 GAUTENG PROVINCE PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA		<h1 style="text-align: center;">Provincial Supply Chain Management</h1>								
		Request for Proposal				Page 1 of 3				
RFP NUMBER										
RFP DESCRIPTION										
CUSTOMER DEPARTMENT										
CUSTOMER INSTITUTION										
BRIEFING SESSION	Y		N		SESSION COMPULSORY		Y		N	
					SESSION HIGHLY RECOMMENDED		Y		N	
BRIEFING VENUE					DATE		TIME			
COMPULSORY SITE INSPECTION	Y		N		DATE		TIME			
INSPECTION ADDRESS										
TERM AGREEMENT CALLED FOR?	Y		N		TERM DURATION					
CLOSING DATE					CLOSING TIME					
TENDER BOX LOCATION										
GPT is acting as Common Service Provider or buying organisation on behalf of all Gauteng Provincial Government Customer Departments / Institutions. The goods / services are therefore required by the Customer Department / Institution, as indicated on this form RFP 01.										

Notes:

- All bids / tenders must be deposited in the Tender Box at the following address:
Gauteng Provincial Treasury, Imbumba House, 75 Fox Street, Marshalltown, Johannesburg
- Bids / tenders must be deposited in the Tender Box on or before the closing date and time.
- Bids / tenders submitted by fax will not be accepted.
- The GPT Tender Box is generally open 24 hours a day, 7 days a week.
- This bid is subject to the preferential procurement policy framework act and the preferential procurement regulations, 2017, the general conditions of contract (gcc) 2010 and, if applicable, any other special conditions of contract.
- ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL GPG RFP FORMS – (NOT TO BE RE-TYPED)
- ALL REQUIRED INFORMATION MUST BE COMPLETED (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED):

The Tendering System

The RFP Pack consists of two parts namely, Section 1 and Section 2. These two sections must be submitted separately, clearly marked with the Tender Number and the Section Number.

Training sessions

Non-compulsory "How to tender" workshops are held every Wednesday at 75 Fox Street from 10:00-13:00.




Provincial Supply Chain Management

Request for Proposal
Page 2 of 3

SUPPLIER INFORMATION					
COMPANY NAME					
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:		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 THE QUESTIONNAIRE IN RFP 09]

SIGNATURE OF BIDDER		DATE	
CAPACITY UNDER WHICH THIS BID IS SIGNED			

This RFP is subject to the General Conditions of Contract and where applicable any other Special Conditions of Contract.

 GAUTENG PROVINCE PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<h1>Provincial Supply Chain Management</h1>	
	Request for Proposal	Page 3 of 3

Tender documents can be obtained from <http://www.treasury.gpg.gov.za>

ANY ENQUIRIES REGARDING BIDDING PROCEDURE MAY BE DIRECTED TO:	
DEPARTMENT	
CONTACT PERSON	
TELEPHONE NUMBER	
FACSIMILE	
E-MAIL ADDRESS	

ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:	
DEPARTMENT	
CONTACT PERSON	
TELEPHONE NUMBER	
FACSIMILIE	
E-MAIL ADDRESS	

TYPE OF CONTRACT (COMPLETED BY PROJECT MANAGER)

SERVICE BASED	Y		N		TERM BASED TYPE	Y		N		VALUE BASED TYPE	Y		N	
VALUE BASED	Y		N											
QUANTITY BASED	Y		N											
TERM BASED	Y		N											



Provincial Supply Chain Management

RFP Point System
Page 1 of 1

RFP NUMBER		CLOSING DATE	
VALIDITY OF RFP		CLOSING TIME	

In case of queries, please contact the GPT Contact Centre at tel: 0860 011 000

*GPT is acting as Common Service Provider or buying organisation on behalf of all Gauteng Provincial Government Customer Departments / Institutions.

The goods / services are therefore required by the Customer Department / Institution, as indicated on RFP 01.

The Gauteng Provincial Government requests your bid on the goods and/or services listed on the attached forms. Please furnish all information as requested and return your bid on the date stipulated. Late and incomplete submissions may invalidate the bid submitted.

This RFP will be evaluated on the basis of Preferential Procurement Regulation, 2017 pertaining to the Preferential Procurement Policy Framework Act (Act number 5 of 2000).

Point System

Points SHALL be allocated as follows:

Points for

Points for

*** It is the responsibility of the bidder to attach A VALID SWORN AFFIDAVIT {EME/QSE} ATTESTED BY A COMMISSIONER OF OATHS OR VALID CERTIFIED COPY OF B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE WITH THIS RFP DOCUMENT TO QUALIFY FOR THE PREFERENCE POINTS**



Provincial Supply Chain Management

Instructions to Bidders

Page 1 of 2

1. The RFP (Request for Proposal) Pack is drawn up so that certain essential information should be furnished in a specific manner. Any additional particulars shall be furnished in a separate annexure.
2. The RFP forms should not be retyped or redrafted, but photocopies may be prepared and used. Additional offers may be made for any item, but only on a photocopy of the page in question or on other forms obtainable from the relevant Department or Institution advertising this RFP. Additional offers made in any other manner may be disregarded.
3. Should the RFP forms not be filled in by means of electronic devices, bidders are encouraged to complete forms in a black ink.
4. Bidders shall check the numbers of the pages and satisfy themselves that none are missing or duplicated. No liability shall be accepted with regards to claims arising from the fact that pages are missing or duplicated.
5. The forms RFP 04 to RFP 09 and PREF documents shall be completed, signed and submitted with the bid. RFP 10 (National Industrial Participation Programme Form) will only be added to the RFP pack to be completed by bidders when an imported component in excess of US \$ 10 million is expected.
6. A separate RFP 06 form (RFP Price Schedule per item) shall be completed in respect of each item. Photocopies of this form may be prepared and used or additional copies, (if required) are obtainable from the relevant Department or Institution advertising this RFP(not applicable for Pre-qualification of Bidders).
7. Firm delivery periods and prices are preferred. Consequently bidders shall clearly state whether delivery periods and prices will remain firm or not for the duration of any contract, which may result from this RFP, by completing RFP 06 (RFP Price Schedule per item) and RFP 07 (Non-Firm Prices per item) (not applicable for Pre-qualification of Bidders).
8. If non-firm prices are offered bidders must ensure that a separate RFP 07 (Non-Firm Prices per item) is completed in respect of each item for which a non-firm price is offered. Photocopies of this form may be prepared and used or additional copies, (if required) are obtainable from the relevant Department or Institution advertising this RFP (not applicable for Pre-qualification of Bidders).
9. Where items are specified in detail, the specifications form an integral part of the RFP document (see the attached specification) and bidders shall indicate in the space provided whether the items offered are to specification or not (not applicable for Pre-qualification of Bidders).
10. In respect of the paragraphs where the items offered are strictly to specification, bidders shall insert the words "as specified" (see the attached specification) (not applicable for Pre-qualification of Bidders).
11. In cases where the items are not to specification, the deviations from the specifications shall be indicated (see the attached specification).
12. In instances where the bidder is not the manufacturer of the items offered, the bidder must as per RFP 06 (RFP Price Schedule per item) submit a Letter of Supply from the relevant manufacturer or his supplier (not applicable for Pre-qualification of Bidders).
13. The offered prices shall be given in the units shown in the attached specification, as well as in RFP 06 (RFP Price Schedule per item) (not applicable for Pre-qualification of Bidders).
14. With the exception of imported goods, where required, all prices shall be quoted in South African currency. Where bids are submitted for imported goods, foreign currency information must be supplied by completing the relevant portions of RFP 06 (RFP Price Schedule per item) and RFP 07 (Non-Firm Prices per item) (not applicable for Pre-qualification of Bidders).
15. Unless otherwise indicated, the costs of packaging materials (if applicable) are for the account of the bidder and must be included in the bid price on RFP 06 (RFP Price Schedule per item) (not applicable for Pre-qualification of Bidders).
16. Delivery basis (not applicable for Pre-qualification of Bidders):
 - (a) Supplies which are held in stock or are in transit or on order from South African manufacturers at the date of offer shall be offered on a basis of delivery into consignee's store or on his site within the free delivery area of the bidder's centre, or carriage paid consignee's station, if the goods are required elsewhere.
 - (b) Notwithstanding the provisions of paragraph 16(a), offered prices for supplies in respect of which installation / erection / assembly is a requirement, shall include ALL costs on a "delivered on site" basis, as specified on RFP 06 (RFP Price Schedule per item).
17. Unless specifically provided for in the RFP document, no bids transmitted by facsimile or email shall be considered.
18. Failure on the part of the bidder to sign any of the forms RFP 04 to RFP 10 and PREF documents and thus to acknowledge and accept the conditions in writing or to complete the attached RFP forms, Preference documents, questionnaires and specifications in all respects, may invalidate the bid.
19. Bids should preferably not be qualified by the bidder's own conditions of bid. Failure to comply with these requirements (i.e. full



Provincial Supply Chain Management

Instructions to Bidders


Page 2 of 2

acceptance of the General Conditions of Contract or to renounce specifically the bidder's own conditions of bid, when called upon to do so, may invalidate the bid.

20. In case of samples being called for together with the bid (refer to RFP 05 in this regard), the successful bidder may be required to submit **pre-production samples** to the South African Bureau of Standards (SABS) or such testing authority as designated at the request of the relevant Department concerned. Unless the relevant Department decides otherwise, pre-production samples must be submitted within thirty (30) days of the date on which the successful bidder was requested to do so. Mass production may commence only after both the relevant Department and the successful bidder have been advised by the SABS that the pre-production samples have been approved.
21. Should the pre-production samples pass the inspections / tests at the first attempt, the costs associated with the inspections / tests will be for the account of the relevant Department. If the SABS or such testing authority as designated do not approve the pre-production samples, but requires corrections / improvements, the costs of the inspections / tests must be paid by the successful bidder and samples which are acceptable in all respects must then reach the SABS or such testing authority as designated within twenty-one (21) days of the date on which the findings of the SABS or such testing authority as designated were received by the successful bidder. Failure to deliver samples within the specified time and to the required standards may lead to the cancellation of the intended contract.
22. In case of samples being called for together with the bid (refer to RFP 05 in this regard), the samples must be submitted together with the bid before the closing time and date of the RFP, unless specifically indicated otherwise. Failure to submit the requested sample(s) before the closing time and date of the RFP may invalidate the bid.
23. In cases where large quantities of a product are called for, it may be necessary for the relevant item to be shared among two (2) or more suppliers.
24. In cases where the relevant Department or Institution advertising this RFP may deem it necessary, a formal contract may be entered into with the successful bidder, in addition to a Letter of Acceptance and / or purchase order being issued.
25. If any of the conditions on the RFP forms are in conflict with any special conditions, stipulations or provisions incorporated in the bid invitation, such special conditions, stipulations or provisions shall apply.
26. This RFP is subject to the General Conditions of Contract and re-issues thereof. Copies of these conditions are obtainable from any office of the Gauteng Provincial Government (GPG).
27. Each bid must be submitted in a separate, sealed envelope on which the following must be clearly indicated:
 - NAME AND ADDRESS OF THE BIDDER;
 - THE BID (RFP) NUMBER; AND
 - THE CLOSING DATE.

The bid must be deposited or posted;

 - posted to Gauteng Provincial Treasury and to reach the destination not later than the closing time and date; OR
 - deposited in the tender box of the Gauteng Provincial Treasury before the closing time and date.
28. The Gauteng Provincial Government has become a member and as such a key sponsor of the Proudly South African Campaign. GPG therefore would like to procure local products of a high quality, produced through the practise of sound labour relations and in an environment where high environmental standards are maintained. In terms of the Proudly South African Campaign South African companies are encouraged to submit interesting and innovative achievements in the manufacturing field (if relevant to this RFP) – including information on new products, export achievements, new partnerships and successes and milestones.
29. **Compulsory GPG Contract:** It is a mandatory requirement that successful bidder/s (to whom a tender is awarded) sign a GPG Contract upon award of any given contract.

 GAUTENG PROVINCE PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<h1>Provincial Supply Chain Management</h1>	
	Bidder's Disclosure	Page 1 of 3

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration


- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest¹ in the enterprise, employed by the state?

YES		NO	
------------	--	-----------	--

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

Full Name	Identity Number	Name of State institution

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.

 GAUTENG PROVINCE PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<h1>Provincial Supply Chain Management</h1>	
	<h2>Bidder's Disclosure</h2>	<h2>Page 2 of 3</h2>

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

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

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.
 Filename:RFP4GPT (SBD4)

 GAUTENG PROVINCE PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<h1>Provincial Supply Chain Management</h1>	
	Bidder's Disclosure	Page 3 of 3

3.5 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.

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

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

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

Signature		Date	
Position		Name of Bidder	



GAUTENG PROVINCE
PROVINCIAL TREASURY
REPUBLIC OF SOUTH AFRICA

Provincial Supply Chain Management

Briefing Session

Page 1 of 1

BRIEFING SESSION - DECLARATION OF ATTENDANCE

RFP NUMBER							
RFP DESCRIPTION							
RFP CLOSING DATE					CLOSING TIME		

*GPT is acting as Common Service Provider or buying organisation on behalf of all Gauteng Provincial Government Customer Departments / Institutions. The goods / services are therefore required by the Customer Department / Institution, as indicated on form RFP 01.

