



employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA



REQUEST FOR PROPOSALS FOR THE APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE RECORDS OFF-SITE STORAGE TO THE UNEMPLOYMENT INSURANCE FUND FOR A PERIOD OF THIRTY-SIX (36) MONTHS

TENDER NUMBER : UIF 2/2022

DATE ISSUED : 31 August 2022

CLOSING DATE AND TIME : 22 September 2022 at 11h00

BID VALIDITY PERIOD : 180 Calendar days

TENDER BOX ADDRESS : Unemployment Insurance Fund
ABSA TOWERS
Ground Floor
230 Lillian Ngoyi Street
Pretoria
0002

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TENDER BRIEFING SESSION : Refer to paragraph 4 on page 4

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WORKING FOR YOU

A BID PROCEDURES AND APPLICABLE LEGISLATION

1. INTRODUCTION

The Unemployment Insurance Fund (UIF) is a schedule 3A public entity in terms of the Public Finance Management Act (PFMA), Act 1 of 1999. The supreme mandate of the Unemployment Insurance Fund (UIF) is derived from section 27(1) (c) of the Constitution of the Republic of South Africa. The Unemployment Insurance Fund provides social security to its contributors in line with section 27(1) (c) which states that “everyone has the right to social security”.

The mandate of the Unemployment Insurance Fund is stated in the Unemployment Insurance Act, No 63 of 2001 (as amended). The Unemployment Insurance Fund was established in terms of section 4(1) of the Unemployment Insurance Act. The Act empowers the Unemployment Insurance Fund to register all employers and employees in South Africa and pay those who qualify for unemployment insurance benefits.

2. PURPOSE OF THIS REQUEST FOR PROPOSALS (RFP)

The purpose of this Request for Proposal (RFP) is to solicit proposals from potential bidders to provide for a service provider to render records off-site storage facilities to the Unemployment Insurance Fund for a period of thirty-six (36) months.

The Fund will appoint a company that has storage facilities nationwide and that specialises in document storage. This document details and incorporates, as far as possible, the tasks and responsibilities that will be required by the Unemployment Insurance Fund for the provisioning of the required off-site storage facilities. This RFP does not constitute an offer to do business with the Unemployment Insurance Fund, but merely serves as an invitation to bidder(s) to facilitate a requirements-based decision process.

3. LEGISLATIVE FRAMEWORK OF THE BID

3.1 Tax Legislation

In terms of Preferential Procurement Regulations (2017), no tender may be awarded to any bidder whose Tax matters have not been declared by the South African Revenue Services (SARS) to be in order. Therefore, bidders must provide the Fund with the tax compliance PIN or the MAAA number obtainable when registering on the CSD. This is required in order for the Fund to verify the tax status of a bidder as part of the tender proposal, in order for the Fund to verify compliance to the Unemployment Insurance Act (UIA). The bidder must also ensure that all sub-contractors (if applicable) are tax compliant.

It must be noted that bidders must not only be compliant when submitting a proposal to the Unemployment Insurance Fund but must remain compliant for the entire contract term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991).

3.2 Unemployment Insurance Act, 63 of 2001 (as amended)

The mandate of the Unemployment Insurance Fund is stated in the UIA. The UIF was established in terms of section 4(1) of the UIA No 63 of 2001 (as amended). The Act empowers the UIF to register all employers and employees in South Africa and pay those who qualify for unemployment insurance benefits.

3.3 Procurement Legislation

The Unemployment Insurance Fund has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act, No. 1 of 1999), the Preferential Procurement Policy Framework Act 2000 (Act, No.5 of 2000) and the Broad-Based Black Economic Empowerment Act, 2003 (Act, No. 53 of 2003) and the Unemployment Insurance Fund Act.

3.4 Technical Legislation and/or Standards

Bidder(s) should be cognisant of the legislation and/or standards specifically applicable to the required services.

