petroleum engineering;</i>	
d.	<i>Civil and structural engineering;</i>	
e.	<i>Earth sciences, geological and mining engineering;</i>	

<i>f.</i>	<i>Industrial and process engineering;</i>	
<i>g.</i>	<i>Mechanical, mechatronics and aeronautical engineering;</i>	
<i>h.</i>	<i>Natural sciences and environmental management;</i>	
<i>i.</i>	<i>Power and electrical engineering;</i>	
<i>j.</i>	<i>Software and/or electronic engineering;</i>	

Key scores

Points that will be used to score each criteria stipulated under phase 1

Score	Description
0 – Non-compliant	No evidence provided to substantiate compliance
1 – Poor	Unacceptable, does not meet set requirements
2 – Average	Reasonable but not sufficient to fully satisfy the set requirements
3 – Good	Fully complies to the set minimum requirements
4 – Very Good	Above average compliance to the set requirements
5 – Excellent	Meets and exceeds the set requirements

PHASE 1: FUNCTIONAL EVALUATION

No.	Criteria	Weighting	Rate (0-5)	Total Score
1.	Qualifications and experience of proposed key staff and project leader			
1.1	Relevant qualifications of the project leader and key staff. Elaborate on qualifications in CV's.	20		
1.2	Minimum of 7 years' relevant experience of proposed project leader and 3 years' relevant experience each of key staff. Elaborate on experience in CV's.	30		
2.	Bidders experience and number of years' performing services			
2.1	The bidding company/entity must be in business actively performing the required services for at least 2 years	15		

No.	Criteria	Weighting	Rate (0-5)	Total Score
	1 = less than 1 year 2 = at least 1 year but less than 2 years 3 = 2 years 4 = more than 2 years but less than 4 years 5 = more than 4 years			
2.2	Bidder's relevant experience proven by case studies detailing the type of project, the period of the project, the magnitude of the project and the result of the project.	20		
3.	Methodology and approach			
3.1	Methodology and approach proposed in line with requirements stipulated in the Terms of Reference.	10		
4.	Skills Transfer			
4.1	Demonstration of how the service provider will transfer skills to the dtic officials.	5		
5.	MAXIMUM POINTS	100		

PHASE 2: PRICE AND PREFERENCE POINTS

	<u>80/20 PRINCIPLE</u>	POINTS
1	<u>Price</u>	80
2	<u>B-BBEE status level of contribution</u>	20
	MAXIMUM POINTS	100

For all the science and engineering fields (mentioned under purpose), the dtic will be appointing between (1) and (5) (not more than 5) service providers per field in order to accommodate for volumes when due diligence and claim verification services are required. A bidder may be appointed for more than one field.

The bidders that scored the highest points on price and B-BBEE score for a specific sector / field (in the top five), will be appointed for that specific sector / field.

BIDDERS WHO WISH TO SUBMIT A PROPOSAL FOR MORE THAN ONE FIELD MUST SUBMIT THE FUNCTIONAL PROPOSAL FOR EACH FIELD IN A SEPARATE ENVELOPE WITH THE SPECIFIC FIELD AND BID NUMBER CLEARLY INDICATED ON THE ENVELOPE.

15 CONTRACTUAL PERIOD

The contract will be for a period of 3 years from date as determined in the SLA.

16 CONTACT DETAILS

ALL COMMUNICATION MUST BE IN WRITING FOR TRANSPARENCY PURPOSES:

Please direct all questions relating to the ToR to:

Mr Mandla Khoza and Zuko April

Industrial Finance Branch (IFB)

Department of Trade, Industry and Competition (**the dtic**)

Email: MKhoza@thedtic.gov.za

Email: ZApril@thedtic.gov.za

Please direct all **bid related** questions to:

Mrs. Y Cronje

Office of the Chief Financial Officer (OCFO)

Department of Trade, Industry and Competition (**the dtic**)

Email: Ycronje@thedtic.gov.za

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO. **dtic 04/22-23**

CLOSING TIME **11:00**

CLOSING DATE: **19 AUGUST 2022**

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

NBI PLEASE TAKE NOTE THAT PRICING MUST NOT BE SUBMITTED IN THE FUNCTIONAL PROPOSAL ENVELOPE, FINANCIAL INFORMATION MUST ONLY BE SUBMITTED IN THE FINANCIAL PROPOSAL ENVELOPE THAT MUST BE SUBMITTED IN A SEPARATE ENVELOPE/FILE. FAILURE TO COMPLY HEREWITH WILL AUTOMATICALLY INVALIDATE YOUR BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY *(ALL APPLICABLE TAXES INCLUDED)		
1.	APPOINTMENT OF ENGINEERING SERVICE PROVIDERS TO A PANEL OF NOT MORE THAN FIVE (5) SERVICE PROVIDERS PER SECTOR/FIELD FOR THE DUE DILIGENCE, CLAIMS/EXPENDITURE VERIFICATIONS FOR the dtic TECHNOLOGY AND HUMAN RESOURCES FOR INDUSTRY PROGRAMME (THRIIP) AND SUPPORT PROGRAMME FOR INDUSTRIAL INNOVATION (SPII) INCENTIVES ADMINISTERED BY THE INDUSTRIAL FINANCING BRANCH (IFB).			
2.	The accompanying information must be used for the formulation of proposals. Prices must be quoted in RSA currency and include VAT.			
3.	The contract will be based on hourly rates which must be fixed (please see par. 11.1 in the ToR) and **travel and accommodation costs which will be paid in line with National Treasury prescripts.			
4.	Persons who will be involved in the project and rates applicable (certified invoices must be rendered in terms hereof once payment is requested – should the space below not be sufficient par. 4.1 may be quoted on a separate page):			
4.1	PERSON / STAFF AND POSITION	Hourly rates (Year 1)	Hourly rates (Year 2)	Hourly rates (Year 3)
	_____	R _____	R _____	R _____
	_____	R _____	R _____	R _____
	_____	R _____	R _____	R _____
	_____	R _____	R _____	R _____
	_____	R _____	R _____	R _____
	_____	R _____	R _____	R _____
	_____	R _____	R _____	R _____
	Total average hourly rate per year:	R _____	R _____	R _____
	(Total of each year divided by number of staff proposed)			
5.	Total average hourly rate of 3 year period (total of Year 1 + total of Year 2 + total of Year 3) R..... for price comparison purposes.			
6.	Period required for commencement with project after acceptance of bid			
7.	Hourly rates quoted must be firm for the full period of the contract:			Accepted / Not Accepted
8.	**Compliance with National Treasury Instruction on Cost Containment:			
8.1	Air Travel will be restricted at Economy Class.			
8.2	Claims for kilometers may not exceed the rates approved by the Department of Transport.			
8.3	Accommodation – as stipulated in the ToR under par. 11.			
8.4	Parking expenses will not be for the dtic's account.			
8.5	Travelling costs and time spent or incurred between the home and office of the consultants, including their staff and the dtic head office will not be for the account of the dtic .			

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

BIDDERS WHO SUBMIT FINANCIAL PROPOSALS BASED ON NON-FIRM PRICES WILL AUTOMATICALLY BE DISQUALIFIED