CUSTOMER DEPARTMENT							
CUSTOMER INSTITUTION							
DELIVERY ADDRESS							
BRIEFING SESSION	Y		N		DATE		TIME
VENUE							

I/We hereby declare that I/we attended the compulsory briefing session to understand the requirements of the Gauteng Provincial Government to supply all or any of the supplies and/or to render all or any of the services described in the attached RFP documents, on the terms and conditions and in accordance with the specifications stipulated in the bid documents.


I, THE UNDERSIGNED (NAME) CERTIFY THAT THE INFORMATION FURNISHED AT THE BRIEFING SESSION WAS UNDERSTOOD.

BIDDER OR ASSIGNEE(S) NAME		POSITION		SIGN		DATE	
-----------------------------------	--	-----------------	--	-------------	--	-------------	--

FULL COMPANY NAME							
--------------------------	--	--	--	--	--	--	--

GPG OFFICIAL NAME		POSITION		SIGN		DATE	
--------------------------	--	-----------------	--	-------------	--	-------------	--


GPT STAMP

 GAUTENG PROVINCE PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	Provincial Supply Chain Management	
	Special Conditions	Page 1 of 3

RFP NUMBER	
RFP DESCRIPTION	
CUSTOMER DEPARTMENT	
CUSTOMER INSTITUTION	

THE FOLLOWING MUST ACCOMPANY YOUR BID, IF INDICATED BY "√"

Samples	SABS /Equivalent Certificate May not be older than one (1) year, the cost of which will be for the account of the bidder.	Bidders Briefing Session

 GAUTENG PROVINCE PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<h1>Provincial Supply Chain Management</h1>	
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EVALUATION METHODOLOGY

Bidders must complete Compulsory documents and attach it to their tender document, failing which the tender shall not be considered for Stage 1 evaluation.

Points will be awarded in accordance with the Preferential Procurement Policy Framework Act (PPPFA)

Stage 1

Criteria for Functionality	Points
TOTAL	

NOTE: Bidders who fail to meet the above minimum requirements (Stage 1) shall be automatically eliminated


Stage 2

Criteria for Price and B-BBEE Status	Points
Bid Price	80
Preference Points	20
TOTAL	100

Bidders are required to use the two envelope bidding system, whereby the Technical Proposal (Stage 1) and Pricing and B-BBEE (Stage 2) be placed in two separate sealed envelopes marked:

- **Stage One**–

- **Stage Two**–

 <p>GAUTENG PROVINCE PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA</p>	<h1>Provincial Supply Chain Management</h1>	
	Special Conditions	Page 3 of 3

SUPPLIER JOB CREATION ANALYSIS

Company Name		Date Est.	
--------------	--	-----------	--

	Permanent	Temp	SA Citizens	Other	Comments
Staff compliment at Establishment of Enterprise					
Current staff compliment					
Number of jobs to be created if Bid is successful					

- The successful bidder may be audited during the course of the contract to verify the above information.

Comments to include:

- If Job Creation is direct (by your own company) or indirect (by your supplier)
- Where the jobs created for employees that were in existing positions or unemployed? (Net Job Creation)

NOTE: Job Creation should adhere to all applicable RSA Legislation and Regulations.

=====

THIS SECTION IS FOR OFFICE USE ONLY!						
Observations	Initial Job Count	Job Creation Potential	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Year 1						
Year 2						
Year 3						
Year 4						
Year 5						



TENDER NUMBER: GT/GIFA/095/2022

TENDER DOCUMENTS

REQUEST FOR PROPOSAL

**TERMS OF REFERENCE FOR ADVISORY SERVICES TO CONDUCT A
FEASIBILITY STUDY, PROCUREMENT UP TO FINANCIAL CLOSE FOR THE
COMMERCIALISATION OF THE GAUTENG BROADBAND NETWORK
(GBN) ON BEHALF OF THE GAUTENG DEPARTMENT OF E-
GOVERNMENT**

(A) TABLE OF CONTENTS

PREFACE

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- (B) TENDER ENQUIRIES AND COLLECTION**
- (C) DISCLAIMER**
- (D) GLOSSARY OF TERMS**
- (E) DEFINITIONS**
- 1. INSTRUCTIONS FOR COMPLETING AND SUBMISSIONS OF TENDERS**
 - 1.1 BIDDING INSTRUCTIONS**
 - 1.2 VALIDITY PERIOD**
 - 1.3 BID PACKAGING AND SUBMISSION**
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 - 3.6 MANAGEMENT OF THE TRANSACTION ADVISOR**
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 - 4.1 PART 1: FEASIBILITY STUDY**
 - 4.2 PART 2: PROCUREMENT DELIVERABLES**
 - 4.3 FEASIBILITY STUDY DELIVERABLES**
 - 4.4 PROCUREMENT DELIVERABLES**
- 5. REMUNERATION**

ANNEXURE "A" TECHNICAL SCORE CARD

(B) TENDER ENQUIRIES AND COLLECTION

The Gauteng Infrastructure Financing Agency ("**GIFA**") hereby invites tenders from consulting firms for the provision of professional services according to the terms as set out in this Request for Proposal ("**RFP**"). Tenderers may ask for clarification on this tender up 48 (forty-eight) hours before the closing date specified for this tender. Any request for clarification by a tenderer must be e-mailed to the responsible officials set out in Table 1 below and it is important to note that telephonic or written requests will not be accepted. Any verbal information given by any official representing GIFA prior to the closing date of this tender will not be regarded as binding on GIFA. Only information issued formally by the GIFA in writing, electronic mail or publication on the tender website to tenderers will be regarded as formal and binding.

Tenderers may not contact the GIFA on any matter pertaining to this tender from the time when the tenders are submitted to the time the contract is finally awarded to a successful tenderer. Any effort by a tenderer to influence the tender evaluation, comparison or award decision in any manner will result in the rejection of the tender proposal concerned. In respect of communication to the respective tenderers, between the closing date of the tender and the completion of the procurement process and final tender award, such may be done through written communication, electronic mail, publication on the tender website by any official or person acting in advisory capacity for GIFA.

Table 1

Tender description:	Advisory services to conduct a Feasibility study, Procurement up to Financial close for the Commercialisation of the Gauteng Broadband Network (GBN) on behalf of the Gauteng Department of e-Government	
Institution:	Gauteng Department of e-Government	
Briefing session:	Session compulsory: Yes Briefing Venue: Gauteng Provincial Treasury, Imbumba House, 75 Fox Street, Ground Floor Auditorium, Marshalltown, Johannesburg Date: 11 November 2022 Time: 09h00	
Technical enquiries:	Kevin Abrahams	Project Manager
Email:	k.abrahams@gifa.co.za	
General enquiries:	Motlatsi Modumo	Procurement Services
Email:	M.Modumo@gifa.co.za	
Collection:	Gauteng Provincial Treasury – Ground Floor, Imbumba House, 75 Fox Street, Marshalltown, Johannesburg.	
Download	Documents are available free of charge via download from the Gauteng Provincial Government Tender Portal on http://www.gauteng.gov.za .	

Tender Box Location	Tenders must be deposited in the Tender Box at the Gauteng Provincial Treasury – Ground Floor, Imbumba House, 75 Fox Street, Marshalltown, Johannesburg.
Closing Date: 25 November 2022	Closing Time: 11H00
Tender validity	The tender offer validity period is 90 days from close of tender advertisement or as otherwise specified.
Tender requirements	<p>Tenders must be deposited in the Tender Box on or before the closing date and time.</p> <p>Tenders submitted by fax will not be accepted.</p> <p>The Tenders Box is open 24 hours a day, 7 days a week.</p> <p>All bids must be submitted on the official Tender Forms (not to be re-typed) – All required information must be completed.</p>

(C) DISCLAIMER

The information contained in these tender documents has been prepared by the GIFA in good faith based on information obtained from various resources. While all reasonable care has been taken in preparing these tender documents the information contained herein does not purport to be comprehensive to have been verified by the GIFA or any of its officers, employee's agents or any other person. Accordingly, neither the GIFA nor any of its advisors make any representation or warranty or give any undertaking express or implied or accept any liability or responsibility for the adequacy or completeness of any of the information or opinions stated herein or any other written or oral information made available in connection with this process and nothing contained herein is, or shall be relied upon as, a promise or representation or whether as to the past or the future.

These tender documents may not contain all information which may be requested by tenderers to develop their tenders. Each tenderer should conduct its own independent analysis of this requirements and the relevant data supplied or referred to herein or that have been obtained during its investigation. The terms and conditions set out in these tender documents is stipulated for the express benefit of the GIFA and save as expressly stated to the contrary, may be waived at the GIFA's discretion at any time.

The GIFA reserves the right to amend, modify or withdraw or cancel this tender or terminate any of the procedures or requirements prior to closing of the tender and in respect of which this tender has been issued, through public notice to the tenderers on the *Gauteng Provincial Government Tender Portal* on www.gauteng.gov.za. GIFA also reserves the right to appoint in part or full or not at all by notifying the successful applicant which sections will be commissioned and which section will be excluded. The GIFA and its staff shall not under any circumstances be liable for any cost, damages or expenses incurred by tenderers as a result of the above amendments, modification or cancelation of this tender.

Tenderers submitting a tender will be deemed to do so on the basis that they have satisfied themselves as to the authority of GIFA to procure these services and to be fully acquainted with the laws of South

Africa (including without limitation all statutes and regulations on a national, provincial and local government level) to the subject matter of these services. Tenderers are therefore, at any stage of the

procurement phase and service contract, not entitled to request any advice or opinion from anyone or more of the advisors to GIFA on the competency of GIFA to procure the services in relation to the Project.

The GIFA reserves the right to request clarification on any of the tenders submitted in respect to this tender, without liability to compensate or reimburse the tenderer.

Any response by a tenderer to this tender does not imply that GIFA is assured of the tenderer's financial stability, technical competence or ability in any way to carry out the requirements of this tender.

Requirements for sealing, addressing, delivery, opening and assessments of tenders are further stated in these tender documents.

(D) GLOSSARY OF TERMS

The following acronyms are used in this Request for Proposal:

BEC	Bid Evaluation Committee
B-BBEE	Broad Based Black Economic Empowerment
CIPC	Companies and Intellectual Property Commission
CSD	Central Supplier Database
CV	Curriculum Vitae
DTI	Department of Trade and Industry
EME	Exempted Micro Enterprise
GDP	Gross Domestic Product
GIFA	The Gauteng Infrastructure Financing Agency
GPG	Gauteng Provincial Government
IRR	Internal Rate of Return
PFMA	Public Finance Management Act
PPPFA	Preferential Procurement Policy Framework Act, 2000
PPP	Public Private Partnership
PSC	Public Sector Comparator
QSE	Qualifying Small Business Enterprise

RFP	Request for Proposal
RFQ	Request for Qualification
SANAS	South African National Accreditation System
SARS	South African Revenue Services
VAT	Value Added Tax

(E) DEFINITIONS

The following definitions are used in this tender invite:

Bidder means the bidding entity either by way of consortia or joint ventures or individual entity, that bids for the Public Private Partnership Project. This bidder might include government research institutions;

General Conditions of Contract means the contractual conditions set for arrangements between government institutions and private entities, issued on the 17th June 2015, obtainable from the National Treasury website on www.treasury.gov.za;

Institution means the Gauteng Department of e-Government ;

Project means the Terms of Reference for Advisory services to develop a feasibility study, Procurement up to Financial Close for the Commercialisation of the Gauteng Broadband Network (GBN) on behalf of the Gauteng Department of e-Government;

Project Manager means the official appointed by GIFA to manage the transaction advisor and to ensure delivery on the project;

Project Officer means the person identified by the Institution, who is capable to manage the project from inception to expiration or termination;

Project Steering Committee means the committee established by the Project Officer to steer the project and to ensure delivery on all project objectives;

Tenderer means any prospective professional firm that tenders for the work under this RFP;

1. INSTRUCTIONS FOR COMPLETION AND SUBMISSION OF TENDERS

1.1 BIDDING INSTRUCTIONS:

1.1.1 Tender submission:

- The tender pack is drawn up so that certain essential information should be furnished in a specific manner and any additional particulars must be furnished in separate annexures;
- All tenders must be submitted on the official tender forms (not to be re-typed) and all required information must be completed.
- Tenderers are advised that their tender proposals must be concise, written in plain English and be presentable;
- All pages of the tender proposal, each separately bound copy, must be numbered consecutively from beginning to end and should contain a detailed index referencing to all parts of the tender proposal;
- Tenderers must check the numbers of the pages and satisfy themselves that none are missing or duplicated. No liability shall be accepted with regards to claims arising from the fact that pages are missing or duplicated;
- In the event that the tenderer identifies any ambiguities, errors or inconsistencies in this tender pack, then the tenderer must notify the GIFA by e-mail accordingly seeking clarification. Such a request must be received by the GIFA in respect to such clarification not later than 48 (forty-eight) hours before the tender closing date, otherwise the GIFA will not be obliged to provide such clarification;
- The cost to deliver on this project must be attached as annexures to this tender;
- The costs of preparing tenders and of negotiating the agreement will not be reimbursed;
- The tender shall be signed by the person duly authorised to do so. Tenders submitted by joint ventures of 2 (two) or more firms shall be accompanied by the document of formation of the joint venture, duly signed by all parties involved;
- The attention of the tenderers, its members and subcontractors, is drawn to Section 4(1)(b)(iii) of the Competition Act, 1998, which prohibits collusive tendering;
- By signing the tender proposal, the tenderer declares that all information provided in the tender proposal is true and correct;
- No exclusions to the scope tendered shall be accepted or taken into consideration and such tender proposals may invalidate the tender;
- Each tender must be delivered as follows:
 - 1 (one) master, and;
 - 1 (one) hard copy of the tender, as well as;
 - 2 (two) soft copies on a flash drive.
 - The master tender must be marked as the "Master Tender" and a copy must be clearly marked as "Copy 1". The tenderer must ensure that the "Master Tender" and the

prescribed hard copies is identical to the soft copy on the flash drive. The detail bid packaging for submission are indicated below in 1.3

- Tenders must be submitted in the tender box on or before the closing date and time, and tenders received after the cut off time on the closing date will be marked as late and will be rejected;
- Tenders submitted by fax will not be accepted;
- The tender box is open 24 (twenty- four) hours a day, 7 (seven) days a week.