4. BRIEFING SESSION

A virtual briefing- and clarification session will be held 13 September 2022 at 10:00am via the Microsoft Teams platform to clarify to bidder(s) the scope and extent of work to be executed by the bidder. **Attendance is optional but highly recommended.** Bidders who wish to attend the session should provide their email addresses to UIFTenders@labour.gov.za . A link to the virtual session will be provided to all bidders who provided their email addresses before 12 September 2022 at 4:00pm.

5. CLARIFICATION QUERIES

Bidders may raise any clarification queries and forward these via email to UIFTenders@labour.gov.za. The final date and time for receipt of clarification queries is 19 September 2022, at 15:00.

The UIF undertakes to respond to all queries duly received by 21 September 2022, at 17h00. All clarification queries received and responses provided will be uploaded on the National Treasury E-Tender Portal, the Government Tender Bulletin (if available) and the Department of Labour and Employment (DEL) website up to three (3) working days before the closing of the bid, unless there is a compulsory tender briefing session.

6. TIMELINE OF THE BID PROCESS

The period of validity of the tender and the withdrawal of offers, after the closing date and time is Hundred and Eighty (180) calendar days commencing from the tender closing date. Should it under exceptional circumstances be necessary to extend the validity period, bidders will be requested well in advance to approve such extension. Non-responsiveness by bidders before the validity expiry date might negatively impact the award of the tender.

The project timeframes of this bid are set out below:

Table 1

Activity	Due Date
Advertisement of bid on National Treasury's E-tender portal, <u>the Government Tender Bulletin (if available) and the DEL website:</u>	31 August 2022
Briefing session, if applicable:	13 September 2022
Closing date for questions from prospective bidders relating the Bid:	19 September 2022
Bid/Tender closing date:	22 September 2022

Prospective bidders must also take note of the following:

- 6.1** All dates and times in this bid document are South African standard times.
- 6.2** Any time or date in this bid is subject to change at the Unemployment Insurance Fund's discretion.
- 6.3** The establishment of a time or date in this bid does not create an obligation on the part of the Unemployment Insurance Fund to take any action, or create any right in any way for any bidder to demand that any action is taken on the date established.
- 6.4** The bidder accepts that, if the Unemployment Insurance Fund extends the deadline for the submission of bids (the Closing Date) for any reason, the requirements of this bid will apply equally to the extended deadline.

7. CONTACT AND COMMUNICATION

- 7.1** Bidder(s) can make enquiries in writing: e-mail **UIFTenders@labour.gov.za** regarding this bid.
- 7.2** The delegated office of the Unemployment Insurance Fund may communicate with bidders where clarity is sought regarding the bidding process or the specifications as set out in this document, provided that such communication takes place prior to the closing date of the bid.

- 7.3** Bidders must note that communication with an official or a person acting in an advisory capacity for the Unemployment Insurance Fund in respect of the bid is discouraged between the closing date and the award of the bid.
- 7.4** Communication during this stage of the bid process can only take place between officials from the Fund and bidders in writing.
- 7.5** Whilst all due care has been taken in connection with the preparation of this bid, the Fund makes no representations or warranties that the content of the bid or any information communicated to or provided to Bidder(s) during the bidding process is, or will be, accurate, current or complete. The Unemployment Insurance Fund, and its employees and advisors will not be liable with respect to any information communicated that may not be accurate, current or complete.
- 7.6** If bidders find or reasonably believe they have found any discrepancy, ambiguity, error or inconsistency in this bid or any other information provided by the Unemployment Insurance Fund (other than minor clerical/administrative matters), such bidders must promptly notify the Fund in writing of such discrepancy, ambiguity, error or inconsistency in order to afford the Fund an opportunity to consider what corrective action is necessary (if any).
- 7.7** Any actual discrepancy, ambiguity, error or inconsistency in the bid or any other information provided by the Unemployment Insurance Fund will, if possible, be corrected and provided to all bidders without attribution to the bidders who provided the written notice.
- 7.8** All persons (including bidders obtaining or receiving the bid and any other information in connection with the bid or the tendering process) must keep the contents of the bid and other such information confidential, and not disclose or use the information except as required for the purpose of developing a tender proposal in response to this bid.