1.1.2 Tender evaluation:

- The procedure for the evaluation of tenders is to comply with the Preferential Procurement Policy Framework Act, 2000 (**PPFA**) and Preferential Procurement Regulations of 2017;
- The GIFA is not bound to accept any of the tenders submitted;
- During the evaluation process the GIFA reserves the right to seek clarification from the tenderer on the salient features of the tender and may request to make a presentation for clarification purposes; ¹
- In the event that the Bid Evaluation Committee (**BEC**) cannot make a decision between the 2 (two) preferred tenderers, the GIFA may choose to approach both tenderers with a request for a Best and Final Offer (**BAFO**). This will involve a re-bid and should only be done with the assistance of relevant treasury's and PPP Units; ²
- In the event that 2 (two) or more tenderers have scored equal total points, the successful tenderer must be the one scoring the highest points for B-BBEE and if 2 (two) or more tenderers have equal points, including equal preference points for B-BBEE, the successful tenderer must be the one scoring the highest score for functionality, if functionality is part of the evaluation process. In the event that 2 (two) or more tenderers are equal in all respects, the award must be decided by drawing of lots.³
- The GIFA may issue additional information in the form of a briefing note to all tenderers regarding the tender invite as and when required and may be published on the GPG Tender Portal or e-mailed to all tenderers.
- The GIFA accepts no responsibility for the failure by the tenderer to receive a briefing note issued, accordingly as set out above.

¹ See reference (PPP Manual, Module 3 p 29 Part 5).

² See reference (PPP Manual, Module 3 p 39 part 5).

³ See Preferential Procurement Regulations 2017 , Regulation 10.

1.1.3 Tenderer requirements:

- The successful tenderer must be a single legal entity with all other necessary expertise secured via subcontract, or under a joint venture agreement; ⁴
- The GIFA will enter into a contract with a single firm for the delivery of the work set out in this tender; ⁵
- Any amendments to any of the information to a tender proposal, post the closing date will not be allowed and will disqualify the tenderer;
- GIFA supports the spirit of Broad Based Black Economic Empowerment (**B-BBEE**) and condemns any form of fronting; ⁶
- Any company as well as the involvement of any person, blacklisted by the National Treasury under the "Register for Tender Defaulters in terms of GN 194 of the 11th April 2005 issues in terms of the Prevention and Combating of Corrupt Activities Act, 2004 which has been found guilty in a court of law of fraud or corruption related crimes shall be rejected by GIFA. Any bid including the involvement of any national or provincial public entity other than a financial institution shall be rejected by GIFA;
- Foreign firms providing proposals must become familiar with local condition and laws and take them into account in preparing their tenders;
- Neither the tenderer its members or subcontractors shall directly or indirectly offer or give to any person in the employment of GIFA or any other government official directly involved in the project any gift or consideration of any kind as an inducement or reward for appointing the tenderer. In the event that any of the prohibited practices contemplated under the above is committed the GIFA shall be entitled to terminate the tenderers bid status and prohibited such from any further participation in the procurement process;
- GIFA may before the award of the tender, **cancel** a tender invitation if:
 - Due to changed circumstances, there is no longer a need for the services specified in the tender invite;
 - Funds are no longer available to cover the total envisaged expenditure;
 - No acceptable tender is received; or
 - There is a material irregularity in the tender process; ⁷
- Upon detecting that the tenderer submitted false information regarding B-BBEE status or any other matter required in terms of this tender after entering into contract, which has affected the evaluation of a tender, or where a tenderer has failed to declare any subcontracting arrangements, the GIFA must -

⁴ There should be one lead advisor in the transaction advisory team, who is responsible for managing the deliverables or each member of the consortium and who reports daily to the project officer. The transaction advisor contracts through the lead firm and all members of the consortium participate through subcontracts or via joint venture arrangement (See reference- PPP Manual – Module 3 p. 9).

⁵ Treasury Regulation 16.3.1(d) requires the appointment of a transaction advisor, in connection with a PPP.

⁶ Contract seen as an opportunity to grow number of black consultants in the South African PPP market (Ref: Module 3 p. 10)

⁷ Issued in line with the Preferential Policy Framework Act, 2000 in terms of the Preferential Procurement Regulations, 2017, section 13

- Inform the tenderer of the detection of inaccuracies and detail thereof;
- Give the tenderer an opportunity to make representation within 14 (fourteen) days as to why the tender submitted should not be disqualified or, if the tender has already been awarded to the tenderer, the contract should not be terminated in whole or in part, if the successful tenderer subcontracted a portion of the tender to another person, without disclosing it and why the tenderer should not be penalised up to 10% of the value of the contract and why the tenderer should not be restricted by the National Treasury from conducting any business for a period not exceeding 10 (ten) years with any organ of state;
- If GIFA concludes after considering the above representations that such false information submitted by the tenderer is material in nature, it must disqualify the tenderer or terminate the contract in whole or in part and if applicable claim damages from the tenderer. If the GIFA concludes that the tenderer subcontracted a portion of the tender to another person without disclosing it, it shall penalise the tenderer up to 10% of the value of the contract;⁸
- GIFA shall then inform the National Treasury, in writing, of any action taken as per the above, provide written submissions as to whether the tenderer should be restricted from conducting business with any organ of state and submit written representation from the tenderer as to why the tenderer should not be restricted from conducting business with any organ of state. The National Treasury must request an organ of state to submit further information pertaining to the matter within a specified period;
- The National Treasury must after considering the representation of the tenderer and any other relevant information, decide whether to restrict the tenderer from doing business with any organ of state for a period not exceeding 10 (ten) years and maintain and publish on its official website a list of restricted suppliers.

1.1.4 Contracting:

- The tender and all contracts emanating from this process will be subject to the General Conditions of Contract issued in accordance with Treasury Regulations 16A published in terms of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) and if applicable and other Special Conditions of Contract;⁹
- The GIFA expects the utmost integrity from each tenderer and that each tender must maintain the highest professional standard when rendering services for this project. The tenderer will be held accountable for agreed deliverables, professional conduct and integrity through a signed contract between the parties;

⁸ Issued in terms of the Preferential Procurement Policy Framework Act, 2000 in terms of Preferential Procurement Regulations, 2017 (12)

⁹ Issued in terms of Contract Practice Note 9 of 2007/8, dated 19th of February 2008. Draw attention to general conditions of contract that applies to government bids, contracts and orders

- The successful tenderer will liaise primarily with the Project Manager appointed by GIFA and the Project Officer of the Institution or otherwise designated official of the GIFA and the Institution in the execution of an instruction for the rendering of the services. The efficient execution of the project may require frequent meetings with the tenderer according as to be managed through the Project Steering Committee;
- The GIFA shall enter into a formal contract in addition to the "Letter of Acceptance" and/or Purchase Order being issued in line with the General Conditions of Contract;
- The deliverables schedule to the contract should be a summarised version of the deliverables in the tender and the winning tenderers proposal response as to how they will deliver;
- If any of the conditions on the tender document forms are in conflict with any special conditions, stipulations or provisions incorporated in the tender invitation, such special conditions, stipulations or provisions shall apply;
- This RFP, tender proposal will together with the selected tender will form part of the contract;¹⁰
- The GIFA shall enter into a formal contract with the preferred tenderer. If the preferred tenderer fails to fulfil the deliverables in line with the signed contract, the GIFA shall be entitled to terminate the contract with the preferred tenderer in accordance with the terms of the contract and within a period of 6 (six) months following the appointment of the preferred bidder call on the second bidder to step in and continue to deliver on the requirements of this tender. The second bidder will not be entitled to change any details regarding its tender and the preferred bidder will have no recourse in claims or damages against the Institution, GIFA or the second appointed bidder.
- It is imperative to note that, if needed, the GIFA reserves the right to stop the process at any phase, milestone or deliverable and terminate the appointment of the service provider. The service provider will be remunerated for all work performed up to the specific phase of termination according to the scope of work. The service provider will have no other recourse to government and all work performed and the intellectual property rights thereof will revert to the GIFA.

1.2. VALIDITY PERIOD

The tender shall be valid for a period of 90 (ninety) days. This tender invite does not constitute an offer to enter into a contractual relationship with any tenderer, but is merely a solicitation of tender proposals. A tender shall constitute an irrevocable binding offer by the tenderer to the GIFA, which shall remain open for acceptance during the validity period, commencing from the tender closing date. In the event that the GIFA wishes to extend the period of validity of its tender, for any reason, the tenderer must issue its response in writing and should the extension be agreed to, the tender may not be altered or changed.

¹⁰ *If the negotiations fail to result in an acceptable contract, the GIFA should terminate the negotiations and invite the next-ranked bidder for negotiations.*

1.3 BID PACKAGING AND SUBMISSION

The tenderer will be required to submit their tender proposal in 2 (two) separate sealed envelopes, which consists of 2 (two) parts namely:

- envelope 1 (Technical) and;
- envelope 2 (Price and B-BBEE).

Note: These two envelopes must be submitted separately, clearly marked with the tender number, name and address of tenderer and the closing date to the tender.

1.3.1 Envelope 1: Technical:

- Marked with the name of the tenderer;
- Titled "Technical Proposal" with tender reference and marked "Advisory Services to develop a Feasibility study, Procurement up to Financial Close for the Commercialisation of the Gauteng Broadband Network (GBN) on behalf of Gauteng Department of e-Government
- A covering letter signed by the lead advisor, amongst others accepting the rules of the tender evaluation and criteria of tenders set out in these tender documents;
- Information on and motivation for the lead firm and lead advisor, attaching his or her Curriculum Vitae (**CV**) and setting out his or her personal, and his or her firm's suitability for this assignment as well as resumes of each person's highlighted responsibilities held for experience relevant to this assignment in the last 10 (ten) years;
- Relevant skills and experience for each relevant experience cited, outline the precise role the lead advisor played, the role of the firm, contract duration, contract outcomes, and contract value;
- Include a project comprehension setting out the advisor's understanding of the tender and any proposals and amendments that would enhance the desired outcomes, supported by innovative ideas on how the whole assignment can best achieve its objectives;
- Include a proposed outline work plan with a timetable for delivery;
- Other requirements as set out in this tender.
- **Envelope 1** (Technical envelope) must be delivered as follows:
 - 1 (one) master and;
 - 1 (one) hard copy of the tender, as well as;
 - 1 (one) soft copy on a flash drive.

1.3.2 Envelope 2: The B-BBEE and Price

- Marked with the name of the tenderer;
- Titled "B-BBEE and Price Proposal" with tender reference and marked "Advisory Services to develop a Feasibility study, Procurement up to Financial Close for the Commercialisation of the Gauteng Broadband Network (GBN) on behalf of Gauteng Department of e-Government

- The envelope must be delivered as follows:
 - 1 (one) master and;
 - 1 (one) hard copy of the tender, as well as;
 - 1 (one) soft copy on a flash drive.

1.3.2.1 B-BBEE Proposal

The envelope must contain the following:

- Names and B-BBEE status of all proposed firms/companies
- Proof of an original or certified copy of a valid B-BBEE Status Level Verification Certificate must be submitted in order to qualify for preference points for B-BBEE;
- Tenderers must submit verification certificates that are only from a South African National Accreditation System (**SANAS**) accredited agency;
- Tenderers that qualify as EME's (level 1, 2 and 4) and QSE's (level 1 and 2) must submit an original or certified copy of a valid Sworn Affidavit signed by the EME or QSE representative and commissioned by a Commissioner of Oaths, in line with the Justices of the Peace and Commissioners of Oaths Act, No.16 of 1963 and prescribed by the B-BBEE Codes of Good Practice;
- Templates of the EME/QSE Sworn Affidavits may be downloaded from the Department of Trade and Industry (**DTI**) or obtained through the Companies and Intellectual Property Commission (**CIPC**) website;
- A trust, consortium or joint venture must obtain and submit an original or certified copy of a valid consolidated B-BBEE Status Level Verification Certificate from a SANAS accredited B-BBEE Verification agency;
- Non submission of the required certificates will result in the bidder forfeiting the points allocated for B-BBEE;
- All certifications as a "true copy of the original", must comply with the requirements outlined in the Justices of the Peace and Commissioners of Oaths Act, No.16 of 1963 and its Regulations promulgated in Government Notice GNR 1258 of 21 July 1972 Justices of the Peace and Commissioners of Oaths Act, No. 16 of 1963.
- The B-BBEE certificates are identifiable by a SANAS logo and a unique BVA number:
 - Confirmation of the validity of a B-BBEE Status Level Verification Certificate can be done by tracing the name of the issuing verification agency to the list of all SANAS accredited agencies;
 - The relevant BVA may be contracted to confirm whether such a certificate is valid;
 - As a minimum requirement, all valid B-BBEE Status Level Verification Certificates should have the following information detailed on the face of the certificate:
 - ✓ The name and physical location of the measured entity;

- ✓ The registration number and where applicable, the VAT number of the measured entity;
- ✓ The date of issue and date of expiry;
- ✓ The certificate number for identification and reference;
- ✓ The scorecard that was used (for example QSE, specialized or generic);
- ✓ The name and/or logo of the verification agency;
- ✓ The SANAS logo;
- ✓ The certificate must be signed by the authorised person from the verification agency and the B-BBEE status level of contribution obtained by the measured entity.

1.3.2.2 Price Proposal

The envelope must contain the following:

- A remuneration proposal of the fixed fee remuneration giving professional cost per deliverable item and total for each part as indicated; ¹¹
- While VAT will be paid pro rata for each delivery item in each part of the assignment, it should be indicated as a total sum per part for purposes of this submission;
- Rates and prices are fixed for the duration of tender and are not subject to adjustments except as provided for during negotiations. The GIFA may negotiate the final terms of a contract with tenderers identified through a competitive tendering process as preferred tenders provided that such negotiations (i) does not allow any preferred tenderer a second or unfair opportunity (ii) is not to be to the detriment of any other tenderer and (iii) does not lead to a higher price than the tender as submitted;
- If the price offered by the tenderer scoring highest points is not market related, the GIFA may negotiate a market-related price with the tenderer scoring the highest points or cancel the tender. If the tenderer does not agree to a market-related price, GIFA may negotiate a market-related price with the tenderer scoring the second highest points or cancel the tender. If the tenderer scoring second highest points does not agree to a market related price, GIFA may negotiate a market related price with the third tenderer scoring the third highest price or cancel the tender. If a market related price cannot be reached or agreed with the technically qualified bidders, GIFA may cancel the tender; ¹²
- Out-of-pocket expenses, such as travel and materials can be payable by the Institution as a reimbursement of actual overhead costs. The advisor must bid disbursements as part of the total fixed fee. This means that they will have to make a calculation of their anticipated overhead

¹¹ Reference (Module 3 p 59 par 7.2.2).

¹² Issued in terms of Preferential Procurement Policy Framework Act, 2000, the Preferential Procurement Regulations, 2017 section 11 as well as Preferential Procurement Regulations 2017, Regulation 13

expenditure.¹³

- Bids must be submitted in South African Rand on a fixed price basis;

1.4 BID EVALUATION

The tenders will be evaluated on the basis of the point system as stipulated in the Preferential Procurement Policy Framework Act (Act no: 5 of 2000) and the Preferential Procurement Regulation, 2017. The evaluation will be based on a points system. The tenderer which achieves the highest total points out of 100 will be recommended by the Bid Evaluation Committee (BEC) as the preferred bidder.

In compliance with the Preferential Procurement Regulations 2017, the 80/20 principle will apply for bid prices between the threshold of R30 000 (thirty thousand) to R50 000 000 (fifty million). The 90/10 principle will apply for bid prices with a Rand value above R 50 000 000 (fifty million).

In terms of Regulation 6.(1) and 6.(2) of the Preferential Procurement Regulations, 2017 the Price and Preference Points System evaluation is based on 80/20 of which points are awarded to bidders, where 20 Points are allocated for Preference and 80 Points for Price only.

1.4.1 Stages

The evaluation will be done in 2 (two) main stages following adherence to certain compliance requirements.

- Stage 1A: Administrative Compliance;
- Stage 1B: Technical/Functionality evaluation;
- Stage 2: Price and Preference Points System evaluation.

Tenderers that do not meet the Administrative Compliance requirements will not be considered for Stage 1B: Technical/Functionality evaluation. Tenderers who fail to meet the minimum threshold requirements for Stage 1B: Technical/Functionality evaluation will automatically be eliminated and will not be considered for Stage 2: Price and Preference Points System evaluation.

Evaluation element	Weighting
Stage 1A: Administrative Compliance	
Stage 1B: Technical/Functionality evaluation	100 points (with a threshold of 75 points)
Stage 2: Price and Preference Points System evaluation	
➤ B-BBEE	20
➤ Price	80

¹³ Reference: (Module 3 p56 paragraph 6.2.2).

1.4.1.1 Stage 1A: Administration Compliance

The 'Supply Chain Tender Office' in the GIFA, who are responsible for receiving, stamping and registering the tenders will also verify all tenders received against certain requirements set in the tender invite and these will include the following:

1.4.1.1.1 Compulsory/mandatory requirements (eliminating factor)

The following is compulsory requirements for any tender received:

- Tender commitment and declaration of interest must be completed and signed by the tenderer (SBD04);
- The price schedule (RFP06) shall be completed and signed by the tenderer.
- Tenderer in the form of a JV/Consortium, a copy of the JV and/or Consortium Agreement signed by all parties must be submitted as part of the tender.
- Certificate of attendance to compulsory briefing session.

Failure to comply with any of the above will result in the bid being disqualified.

1.4.1.1.2 Other required documents (non-eliminating factor)

Certain information will be required from the tenderers and should the respective tenderer fail to comply, although important, non-submission will not eliminate the tender but may require some further clarification.

The following information is required

- Proof or registration with the National Treasury Central Supplier Database (CSD) / (MAAA number).
- Where applicable, proof of company registration from the Companies and Intellectual Property Commission (CIPC) or other organisation registration authority must be submitted in the form of certified copies of registration documents;
- Proof of valid Tax Compliance Status (TCS) PIN from South African Revenue Services (SARS) must be submitted by all South African firms submitting for the lead advisory firm and all South African firms to be subcontracted to it for this assignment, or all firms participating in a joint venture, subcontractors each must provide separate proof of its valid Tax Compliance Status (TCS) PIN with their tender proposal.
- A valid B-BBEE Status Level Verification Certificate from a SANAS accredited agency or a valid Sworn Affidavit in the case of a qualifying EME or QSE. Refer to paragraph 1.3.2.1 for the detail description of the validity of the document requirements.
- Audited and signed off financial statements issued for the last 2 years;

1.4.1.2 Stage 1B: Technical/Functionality Evaluation

The technical evaluation will be evaluated according to the criteria thresholds set out below.

The evaluation criteria below set out (i) the evaluation criteria for measuring functionality (ii) points for each criteria and sub-criteria (iii) the minimum criteria for measuring functionality (iv) reference where category information may be found in the tender.

Points scored for functionality will be rounded off to the nearest 2 (two) decimal places. A minimum

threshold of 75 points will be set for technical before the tender will be eligible for evaluation on B-BBEE and price.

1.4.1.2.1 Technical Score Card

Please refer to Annexure A

1.4.1.3 Stage 2: Price and Preference Points System evaluation

Under the Price and Preference Points System evaluation the tenderers shall be evaluated based on B-BBEE and Price. The B-BBEE evaluation shall be done by identifying the level of contributor according to points as set out in the table below.

1.4.1.3.1 B-BBEE Evaluation

The B-BBEE evaluation will be done by identifying the level of the contributor and shall subsequently allocate points accordingly and as set out in this table. This was done in accordance with the Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2017. Preference will be verified by the vendor development in the GIFA as set out in Table 2 below:

Table 2

Commercial (Quantitative)	B-BBEE		
	Level of Contributor	Number of Points	Description
	1	20	In accordance with the Preferential Policy Framework Act, 2000 Preferential Procurement Regulations, 2017.
	2	18	
	3	14	
	4	12	
	5	8	
	6	6	
	7	4	
	8	2	
	Non-Compliant Contributor	0	

1.4.1.3.2 Price evaluation:

Each tenderer will be evaluated against its price proposal.

A firm fixed price Schedule per deliverable shall be completed in respect of each price item including VAT for each deliverable.

All prices shall be quoted in South African currency.

1.4.1.3.3 Risk evaluation

Tenderers who passes the Price and B-BBEE element shall also be subjected to financial risk evaluation and verified for blacklisting. In addition, a spend analysis will also be done indicating the spend amount over the last 3 (three) financial years.

1.5. BACKGROUND INFORMATION

In order to successfully deliver on this assignment, the tenderer will have to become familiar with background documentation and preparatory work conducted to date for this Project i.e. Phase 1 Close-out report.

1.6 INTEGRITY AND PROFESSIONAL STANDARD

The GIFA expects the utmost integrity from each tenderer and that each tender must maintain the highest professional standard when rendering services for this Project. The tenderer will be held accountable for agreed deliverables, professional conduct and integrity through a signed contract between the parties.

1.7. RELATIONSHIP MANAGEMENT

The successful tenderer will liaise primarily with the Project Manager appointed by GIFA or otherwise designated official of the GIFA in the execution of an instruction for the rendering of the services. The efficient execution of the Project will require frequent meetings with the tenderer. Meetings will be managed through the Project Steering Committee Charter.

2. INTRODUCTION

The Gauteng Provincial Government (GPG) through Gauteng Department of e-Government (e-Gov) is in the process of modernising government service delivery and service access in-line with the approved Fourth Industrial Revolution (4IR) Strategy. One of the key considerations and enabler to achieve the 4IR strategy is the provision digital infrastructure and end-to-end connectivity inclusive of the Wide Area Network (WAN), the Local Area Network (LAN), the Voice over Internet Protocol (VoIP) and Public Wi-Fi hotspots across the province through the Gauteng Broadband Network (GBN) programme.

This RFP invites proposals from transaction advisors representing suitable qualified and experienced financial, technical and legal advisors to assist the GIFA in:

- Part 1: Undertaking of a comprehensive feasibility study for the project;
- Part 2: If required afterwards, provide advisory services for the appropriate procurement of the project up to financial close.

The scope of the work is divided into these 2 (two) parts, the transaction advisor needs to submit a single bid in the formats prescribed in this tender.

(Reference to "the transaction advisor" includes the entire advisory team, or relevant members under the management of a single lead advisor who shall contract with GIFA).

3. BACKGROUND

3.1 Current Status

In order for the department of e-Government to realise their mandate the department rolled out the Gauteng broadband network in phases

Phase 1

Phase 1 Objectives:

- Build of Core Network
- Connection of 400 access sites comprising of GPG Administration sites, Thusong Centers & schools (Initial contract terms)
- Provision of Internet services
- Operate and Maintain GBN Network

Phase 1 Accomplishments:

- 10GB Core network established – 10 Core Nodes
- 1066 access sites connected
- 4GB Internet service provisioned

Phase 2

Phase 2 Objectives:

- Operate and Maintain GBN Network install base
- Upgrade of Core network to 100GB
- 2000 additional access sites connected
- Upgrade of Internet service to 10GB
- Provision of Voice services (Voip)
- Build or upgrade 2000 site's LAN infrastructure

Phase 2 Accomplishments:

- 6 Core nodes upgraded to 100GB
- 158 additional sites connected to GBN
- 225 LAN infrastructure builds (426 Legacy LANs connected to GBN)

- 287 sites provided with Voice Services
- 37 Public Wi-Fi sites established
- Internet service upgraded to 8GB

Due to limits in funding, Phase 2 objectives were not met

In order to facilitate the further expansion of GBN, without putting additional strain on the Provincial fiscus it is required to develop a commercialisation model which will generate revenue for the province to cross subsidise GBN operational and expansion costs to meet the department's mandate.

Mandate of the Department of e-Government

e-Gov is mandated to:

- Provide high-speed broadband connectivity within the Gauteng City Region to:
 - Government administrative buildings
 - Schools and Teacher training facilities
 - Health facilities (Hospitals, Clinics, Community Health Centres)
 - Social development facilities
 - Community service centres (Thusong centres)
 - eKasi Labs
 - Enterprise Hubs
 - Poor marginalised communities
- Provide affordable connectivity to under service areas
- Contribute to the township economic revitalisation

3.2 Needs

The project will address the expansion needs of the Gauteng Broadband Network (GBN). The Project aims to Commercialise GBN in order to deliver on the department's mandates. The proposed project will provide for the expansion of GBN by building an additional site. The proposed project will allow for the on selling of excess bandwidth (this will allow the private party to sell excess bandwidth available after meeting the minimum requirement contractually agreed upon) to 3rd parties to generate revenue. The proposed project will also require a comprehensive billing model.