8. LATE BIDS

Bids received after the closing date and time, at the address indicated in the bid document, will not be accepted for consideration and where practical, be returned unopened to the bidder(s). In terms of the Fund's policies, the closing time for all tenders is 11h00. Telkom's 1026 number is used to determine the accuracy of the closing time.

9. COUNTER CONDITIONS

Bidders' attention is drawn to the fact that amendments to any of the bid conditions or setting of counter conditions by Bidders or qualifying any bid conditions may result in the invalidation of such bids.

10. FRONTING

- 10.1** Government supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background, the Government condemn any form of fronting.
- 10.2** Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry, be established the onus would be on the bidder/contractor to prove that fronting does not exist. Failure to do so within a period of fourteen (14) working days from the date of notification may invalidate the bid/contract and may also result in the restriction of the bidder/contractor to conduct business with the public sector for a period not exceeding ten (10) years. This is in addition to any other remedies the Unemployment Insurance Fund may have against the bidder/contractor concerned.

11. SUPPLIER DUE DILIGENCE

The Unemployment Insurance Fund reserves the right to conduct supplier due diligence prior to the final award or at any time during the contracting period. In terms of Public Finance Management Act (PFM) Instruction Note 03 of 2021/2022, the Fund must, amongst other requirements, ensure that a due diligence process is conducted to determine whether a bidder has the capability and ability to execute the contract. In order to give effect to this legislative requirement, the Fund may choose to conduct site visits and/or perform risk profile analysis and/or undertake financial viability exercises. Contractual arrangement may include the results of the due diligence audit.

12. SUBMISSION OF PROPOSALS

Bidders must take note of the following regarding the submission of proposals/bids:

- 12.1 Bid documents must be placed in the tender box at the aforesaid address on or prior to the closing date and time of the bid as indicated in this document. The responsibility to submit proposals before the bid closure date and time rests with the bidder. Bidders are therefore encouraged to ensure the method of delivery that they use for their respective bids will result in a timeous proposal submission in the UIF tender box;
- 12.2 Bid documents will only be considered if received by the Unemployment Insurance Fund and placed in the tender box prior to the closing date and time;
- 12.3 Bidders must complete and sign the bid register when placing a bid in the tender box;
- 12.4 The bidder(s) are required to submit three (3) proposals: two (2) copies and one (1) original proposal by the closing date. Each file must clearly indicate whether it is the original or a copy and sealed separately for ease of reference during the evaluation process. **The bidders must ensure that original proposals are complete and that copies are exact replicas of the original.**
- 12.5 Files must clearly indicate the bidder's company name and details on each file cover.
- 12.6 Bidders are requested to initial each page of the tender document on the bottom right hand corner. **All mistakes made within the bid proposal should also be initialled. In addition, all pages in the bid submission tender document should be numbered.**
- 12.7 For ease of reference during the evaluation process, **it is of utmost importance that bidders compile their proposals in the format as specified in Table 2 below:**

Table 2

File Content
Section 1: Documents listed in Table 4, except for the pricing and B-BBEE documentation listed in Section 2 below.

<p>Section 2:</p> <ul style="list-style-type: none"> • SBD 3.1 form (Annexure D) • B-BBEE Certificate or Affidavit
<p>Section 3:</p> <ul style="list-style-type: none"> • Company Profile • Supplementary information such as Joint Venture Agreement(s) (if applicable); Sub-contracting Agreement(s) (if applicable); etc.
<p>Section 4:</p> <p>Financial information as listed in paragraph 17.5</p>
<p>Section 5:</p> <ul style="list-style-type: none"> • Mandatory documents listed under PART B -Technical Specification and Scope of Work. • Response to functionality criteria as indicated in Annexures A and B
<p>Section 6:</p> <p>All other documents</p>

13. DURATION OF THE CONTRACT

The successful bidder will be appointed for a maximum period of thirty-six (36) months.