3.3 Objectives

The objectives for this project is to determine through a feasibility study the most appropriate Commercialisation model for GBN and the procurement and implementation of said model in order to:

- Generate revenue to cross subsidise GBN network operational costs

- Deliver on its public mandate and objectives of reducing telecommunications costs
- Bridge the Digital Divide and stimulate economic and social development by providing broadband services.
- Create a range of broadband services targeted at Township Economic Revitalisation.

The studies must include the following:

1. Feasibility studies, including demand analysis, options analysis, cost benefit analysis, value assessment, commercial and business case for the project.
2. Commercial viability and recommendations in line with legislative and regulatory framework
3. Project structuring
4. Procurement
5. Commercial and financial close.

3.4 Background documentation and preparatory work

In order to successfully deliver on this assignment, the transaction advisor will have to become familiar with all aspects of GBN with regards to Phase 1 and Phase 2 of the project.

The tenderer must take note of the following:

- Current backhaul transmission on GBN is leased – Not owned by E-Gov
- E-Gov owns the last mile transmission (final leg of the network delivery components to the end user.)
- E-Gov owns all core and access network equipment
- E-Gov own all core Voice equipment
- Current Internet bandwidth is 8GB and provided as part of a managed service to e-Gov
- Excess bandwidth should be in relation to backhaul transmission

3.5 Necessary transaction advisor skills and experience

The transaction advisor will comprise a team, managed by a single lead advisor. The members of the team will have both the skill and experience necessary to undertake the range of tasks set out in this tender. The transaction advisor has to be sufficiently competent to cost effectively to complete the work necessary for the Institution to meet the stringent requirements of each treasury approval, up to and including financial closure at the end of the procurement phase. Each individual on the team must be personally available to do the work as and when required. The lead advisor will be held accountable in terms of the transaction advisor contract for ensuring project deliverables and for the professional conduct and integrity of the team. The transaction advisor does all the detailed financial, technical, B-BBEE and legal work, required to prepare the Institution for a PPP agreement.

The transaction advisors have to bring the following advantages to the project:

- Experience in similar transactions;
- Access to national and international best practices;
- Technical strength to the Institution and team;
- Enhancement of investor confidence;
- An opportunity for skills development among government officials;
- A single point of accountability for getting the job completed successfully and on time;
- An opportunity to grow the number of black consultants in the South African PPP market by including black consultants in their teams;

The skills and experienced required from the transaction advisor are as follows:

- Contract law;
- Administrative law;
- Insurance law;
- PPP procurement management and structuring;
- Legal skills with relevant South African experience in the drafting and negotiation of PPP agreements, public law and administrative framework;
- Planning management;
- Facilities management;
- Relevant experience in projects similar to this project;
- B-BBEE expertise with relevant PPP experience;
- Commercial law;
- Contract negotiations;
- Contract management;
- Project management;
- Environmental framework;
- Occupational Health and Safety;
- Economics;
- All technical disciplines relevant to a particular project sector;
- Market Research – development of market strategies;
- Local content;
- Economic, econometric and macro-economic analysis and modelling skills;
- Proven experience in conducting credible social impact studies;
- Financial and technical expertise, including all relevant engineering disciplines;
- Economic and socio-economic analysis.
- Electronic Communication Act .
- SITA Act.
- Information and Communications Technology skills

3.6 Management of the transaction advisor

It is strongly advised that the advisory team is managed by an experienced project manager with relevant qualifications and sector knowledge. The project manager should co-ordinate the activities with various team members. The transaction advisor will be appointed by the accounting authority of GIFA. The accounting officer of the Institution through its relevant appointed official (If in a PPP this will be a Project Officer), in collaboration with GIFA, will manage the work of the transaction advisor directly, take certain binding project decisions and drive the project on a day-to-day basis on behalf of the Institution. ¹⁴ A project manager has been appointed by GIFA to take full responsibility for managing the transaction advisor's work and will be supported by a relevant appointed official and the project team ¹⁵appointed by the Institution and GIFA for ensuring delivery on the Project. ¹⁶ The appointed official of the relevant Institution (and if a PPP the Project Officer) will establish a project team (Project Steering Committee) to engage regularly with the transaction advisor for efficiently completing the various delivery items. The Project Steering Committee will meet at least monthly, and the transaction advisor will report progress of these meetings as instructed to the team.

3.7 Duration of appointment of transaction advisor

The deliverables set out under this RFP is expected to take place within **36 months** from the date the agreement has been signed between GIFA and the transaction advisor. The transaction advisor is required to provide a project plan with timeframes as an annexure to their proposal. Details of these milestones and mandatory deliverables and time schedule has to be agreed with the successful tenderer.

Service providers should take note of and provide for this tight timeline in their resource allocation and price proposal, taking due cognisance that the project will still be delivered in a prudent and diligent manner. Any innovative and creative ideas and proposals to ensure a successful and efficient outcome as far as the aim of the client is concerned would be welcomed in the tender documentation.

4. SCOPE OF WORK

The appointed transaction advisor must achieve the phases and deliverables as set out in this RFP. It is imperative that the transaction advisor must scope all the deliverables required to reach the required milestones correctly in accordance with the objectives of the GBN project as outlined in sections 3.3 and 3.4 above and should additional deliverables be identified, not mentioned in this RFP to reach the

¹⁴ Preferably the transaction advisor should be hired at the start of the PPP project cycle and retained either until after the signing of the PPP agreement at the end of the procurement phase or in some instances until after the PPP agreement management systems have been embedded down in the development phase of the project term

¹⁵ The project team shall meet regularly with the transaction advisor to receive progress updates, provide project direction, resolve impasses and ensure ongoing Institutional support

¹⁶ The project officer and the project team play a pivotal role in managing the transaction advisor and hence the transaction advisor should be managed on a day to day basis by the project officer and will play the key technical roles in the work of the project team (Ref Module 3 p. 10)

required deliverables, such will not be entertained as a change in scope.

The scope of work for the transaction advisor is set in the following 2 (two) parts below:

4.1 Part 1: Feasibility Study

The feasibility study is undertaken to help the Institution to determine whether the proposed project is financially, legally and technically feasible for the Institution. Further it will consider whether conventional public sector or PPP procurement or alternative procurement mechanism is the best choice for the proposed project. At no point should a particular procurement choice be favoured above any other methods of procurement without being tested and justified in the study process. The feasibility study should be done to a very detailed level in order to establish a sound base for the potential recommendation for the procurement choice that can be defended against public opinion, auditors and other parties. This allows for a strong evidence base of project data that is substantiated with a clear audit trail for decision makers to check assumptions, evidence and calculations leading to the recommendations.

4.2 Part 2: Procurement

If on the basis of the feasibility study the transaction advisor will be required to provide the necessary technical, legal and financial advisory support for the procurement of the private party and required to assist the Institution to obtain the necessary approval from the relevant treasury / institution for the project implementation.

4.3 PART 1: FEASIBILITY STUDY DELIVERABLES

The transaction advisor will be required to produce a comprehensive and high-quality feasibility study for the project using the appropriate methodologies and approach, consisting of 10 stages. The feasibility study deliverables are conducted in cognisance with *the National Treasury PPP Manual*, please refer to www.treasury.gov.za website or PPP Unit Manual for further guidelines.

The feasibility study must include the following:

4.3.1 Stage 1: Market Assessment and Needs Analysis

4.3.1.1 Market Assessment

The transaction advisor needs to perform a market sounding exercise to explore the market and the sector players that are pertinent to the project implementation. The transaction advisor should ensure that the feasibility study captures the potential investor's perspectives of the project. The team needs to understand the private sector's value drivers and the main financial and operational constraints, companies might face during the provision of infrastructure and services. The transaction advisor is therefore expected to conduct a market sounding exercise through either meeting with individual

companies, general/industry meetings or written communication. The market assessment should incorporate appropriate industry benchmarks and highlight best local and international practices that are applicable for this project and specifically assess the implementation of relevant projects in South Africa from both a private and public sector perspective;

The transaction advisor needs to perform a market analysis to determine whether the project is commercially viable and to consider amongst aspect of supply, demand, substitutes, pricing and bankability of the project.

Deliverable: A detailed Market Assessment report

4.3.1.2 Needs Analysis

The needs analysis gives definition to the proposed project, preparing the way for the solution options analysis, which explores the range of possible solutions to meet the identified needs.¹⁷ The transaction advisor shall perform the needs analysis on the project incorporating the information obtained from the Institution during the inception phase, as well as to include any research material conducted by the Institution for the feasibility study.

The Needs analysis is to demonstrate the following:

- **Part 1:** Define the scope of the project and how objectives will address the Institution's strategic objectives;
- **Part 2:** Identify and analyse the available budgets;
- **Part 3:** Conduct Cost Benefit Analysis (CBA) and test if the solution has value for money to society in socio – economic terms;
- **Part 4:** Demonstrate the Institutions commitment and capacity;
- **Part 5:** Provide information on key stakeholders, identify and conduct an overview of each of the participating organisations involved (public and private sectors as well as organised labour), conclude a consultation plan and consult with the relevant treasury. Also, to provide a preliminary contract structure based on participating organisations and institutions;
- **Part 6:** Specify the outputs and set minimum standards and accordingly describe the service that the needs to be delivered.

Deliverable: A detailed Needs analysis report and presentation to GIFA and the Institution on the work conducted to be presented to the Project Steering Committee for review, comments and approval.

¹⁷ Reference (Ref: Module 4 p 3 Part 1).

4.3.2 Stage 2: Technical Feasibility and Assessment ¹⁸

The transaction advisor should ensure that the technical requirements are designed with the aim of having a feasible project. Specific viability criteria appropriate for the type of infrastructure and the corresponding services should be addressed as follows:

- Infrastructure design should meet the specified need;
- Engineering and architectural requirements of the projects should be achievable at a price comparable with similar infrastructure;
- Proposed technical and technology solution is proven otherwise demonstrate proper management or allocation of risks;
- Technical description of the project should assess technology risks, network design risk and infrastructure availability;
- Scope of services should be viable from a regulatory perspective;
- Services should be specified in terms of outputs;
- Services should be measured through performance indicators;
- Technology changes in the service delivery should be satisfactorily estimated;
- Site assessment and preliminary design based on the technical feasibility study;
- Cost estimates for the technical and technology options and solutions;
- In specific the transaction advisor should assess the current network design and install base to determine if it is conducive or suitable for commercialisation.

Deliverable: Detailed Technical assessment report of the project and presentation to GIFA and the Institution on work conducted to be presented to the Project Steering Committee for review, comments and approval.

4.3.3 Stage 3: Solutions Options Analysis

The solution options analysis sets out the range of possible technical, legal and financial options for delivering the required service to output specifications, allowing the Institution to weigh up these options and to make a choice. ¹⁹ Transaction advisors are requested to give significant attention to the solution options analysis to avoid any challenges later in the procurement stage that could have been identified as early as in the options analysis.

The solution options analysis needs to identify the following:

- **Part 1:** List range of the most viable solution option(s) for providing the specific outputs as identified for the Project;
- **Part 2:** Identify the advantages and disadvantages, risks, benefits and potential impact of each solution option. To achieve the outcome of Part 2 the analysis must:
 - Identify alignment between each solution option and Institutions strategic plan;

¹⁸ The inclusion of a technical assessment will depend on the technical complexity of the project.

¹⁹ After the preferred option has been identified, the value for money stage will explore the 2 procurement options;

- Provide preliminary view on financial impacts of each option;²⁰
- Indication of funding and affordability and payment mechanism;
- A high-level cost benefit analysis for each option must be examined against the respective Institutions budget and other funding models that could be explored²¹ and also measuring the relationship between the value of resources use by a project and the value of resources produced by the project;
- Present a preliminary discussion about the risk to Government in relation to each option;²²
- Provide preliminary view on the impact of each option on B-BBEE targets set out in the needs analysis and other socio-economic aspects on which the Institution may need to deliver;
- Discuss the service delivery arrangement for each option and analyse the implications of each option;
- Possible technology services should be satisfactorily estimated, as well as assess the extent to which the introduction of advanced technologies may stimulate greater economic productivity would be introduced as a result of the project;
- Physical site issues must be identified for the project.;
- Test whether a particular option comply with relevant legislation and regulations;²³
- Establish the numbers and cost of existing institutional staff that will be affected and prepare an estimate of the number of temporary and permanent new job opportunities and sustained employment. This will include a lifecycle analysis of employment creation throughout the value chain that will support SMME development;
- Identify qualitative benefits associated with a particular option. The transaction advisor needs to understand the private sector value drivers and the main financial and operational constraints companies might face in the delivery of this project;
- Not all solution options are ideal for PPP's and hence it is important to consider the various options potential to deliver value for money similar to a PPP taking in consideration:
 - The indicative net present cost of probable cash flows that should be large enough to allow both public and private parties to achieve value for money;
 - Outputs must be clear and measurable around which a payment mechanism can be structured;
 - Identify where opportunities or risk to private party are limited and the potential for a PPP to deliver value for money compared with a conventional procurement choice is reduced;

²⁰ Estimate initial operational and capital cost that will form a basis for the value for money report.

²¹ Where government contribution is anticipated – must be agreed to by the relevant treasury- otherwise this will result in a delay later (Ref Module 4 p 10 point 3). Treasury Regulation 16 is not prescriptive about the funding structure of a PPP and it is assumed that these will vary widely from project to project and sector to sector and will be closely linked to the funding sources that can be secured for each deal. The transaction advisor will examine methods in which GPL can execute a potential investment;

²² Risk is addressed in detail in the value for money assessment – must focus on risks that may be passed efficiently to a private party (Ref Module 4 p10 point 4).

²³ Legal issues will be dealt with comprehensively in the legal due diligence in Stage 3 (Ref Module 4 p 12 parag 10).

- The project must be commercially viable and there must be a level of market interest as per market assessment;
 - Should ensure that the appropriate technical requirements are design and selected with the aim of having a feasible and bankable project.
- **Part 3:** Choose the best solution option through a matrix approach to weigh up the evaluation of each option. ²⁴ Once the preferred solution option is determined, the transaction advisor will evaluate and recommend a preferred service delivery option and provide an indication of a preferred procurement option.

Deliverable: Solutions options analysis report and presentation to GIFA and the Institution on work conducted to be presented to the Project Steering Committee for review, comments and approval.

4.3.4 Stage 4: Project Due Diligence

The due diligence stage is an extension of the solution options analysis stage and aims to uncover any legal, financial and technical issues in the preferred solution option that may significantly impact on the proposed project. Although emphasis is placed on legal, site enablement, B-BBEE and socio-economic issues, it is imperative that all technical and financial issues identified in the solutions option's analysis, is also analysed in detail during this stage.

The due diligence stage needs to identify the following:

- **Part 1:** Legal and Regulatory Analysis - experience shows that any legal issues not resolved during the feasibility study phase can create significant delays in the negotiations phase and in some cases have significant impediments to concluding project closure. Although a preliminary legal analysis was done in the options analysis, a comprehensive legal due diligence must now be done to ensure that all foreseeable legal requirements are met for the development of the project; ²⁵
- **Part 2:** Technical and Technology issues – assess technical and technology solution that may impact on the project's affordability, value for money, regulatory permissibility including environmental and social acceptance;
- **Part 3:** Site enablement issues – uncover any problems that may impact on the project's affordability, value for money or that will cause regulatory delays related to the securing of a site including environmental legal provisions, including heritage issues;
- **Part 4:** B-BBEE and socio-economic issues – identify any factors that may constrain the achievement of the project's intended B-BBEE outputs;

²⁴ If the preferred option is likely to be procured as a PPP it will be confirmed in the value for money assessment, if not, it may be necessary to revisit the options analysis, discuss with relevant Treasury and consider traditional conventional public procurement (Ref Module 4 p13).

²⁵ Early legal certainty directly affects project costing and reduces PPP bidding costs (Ref: Module 4 p 14).

- **Part 5:** Stakeholder analysis – the transaction advisor shall identify and conduct an overview of the participating organisations involved in the project, including participating public and private sectors and labour;
- **Part 6:** Funding analysis - shall also formulate focus on participating organisations that are relevant for funding of the project and provide possible funding structures that can be explored for the project;
- **Part 7:** Technical analysis – shall formulate focus on any technical aspects that may have an impact on the project's delivery.

Deliverable: Due Diligence report and presentation to GIFA and the Institution on the work conducted to be presented to the Project Steering Committee for review, comments and approval.

4.3.5 Stage 5: Value Assessment

To determine which procurement choice is best for a project, a comparative assessment has to be made between delivering the same service to the identical output, as conventional public sector procurement and as a PPP. A risk-adjusted Public Sector Comparator (**PSC**) and **PPP** reference model must therefore be constructed for the chosen solution option. These provide costings of each procurement option in the form of a discounted cash-flow model adjusted for risk. The output specifications as defined in the previous deliverables serve as the basis for the PSC and PPP reference models. The transaction advisor shall conduct a value for money assessment which must include detailed financial models, that explain various assumptions used in the development of the model. The cost estimates shall be based on the outcome of the previous deliverables, based on historical data and quotations received from suppliers and similar project and international suppliers where practical.

The transaction advisor shall identify business and project risks, their impact and likelihood and mitigation strategies in a risk management report. The advisor shall develop a comprehensive risk matrix for all business and project risks and summaries on the retained and transferrable risks which the Net Present Value (NPV) of all risks (retained and transferrable) are to be added onto the base PSC model.

The feasibility study consists of the following parts:

- **Part 1:** Construct the PSC model
 - Provide technical definition to the project;
 - Discussion on costs (direct and indirect) and assumptions made on cost estimates;
 - Assumptions made on revenue estimates (as well as value offered to off-takers and the effect it would have on the revenue stream if applicable to the project) as well as value offered to off-takers and the effect it would have on the revenue stream if applicable to the project;
 - Discussion on all model assumptions made in the construction of the model, including - inflation rate, discount rate, depreciation, budgets and Medium-Term Expenditure

Framework (MTEF);

- Indication of B-BBEE targets;
- Incorporate full project life cycle costing, maintenance, operating costs;
- Summary of results from the base PSC model: NPV.

➤ **Part 2: Construct the risk-adjusted PSC model** ²⁶

- Identify risks using similar project information and specialist advisors;
- Assess and quantify the impact of each risk;
- Estimate the likelihood of each risk occurring;
- Estimate cost of each risk; ²⁷
- Identify strategies for mitigating risks;
- Construct the risk matrix and sensitivity analysis and track risk allocation through the drafting of an agreement, bidding process, negotiations and financial closure. List those risks that is to be retained or transferred and which will have to be costed in the PPP reference model;
- Conduct a quantitative risk analysis;
- Construct the risk-adjusted PSC model;
- As a preliminary assessment of the project's affordability, to compare the risk adjusted PSC model with the Institutions budget for the project as estimated during the solutions option's analysis.

➤ **Part 3: Construct the PPP reference model** ²⁸

- Confirm the type of PPP;
- Describe the proposed PPP project structure and sources of funding, closely link to the project type and its possible participant, including aspects whether the project is most suitable for project or corporate finance funding and likelihood of raising debt and equity as well as to test market appetite and specific project risks.
- Develop the core components of the payment mechanism;
- Incorporate full project life cycle costing, maintenance and operating costs;
- Set and cost B-BBEE targets, by proposing a B-BBEE PPP balanced scorecard for the project;
- Calculate and consolidate all costs; ²⁹
- Construct the PPP reference model and explain all assumptions and indicators;³⁰

²⁶ The risk-adjusted PSC model is the base PSC model plus a costing for all the risks associated with undertaking the project. Government does not usually cost these risks – but need to do so in order to understand full cost for Government (Ref: Module 4 p23)

²⁷ National Treasury advocates costing risk as a separate cash-flow item and not adjusting the discount rate to indicate the level of risk for the project. Cash flow promotes a focus on costs for each risk and understanding how they can be transferred and can also account for time implication.

²⁸ The PPP reference model is a hypothetical private party bid to deliver the specified outputs.

²⁹ Categories of cost covered in the PPP reference model must be the same as in the PSC model – difference from PPP reference model is that it also takes in account innovative design, construction and operational efficiencies that may realistically be expected of the private sector, cost of capital, residual value of assets and B-BBEE target element.

³⁰ The PPP reference model must rely on the same assumptions as the PSC, including inflation and discount rates, which are particularly important for allowing proper comparison.

- **Part 4:** Construct the risk-adjusted PPP reference model;³¹
- **Part 5:** Use summary of risk matrix conducted during PSC, that sets out retained, transferable risk, mitigation and cost of mitigated risk;
- **Part 6:** Conduct a sensitivity analysis.³²
- **Part 7:** The budget for the project has been identified at various stages prior to this however at this stage it must be scrutinised in detail and confirmed in order to demonstrate affordability.³³
- **Part 8:** Initial value for money test.
 - Establish the initial indication of value for money as a net benefit to the Institution, defined in terms of cost, price, quality, quantities or risk transfer or a combination thereof by comparing conventional procurement with a PPP reference model;³⁴
 - Conduct an analysis and estimate of the projects Net Present Value (**NPV**), Internal Rate of Return (**IRR**) Weighted Average Cost of Capital (**WACC**) which shall be computed on an after-tax-basis in real terms using constant prices. Convert the cost estimates and financial projections from nominal to real terms by removing the projected effects of foreign and domestic inflation and currency fluctuations;
 - Assess B-BBEE value for money;
 - Shall prepare an income and cash flow statement.
- **Part 9:** Make the procurement choice.
- **Part 10:** Verify the information used in the feasibility study, draw up a checklist of legal compliance and sign off the feasibility study.

Deliverable: Value assessment report and presentation to GIFA and the Institution on the work conducted to be presented to the Project Steering Committee for review, comments and approval.

4.3.6 Stage 6: Economic and Socio-economic Impact Analysis

Socio economic impact assessment using a social accounting matrix, indicating impact on local communities, indicate employment indicators and empowerment of disadvantage groups. Focus on skills transfer and talent development, contribution to the local economy, support for local manufacturing and industrialisation. The transaction advisor shall conduct the calculation of the estimated Gross Domestic Production (**GDP**) as well as economic IRR on the basis of non-incremental and incremental economic benefits and economic costs (including economic capital, operation, and maintenance costs), in constant economic prices, adjusting if necessary. The economic evaluation shall

³¹ While risk categories between PSC and PPP reference is the same, they are dealt with differently as in the PSC risk are valued by assessing their cost and values added to PSC, while at the PPP reference risk is only incorporated into the costing of the project (specific add-on cost (Ref: Module 4 p 33)).

³² Sensitivity analysis determines the resilience of the base PSC model and the base PPP ref model to change the assumptions which the model has been based on Ref Module 5 p 33).

³³ If affordability cannot be demonstrated, the Institution will be obliged rather to re-examine and modify the output specification within the affordability constraint or abandon the project.

³⁴ Value for money test is only conducted during procurement phase as one of the requirements for TAIIB when private party bids are submitted (Ref: Module 4 p 36).

include an economic evaluation of the environmental aspects.

Within the economic analysis, the transaction advisor shall undertake a sensitivity analysis to assess the effects of adverse changes in key assumptions that underline the economic analysis including, but not limited to project costs, energy quantities, and implementation delay. The results will be expressed as a sensitivity indicator and a switching value. If the project is sensitive to the value of a key variable, the transaction advisor shall recommend measures to minimize the risk. The transaction advisor shall conduct quantitative risk analysis in accordance with accepted standards for integrating risk analysis in the economic analysis of the project. The transaction advisor shall analyse developmental impacts related to project implementation. The transaction advisor shall focus on key factors such as infrastructure, human capacity building, technology transfer/productivity improvement, and market-oriented reform, which are intended to provide the project's decision-makers and interested parties with a broader view of the project's potential effects.

The overall analysis conducted under this task shall focus on what development impact is likely if the project is implemented. While specific focus shall be paid to the immediate impact of the project, the analysis shall also include any additional developmental benefits that may result from the project's implementation, including spin-offs and demonstration effects. In terms of the key factors, the transaction advisor shall in particular execute the following:

- Use economics and non-economic measures as a tool, model or methodology to analyse the socio-economic impact the identified projects;
- Use the data from completed feasibility studies as the key source of information;
- Utilise desktop research to extract data from a number of different sources; for example, spend analysis of GPG departments, StatsSA, GDP statistical release, etc.
- Apply research to obtain more or outstanding information on the impact of the identified project.

The studies must address the indicators listed below:

- Contribution of the Project to the local economy;
- Contribution to economic growth;
- Contribution to employment creation;
- Contribution to poverty alleviation;
- Economic transformation;
- Support for local manufacturing and industrialisation;
- Socio-economic empowerment of vulnerable groups and skills transfer.

Enable broadband connectivity to allow access to Gauteng Provincial Government online platforms.

Deliverable: Socio-Economic Assessment and presentation to GIFA and the Institution on the work conducted to be presented to the Project Steering Committee for review, comments and approval.

4.3.7 Stage 7: Stakeholder Engagement Analysis with Project Structuring

The transaction advisor shall perform in depth analysis of each of the participating organisation's involvements in the project, including the public and private sectors, as well as organised labour as part of the stakeholder engagement analysis and project structuring exercise. The transaction advisor shall formulate an appropriate project structure based on the participating organisations and institutions that are relevant for this project inclusive of regulatory requirements, funding and operating model.

Deliverable: Stakeholder engagement analysis reports and presentations on the work conducted to be presented to the Project Steering Committee for review, comments and approval.