14. VETTING OF SERVICE PROVIDERS

The successful bidder(s) will be security screened (vetted) prior to the commencement of the contract. Therefore, bidders must include copies of the Identity Documents (ID) of the persons who own, manage and control the company.

Bidders will be evaluated in line with the Department of Employment and Labour (DoEL) / UIF policies.

15. SUB-CONTRACTORS / PARTNERSHIPS / JOINT VENTURES

Details of sub-contractors, partnerships and joint ventures should be provided as part of the bid proposal, if applicable. Relevant documentation relating to the above-mentioned should be included in the tender proposal.

Main contractors / suppliers are discouraged from subcontracting with their subsidiary companies as this may be interpreted as subcontracting with themselves and / or using their subsidiaries for fronting. Where primary contractor subcontracts with a subsidiary this must be declared in tender documents.

In addition, compliance in terms of all legislation as set out in this document is also applicable to any sub-contracting partnership and joint venture company.

Refer to the checklist under paragraph 35 for requirements of sub-contractors, should a bidder decide to engage sub-contractors to assist with goods and services to be delivered under this bid.

Bidders should submit concrete proof of the existence of joint ventures/consortium/sub-contracting arrangements. The fund will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement including sub-contracting.

The joint venture and/or consortium agreements should clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement should also clearly identify the Lead Partner, with the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.

16. LOCAL CONTENT

Bidders are requested to promote local content as far as possible.

17. EVALUATION AND SELECTION CRITERIA

17.1 MINIMUM STANDARDS

The Fund has set minimum standards (Phases) that a bidder needs to meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

Table 3

Phase 1	Phase 2	Phase 3
Primary review of mandatory and other bid requirements	Technical Compliance	Price and B-BBEE
Bidders must submit the documents as outlined in paragraph 17.2 (Table 4) below. Only bidders that comply with these requirements will be evaluated in Phase 2.	Bidder(s) are required to achieve a minimum of 70 points out of 100 points for the technical evaluation criteria in order to proceed to Phase 3 (Price and B-BBEE).	Bidder(s) will be evaluated in terms of Regulation 6 of the 2017 Preferential Procurement Regulations. (Refer to paragraph 17.4 of this bid document for the detail.)

17.2 PHASE 1 – PRIMARY REVIEW OF MANDATORY AND OTHER BID DOCUMENTS

Without limiting the generality of the Fund's other critical requirements for this Bid, bidder(s) **must** submit the documents listed in **Table 4** below.

All documents must be completed and signed by the duly authorised representative of the prospective bidder(s). During this phase, bidder responses will be reviewed to establish compliance with the listed administration and mandatory bid requirements.

Table 4

Bidders must submit all documents and information as per the table below. In order to avoid disqualification, it is imperative that bidders **MUST** familiarise themselves with the notes at the bottom of the table.

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Documents that must be submitted	Non-submission will result in disqualification	
Invitation to Bid – SBD 1 (Annexure C)	**Yes	Complete and sign the supplied pro forma document
<ul style="list-style-type: none"> SBD 3.1 Pricing schedule (Annexure D) 	*Yes	Bidders should Indicate the total tender price (inclusive of all applicable taxes) for the duration of the contract period on the SBD 3.1
Declaration of Interest – SBD 4 (Annexure E)	**Yes	Complete and sign the supplied pro forma document.
Preference Point Claim Form – SBD 6.1 (Annexure F)	**Yes	Complete and sign the supplied pro forma document. Bidders who wish to sub-contract in terms of paragraphs 15 and 17.4(b) of this bid must indicate the percentage sub-contracted on the SBD 6.1 and include all the sub-contracting requirements as outlined in paragraphs 15, 17.4(b) and 35 in the proposal.
Registration on Central Supplier Database (CSD)	**Yes	<p>The bidders must be registered as service providers on the Central Supplier Database (CSD). Bidders who are not registered must proceed to complete the registration of your company prior to submitting your proposal.</p> <p>Visit https://secure.csd.gov.za/ to obtain your vendor number.</p> <p>The proof is the registration certificate received from the CSD indicating the unique vendor number issued.</p>