4.3.8 Stage 8: Procurement and Project Implementation Plan

4.3.8.1 Procurement Plan

A procurement plan demonstrates that the Institution has the necessary capacity and the feasibility study demonstrates the potential market interests to undertake the procurement of the project and also sets out timelines, processes and strategies. The project officer together with the transactional advisor must update the procurement plan throughout the procurement phase.³⁵

Deliverable: Procurement Plan and presentation to GIFA and the Institution on work conducted to be presented to the Project Steering Committee for review, comments and approval.

4.3.8.2 Project Implementation Plan

The transaction advisor shall develop a project implementation plan, which shall clearly outline the anticipated next steps needed to implement the project successfully. The plan shall include detailed steps and phasing in areas of financing, facilities management, construction, civil works, equipment, , procurement and synchronisation, where applicable. The transaction advisor shall develop a tentative schedule in which milestones could be ideally achieved.

Deliverable: Project Implementation Plan and presentation to GIFA and the Institution on work conducted to be presented to the Project Steering Committee for review, comments and approval.

4.3.9 Stage 9: Feasibility Study Report and Presentation

The feasibility study, comprising all the above deliverables, must be compiled in a single report in Word format (with relevant annexures) and be delivered as both electronic and hard copy documents. All financial models must be in excel format and must clearly set out all assumptions made, sensitivity analysis carried out and all model outputs. The financial models must be sufficiently adaptable for use by others at later stages. The feasibility study must be presented with a thorough executive summary and must be accompanied by a PowerPoint presentation that encapsulates all the key features of the study. The

³⁵ Reference (Ref: Module 4 p 41).

executive summary and PowerPoint presentation must be compiled in such a manner that they can be used by the Institution's management for decision making purposes. The transaction advisor is also required to present the feasibility study and findings to the Institution's management. The GIFA will be the owner of all the document and financial models.

Deliverable: Presentation of feasibility study and presentation to GIFA and the Institution on work conducted to be presented to the Project Steering Committee for review, comments and approval.

4.3.10 Stage 10: Submission requirements for the Feasibility Study Report and request for Treasury Approval I (TAI)

If the Institution decides to pursue a PPP solution for the project, the feasibility study must be of a standard that will be accepted by National Treasury for the purposes of the Institution, obtaining TAI in terms of Treasury Regulation 16 to the PFMA. The transaction advisor is therefore advised to be fully familiar with the requirement of *Module 4: PPP Feasibility Study of National Treasury's PPP Manual*.

4.3.11 Annexures to be attached to feasibility study report

Annexure 1: Statements for information verification and sign off from each advisor to the project;

Annexure 2: Letter of concurrence from Chief Financial Officer of the Institution and/or the Gauteng Provincial Treasury;

Annexure 3: PSC & risk-adjusted PSC model;

Annexure 4: PPP reference and risk-adjusted PPP model;

Annexure 5: Risk assessment and comprehensive risk matrix;

Annexure 6: Document list (list of all documents related to the project, where they are kept and who is responsible for ensuring they are updated);

Annexure 7: Attach as annexures all other documents that have informed the feasibility study and that are of decision-making relevance to the project.

4.4 PART 2: PROCUREMENT DELIVERABLES

If the Institution decides on a PPP procurement solution, the transaction advisor is required to work with the GIFA as well as the Institution to manage the procurement process for securing contracts with a private party. All this needs to be in accordance with the systems and standards set out for PPP's in Treasury Regulation 16 and using *National Treasury's PPP Manual and Standardised PPP Provisions*. The transaction advisor will provide advisory services for procurement and contract negotiation to get the Project to reach commercial and financial close. The transaction advisor will be required to assist with tender documentation compilation and assist the procurement process to reach commercial and financial close.

The transaction advisor will have to deliver on the following 8 stages:

4.4.1 Stage 1: Compilation of reports from the Feasibility Study

- **Part 1:** Prepare a project statement that restate the project objectives and scope in terms of business outcomes supported by project outputs. This statement should be the introduction in every procurement document.
- **Part 2:** Prepare an affordability statement, setting the limits stated in the feasibility study looking at the existing budgets, project specifications, risk to be transferred in the PPP;
 - Manage any mismatch between the specification costing in the feasibility study and procurement documents and if needed amend and request for a revised TAI;
 - Manage qualifications made by the private parties to the risk profile which could have a direct impact on the affordability of the PPP and justify in application for TAI;
- **Part 3:** Confirm value for money drivers and allow the private party to determine and justify value for money in their proposal and encourage private sector innovation through competition.
- **Part 4:** Select procurement team with the necessary communication and analytical skills.
- **Part 5:** Confirming and stressing the link between the affordability and specifications which must form basis of RFP.
- **Part 6:** Procure the type of project with particular types of participants and strike a balance in the RFP between communicating view of the project and bidders to propose their own structures.
- **Part 7:** Identify all third parties before procurement.
- **Part 8:** Set out payment mechanism;
- **Part 9:** Confirm that due diligence has been successfully completed;
- **Part 10:** Ensure risk tracking throughout the process.

4.4.2 Stage 2: Prepare Request for Qualification

- **Part 1:** Prepare the Request for Qualification (RFQ) document – which must enable tenderers to present appropriate information about themselves and their capability to deliver on the project;
 - Prepare all the necessary RFQ documentation including advertising material and set up and administer the tender process by which the Institution can pre-qualify the parties;
 - Establish a tender process to select a minimum limited number of bidding consortia that is technically, financially, B-BBEE and experienced to execute the project and also ascertain the likely reasons for limited interest;
 - Bid bond should be required from tenderers as a condition to their pre-qualification before the Request for Proposal (RFP) is issued;
 - Set B-BBEE targets as a requirement for pre-qualification.
- **Part 2:** Obtain Treasury Approval II A (TAIIA) before issuing the RFQ.
- **Part 3:** Advertise and distribute the RFQ and consider an open Briefing Session to introduce

project and stimulate private sector interest.

- **Part 4:** Design tender evaluation criteria and evaluate the responses from tenderers.
- **Part 5:** Communicate with tenderers on status of success.
 - Call pre-qualified tenderers to a bidder's conference and communicate RFP processes and timelines in line with procurement plan and decide on whether a 2 (two) stage RFP process will be followed.³⁶

4.4.3 Stage 3: Prepare RFP Phase

The transaction advisor must set up a bid specifications system to draft the bid criteria as well as set up a bid evaluation system and criteria to design a suitable bid process that will ensure comparable bids, devise effective systems for communication with bidders, inspire market confidence and incorporate all B-BBEE requirements of the project. The transaction advisor required to design an appropriate system which allows for variant bids and also if appropriate design, lead and conduct a process to engage in a market sounding exercise. Market responses will be tested in detail and knowledge can be incorporated in the RFP.

- **Part 1:** Bidder participation in preparing the final RFP – Call pre-qualified bidders to a bidder's conference and communicate RFP processes and timelines in line with procurement plan and decide on whether a 2 (two) stage RFP process will be followed.
- **Part 2:** Prepare a draft RFP and PPP Agreement, if applicable.
- **Part 3:** Set up Bidder's Conference and clarification meetings and obtain feedback from bidders.
- **Part 4:** Draft the final RFP document.
- **Part 5:** Obtain Treasury Approval IIA for issuing the RFP and PPP Agreement.
- **Part 6:** Establish Briefing Session.

4.4.4 Stage 4: Choose the Preferred Bidder

The transaction advisor is to provide all necessary administrative support to the GIFA and the Institution for the efficient and professional management of the tender process. This includes managing a data room, facilitating the evaluation process and assist with the evaluation (although no scoring is allowed). Assisting the GIFA and the Institution to effectively communicate through briefing notes and assist to receive and hold all the tenders for evaluation.

- **Part 1:** Evaluate the bids
 - Check for completeness and compliance;
 - Set up technical evaluation teams to evaluate, technical, B-BBEE and price component of the tenders received;
 - Establish the evaluation co-ordination committee to co-ordinate the technical evaluation

³⁶ The 2 stage process refer to a process where inputs from potential tenderers will be considered and input absorbed in the RFP.

- team;
- Establish a project evaluation committee;
- Allow for a process of clarification during evaluation;
- Conduct a process to set up the evaluation of all variant tenders after the compliant tenders have been evaluated;
- Choose the preferred and reserve bidder;
- Consider a BAFO process if required and obtain TAlIA for the BAFO process.

Note: A best and final offer (BAFO) process may be required. When costing this phase of work the transaction advisor must allow for the possibility of administering BAFO processes. If there is no BAFO process, the Transaction Advisor's remuneration will be adjusted accordingly.

4.4.5 Stage 5: The Value for Money Report

After the evaluation of the tenders but prior to appointing the preferred tenderer, the transaction advisor must compile a value-for-money report for the Institution to submit to the relevant treasury, demonstrating how the criteria of affordability, value for money and risk transfer were applied in the evaluation of the tenders.

- **Part 1:** Draft the Value for Money report;
- **Part 2:** Obtain approval that the preferred tenderer provides the best value for money and that the tender is affordable;
- **Part 3:** Obtain Treasury Approval: IIB (TA: IIB).

4.4.6 Stage 6: PPP Agreement Negotiation and PPP Agreement Management Plan

The transaction advisor must assist the Institution in final negotiations with the preferred tenderer. This will involve preparing suitable negotiation terms, categorising issues appropriately, developing timelines for completion and planning negotiation tactics and processes for reaching agreement. The transaction advisor must ensure that all agreements reached are incorporated into all the financial, commercial and legal documentation and must assist with drafting the necessary and related correspondence.

- **Part 1:** Outline objectives of the negotiations, establish a negotiation team and strategise;
 - Establish initial contact meeting and inform tenderers of Institutions approach;
 - Begin with negotiations by clarify each party's roles and responsibilities;
 - Manage negotiations process and tracking of documentation;
 - Generate options for settlement;
 - Manage final bargaining process;
 - Formal settlement and establish schedule for signing PPP agreement.

4.4.7 Stage 7: Obtain TA: III

The final terms of the agreement, each as negotiated with the preferred tenderer, must be submitted by the Institution, along with the PPP agreement management plan for the project, for Treasury Approval: III (TA: III). The transaction advisor must ensure that a comprehensive legal due diligence of the accounting officer/authority has been completed. This will relate to legal compliance, competence and capacity to enter into the PPP agreement (See Treasury Regulation 16.6.1(c)).

- **Part 1:** Prepare the PPP agreement and management plan;
- **Part 2:** Complete the legal due diligence;
- **Part 3:** Compile and submit the TA III report.

4.4.8 Stage 8: PPP Agreement Signature, Financial Close, Close-Out Report and Case Study

The transaction advisor must help the Institution with all functions related to signing the final agreement. The transaction advisor must also compile a comprehensive close-out report and case study. These must follow the formats prescribed in *Module 5: PPP Procurement of National Treasury's PPP Manual* and must incorporate any additional factors that may be required by the Institution. The close-out report will be a confidential document of the Institution and will also be lodged with National Treasury. Financial closure signifies that all procurement deliverables, contractual negotiation including PPP agreement and funding terms have been successfully completed and that the transaction advisor's work is finished, if applicable.

- **Part 1:** Sign PPP Agreement.
- **Part 2:** Reach financial close.
- **Part 3:** Prepare a close-out-report for complete records of GIFA and the Institution.
- **Part 4:** Prepare a case study which will become available to the public.

5. REMUNERATION

5.1 Remuneration and disbursement arrangements

Tenderers are advised to tender within this figure and to allocate resources according to the remuneration schedule below. The procurement portion of the work may or may not transpire at the end of the feasibility study and should be costed separately.

All disbursement and management fees must be included in the price proposal.

The transaction advisor is required to indicate how the tender amount will be split between its various service providers and sub-contractors.

GIFA will require a copy of all subcontracting arrangements that may serve as an Addenda to the service agreement to be signed between the parties.

5.2. Remuneration schedule

The following remuneration schedule in *Table 3* is set for each part of the contract. Tenderers should adhere to these in their proposals.

Table 3

Description		Professional Fee (excl. VAT)
PART 1: FEASIBILITY STUDY (not to exceed 40% of total cost)		
Stage 1	Market Assessment and Needs Analysis	
Stage 2	Technical Feasibility and Assessment	
Stage 3	Solution Options Analysis	
Stage 4	Project Due Diligence	
Stage 5	Value Assessment	
Stage 6	Economic and Socio-economic Impact Analysis	
Stage 7	Stakeholder Engagement Analysis with Project Structuring	
Stage 8	Procurement and Implementation Plan	
Stage 9	Final Feasibility Study Report and Presentation	
Stage 10	Submission requirements for the Feasibility Study Report and request for Treasury Approval I (TAI)	
Sub-Total for Part 1: Feasibility Study		
VAT @15%		
TOTAL FOR PART 1: FEASIBILITY STUDY		
PART 2: PROCUREMENT DELIVERABLES		
11	Compilation of reports	
12	Total for TAIIA Approval	

Description		Professional Fee (excl. VAT)
13	Total for TAIIB Approval	
14	Negotiations and Management Plan	
15	TAIII	
16	Total for TAIIB Approval	
17	Commercial and Financial close	
18	Close out report and Case Study	
*	BAFO for procurement process	
Sub-Total for Part 2: Procurement Deliverables		
VAT @15%		
Total for Part 2: Procurement		

Total cost		
Deliverables	Total cost	% of cost
Part 1: Feasibility Study		
Part 2: Procurement Deliverables		
Disbursements		
Sub-total		
VAT @ 15%		
Total including VAT		

Deliverables completed per remuneration schedule will be approved by the project manager, after which invoices may be submitted for payment as per the remuneration schedule.

Annexure A: Transaction Advisor Technical Scorecard

TECHNICAL SCORECARD					
Technical proposal		Scoring		Maximum points	Ref
1	Financial and project finance - Skills - Relevant experiences	Skills (Qualification) Senior Financial Expert <ul style="list-style-type: none"> Postgraduate: CA, CFA, Masters in Finance - 5 Undergraduate: B-Com/Nat Dipl in Accounting or equivalent – 3 None or not relevant – 0 <i>(Copies of the relevant qualification(s) / certificate(s) required for point scoring purpose)</i> Junior Financial Expert <ul style="list-style-type: none"> Postgraduate: CA, CFA, Masters in Finance - 5 Undergraduate: B-Com/Nat Dipl in Accounting or equivalent – 3 None or not relevant – 0 <i>(Copies of the relevant qualification(s) / certificate(s) required for point scoring purpose)</i> Relevant Experience: Project Structuring and Financial Modelling for Senior/Junior resource (one person will be scored) <ul style="list-style-type: none"> 10 or more similar projects - 10 5 - 9 similar projects - 8 Less than 5 similar projects – 4 None or not relevant – 0 <i>(CVs required with relevant projects experience for point scoring purpose)</i>		20	
2	Legal - Skills - Relevant experiences - Successful Negotiation	Skills (Qualification) Senior Legal Expert <ul style="list-style-type: none"> Postgraduate: LLM - 5 Undergraduate: LLB/B-Proc/B-luris - 3 None or not relevant - 0 <i>(Copies of the relevant qualification(s) / certificate(s) required for point scoring purpose)</i> Junior Legal Expert <ul style="list-style-type: none"> Postgraduate: LLM - 5 Undergraduate: LLB/B-Proc/B-luris - 3 		20	

		<ul style="list-style-type: none"> • None or not relevant - 0 <i>(Copies of the relevant qualification(s) / certificate(s) required for point scoring purpose)</i> <p>Relevant Experience for Senior/Junior resource (one person will be scored)</p> <ul style="list-style-type: none"> • 10 or more similar projects - 5 • 5 - 9 similar projects - 4 • Less than 5 similar projects - 2 • None or not relevant – 0 <i>(CVs required with relevant projects experience for point scoring purpose)</i> <p>Successful closing of deals (contract signed for financial or commercial close of the project) for Senior/Junior resource (one person will be scored)</p> <ul style="list-style-type: none"> • 10 or more similar projects - 5 • 5 - 9 similar projects - 4 • Less than 5 similar projects - 2 • None or not relevant – 0 <i>(CVs required with relevant projects experience for point scoring purpose)</i>	5		
3	Technical skills appropriate to project - Skills - Relevant experiences	Skills (Qualifications): Project dependent (Copies of the relevant qualification(s) / certificate(s) required for point scoring purpose) <p>Civil/Structural Engineer</p> <ul style="list-style-type: none"> • Pr.Eng/Honours – 2 • B.Eng/Nat Dipl – 1 <p>Mechanical Engineer</p> <ul style="list-style-type: none"> • Pr.Eng/Honours – 2 • B.Eng/Nat Dipl – 1 <p>Electrical Engineer</p> <ul style="list-style-type: none"> • Pr.Eng/Honours – 2 • B.Eng/Nat Dipl – 1 <p>Health and Safety Specialist</p> <ul style="list-style-type: none"> • Pr.Eng/Honours – 1 • B.Eng/Nat Dipl – 0 	15	25	

		<p>ICT Specialist – Senior Network Specialist</p> <ul style="list-style-type: none"> Degree in IT with relevant skills i.e., CCIE / HCIE or equivalent -2 Diploma IT with CCIE / HCIE - 1 <p>Senior Business Analyst</p> <ul style="list-style-type: none"> Post-graduate qualification in IT/Business Science or relevant.- 2 Degree or diploma in IT/Business Science or relevant -1 <p>Marketing Specialist</p> <ul style="list-style-type: none"> Post-graduate qualification in Marketing - 2 Degree or diploma in Marketing - 1 <p>e-Commerce Specialist</p> <ul style="list-style-type: none"> Post-graduate qualification in IT/e-Commerce or relevant. - 2 Degree or diploma in IT/e-Commerce - 1 <p>Relevant Experience similar to the ToR (For the Civil/Structural and IT Specialist:</p> <ul style="list-style-type: none"> 5 or more similar projects – 2 Less than 5 similar projects – 0 <p>The maximum score of two points is allocated to each of the civil/structural engineer and IT specialists where there is a demonstration of experience in 5 or more similar projects in each field of expertise. In each of the two fields of expertise, 0 points will be allocated for less than 5 projects.</p> <p>Relevant Experience similar to the ToR (For the remaining 6 experts) :</p> <ul style="list-style-type: none"> 5 or more similar projects – 1 Less than 5 similar projects – 0 <p>The remaining technical experts will be allocated with maximum of one point for the project experience of 5 or more similar projects and 0 for less than 5 projects.</p> <p>(CV's required with relevant project experience for scoring purposes)</p>	4		
			6		

4	<p>Company / Consortium Project Related Experience</p> <p><i>(Note: No points will be awarded if the reference letter does not correspond to the terms of reference and not signed by the respective project owner/sponsor)</i></p>	<p>Reference letters signed by the respective project owner/sponsor for work similar to the terms of reference with guided detailed description/information and provide references for all the ongoing or completed projects similar to the terms of reference including client name, project size, completed date, client contact references and work descriptions.</p> <p>Project structuring, project finance and value assessment including financial modelling (relevant experience and track record)</p> <ul style="list-style-type: none"> 5 projects from the signed reference letters for similar projects as per terms of reference (One (1) point per project) <p>PPP and Non-PPP procurement and structuring of ICT Broadband projects (relevant experience and track record)</p> <ul style="list-style-type: none"> 5 projects from the signed reference letters for similar projects as per terms of reference (One (1) point per project) <p>Technical completion of the projects (relevant experience and track record)</p> <ul style="list-style-type: none"> 10 projects from the signed reference letters for similar projects as per terms of reference (One (1) point per project) <p>Broadband Network support and maintenance management experience (relevant experience and track record)</p> <ul style="list-style-type: none"> 5 projects from the signed reference letters for similar projects as per terms of reference (One (1) point per project) 	<p>5</p> <p>5</p> <p>10</p> <p>5</p>	25	
5	<p>Project approach and methodology considering:</p> <ul style="list-style-type: none"> - Rationale and Approach to assignment in various project phases - Proposed framework of the required deliverables - Identified risk with 	<ul style="list-style-type: none"> • Excellent: Important issues addressed in innovative way – state of the art approach - details ways of improvement and cover all 3 listed requirements – 5 • Good: Approach specifically tailored to address project objectives and flexible to accommodate changes but covers only 2 listed requirements – 3 	5	5	

	<i>mitigation and skills transfer</i>	<ul style="list-style-type: none"> • Average: Approach generically tailored to address project objectives - fail to deal with critical characteristic and only covers 1 of the listed requirements - 1 • Poor: Unlikely to satisfy project objectives - misunderstood scope of work and fail to deal with critical characteristics, none of the listed requirements are covered - 0 			
6	Quality of proposed work plan, project team and timetable for the project considering: <ul style="list-style-type: none"> - <i>Proposed project/work plan with clearly defined tasks, activities, deliverables, allocated resources and corresponding timelines</i> - <i>Proposed project organisational charts / organogram of the project team linking to assignment of roles to tasks and deliverables.</i> - <i>Lead transaction advisor's availability for the work</i> 	<ul style="list-style-type: none"> • Excellent: Decision points and sequencing of time of activities are well defined - work plan permits flexibility and cover all 3 aspects of requirements – 5 • Good: Work plan fits approach – all activities indicated - timing and sequencing of resources is appropriate and consistent with project objectives but only covers 2 of the listed requirements - 3 • Average: Only some activities detailed – some inconsistencies between timing, project deliverables, resource allocation and approach but only covers 1 of the listed requirements – 1 • Poor: Omits important tasks and timing, activities, resources allocation is not in correlation with project deliverables, none of the listed requirements are covered - 0 	5	5	
TOTAL				100	
Minimum Threshold score				75	

NOTE: Please indicate references from the respective sections and annexures of the submitted proposal to support the scoring criteria shown above.



GAUTENG PROVINCE
PROVINCIAL TREASURY
REPUBLIC OF SOUTH AFRICA

Provincial Supply Chain Management

Registered Supplier Confirmation

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THIS FORM IS TO BE COMPLETED BY REGISTERED SUPPLIERS ONLY

PLEASE NOTE:

SUPPLIERS ARE REQUIRED TO PROVIDE THEIR REGISTERED CENTRAL SUPPLIER DATABASE (CSD) NUMBER _____

For confirmation of your supplier number and/or any assistance please call the GPT Call Centre on **0860 011 000**.

Registered Suppliers to ensure that all details completed below are CURRENT.

MANDATORY SUPPLIER DETAILS			
GPT Supplier number			
Company name (Legal & Trade as)			
Company registration No.			
Tax Number			
VAT number (If applicable)			
COIDA certificate No.			
UIF reference No.			
Street Address		Postal Address	
CONTACT DETAILS			
Contact Person		Telephone Number	
Fax Number		Cell Number	
e-mail address		Principal's Id number	
BANKING DETAILS (in the name of the Company)			
Bank Name		Branch Code	
Account Number		Type of Account	

I HEREBY CERTIFY THAT THIS INFORMATION IS CORRECT.

Name(s) & Signature(s) of Bidder(s)

DATE:



GAUTENG PROVINCE
PROVINCIAL TREASURY
REPUBLIC OF SOUTH AFRICA

Provincial Supply Chain Management

Tax Clearance Requirements

Page 1 of 1

IT IS A CONDITION OF BIDDING THAT -

- 1.1 The taxes of the successful bidder **must** be in order, or that satisfactory arrangements have been made with the South African Revenue Service to meet his / her tax obligations.
- 1.2 The South African Revenue Service (SARS) from the 18 April 2016 has introduced an enhanced Tax Compliance Status System, whereby taxpayers will obtain their Tax Compliance Status (TCS) PIN instead of original Tax Clearance Certificate hard copies.
- 1.3 Bidders are required to submit their unique Personal Identification Number (PIN) issued by SARS to enable the organ of state to view the taxpayer's profile and Tax Status.
- 1.4 Application for Tax Compliance Status (TCS) or PIN may also be made via e-filing. In order to use this provision, taxpayers will need to register with SARS as e-filers through the website www.sars.gov.za.
- 1.5 In bids where Consortia / Joint Ventures / Sub-contractors are involved each party must submit a separate Tax Compliance Status (TCS) / PIN / CSD Number.
- 1.6 Where no TCS is available but the bidder is registered on the Central Supplier Database (CSD), a CSD Number must be provided.

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- | | | | | | |
|-----|---|-----|--------------------------|----|--------------------------|
| 2.1 | Is the bidder a resident of the Republic of South Africa (RSA)? | YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
| 2.2 | Does the bidder have a branch in RSA? | YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
| 2.3 | Does the bidder have a permanent establishment in the RSA? | YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |
| 2.4 | Does the bidder have any source of income in the RSA? | YES | <input type="checkbox"/> | NO | <input type="checkbox"/> |

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS/TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER ABOVE 1.4 ABOVE.



Provincial Supply Chain Management

Financial Statements

Page 1 of 1

Submission of Financial Statements

The latest financial statements for the last two years are required (except if it is a new or a dormant entity)

- a) Financial statements must be signed by the auditor (in the case of companies) or the accounting officer (in the case of close corporations) the owner (in case of sole proprietors). Signatures must be on the accounting officer's / auditors report on the auditor's /accounting officer's letterhead.
- b) Financial statements must be signed by the member/s (in the case of close corporations) or by the director/s (in the case of companies.)
- c) In bids where consortia/joint ventures/sub-contractors and partnerships are involved, all bidders must submit their financial statements.
- d) If it is a new or dormant entity an opening set of financial statements must be submitted with the tender document. A letter from the auditor (in the case of companies) or the accounting officer (in the case of close corporations) stating that the entity has not yet traded must be attached.
- e) In cases where an entity has operated for a period less than a year the Management Accounts Report for the period in operation must be submitted signed accordingly as stated in paragraph (a) and (b) of this document.
- f) In cases where the entity has operated for a period more than a year but less than two years, then the financial statement for the first year of operation signed accordingly as per paragraph (a) and (b) of this document must be submitted.

Annexure A**GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010****NOTES**

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

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

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

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

security

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

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

may have against the supplier under the contract.

16. Payment

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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

Js General Conditions of Contract (revised July 2010)