Documents that must be submitted	Non-submission will result in disqualification	
Tax Compliance Status PIN	***No	Bidders must provide a tax compliance status PIN or the MAAA number obtainable when registering on the CSD in order for the Fund to verify the tax status of all bidders who submitted proposals.
<p><u>Important note:</u></p> <p><i>*The SBD 3.1 - Pricing Schedule (Annexure D) The total price as per SBD 3.1 (Annexure D) will be considered by the Fund as the “price” for this tender and will be utilized in order to calculate points for Price and B-BBEE. Non-submission of a SBD 3.1, or a SBD 3.1 without a total bid price in the bid proposal, will lead to <u>immediate disqualification</u>.</i></p> <p><i>**Non-submission or incomplete or unsigned SBD forms <u>at submission stage</u> will lead to disqualification.</i></p> <p><i>***Failure by a bidder to be tax compliant at the <u>award stage</u> or have written proof from SARS to verify their tax compliance status, or the arrangement the bidder has made with SARS to meet outstanding tax obligations, will lead to disqualification.</i></p>		
<p><u>ADDITIONAL BID SPECIFIC MANDATORY DOCUMENT REQUIREMENTS ARE LISTED UNDER PART B – TECHNICAL SPECIFICATION AND SCOPE OF WORK OF THIS BID DOCUMENT AND NON-SUBMISSION OF THESE DOCUMENTS WILL LEAD TO IMMEDIATE DISQUALIFICATION.</u></p>		

17.3 PHASE 2 - TECHNICAL/FUNCTIONAL COMPLIANCE

All bidders are required to respond to the technical evaluation criteria scorecard (refer to **Annexure A and B** and primary criteria checklist (refer to Table 4).

Only Bidders that have met the Primary Criteria in **Phase 1** will be evaluated in **Phase 2** for functionality. Functionality will be evaluated in **Phase 2** as follows:

Bidders will be evaluated out of 100 points in respect of their expertise in the relevant field. Any bidder that scores less than 70 points out of 100 on functionality shall not be considered for **Phase 3** of the evaluation process.

Refer to Annexure B for the detailed scoring guideline on the applicable evaluation criteria that will apply.

17.4 PHASE 3 - PRICE AND B-BBEE EVALUATION (80/20)

Only Bidders that have met the 70-point threshold in **Phase 2** will be evaluated in **Phase 3** for Price and B-BBEE. Price and B-BBEE will be evaluated as outlined in the paragraphs below.

It is not foreseen that the value of this bid will exceed R50 million. Therefore, in terms of regulation 6 of the Preferential Procurement Regulations pertaining to the Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000), responsive bids will be adjudicated on the 80/20-preference point system in terms of which points are awarded to bidders on the basis of:

Price: 80

Bidders must ensure that a comprehensive and relatively competitive bid price inclusive of VAT and all other related costs are submitted in terms of the price/rates proposal. The quoted price must be for the full duration of the contract period.

Bidders MUST also complete the enclosed 3.1 – Pricing Schedule (Annexure D) that forms part of the tender pack provided to all bidders.

B-BBEE Contribution Status Level: 20

Bidders will score a minimum of 0 (zero) points and a maximum of 20 (twenty) points, depending on their level of B-BBEE contribution status.

- The bid price (maximum 80 points)
- B-BBEE status level of contributor (maximum 20 points)

Stage 1 – Price Evaluation (80 Points)

The following formula will be used to calculate the points for price:

Where:

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

Stage 2 – B-BBEE Evaluation (20 Points)

B-BBEE Points allocation

A maximum of 20 points may be allocated to a bidder for attaining their B-BBEE status level of contributor in accordance with the table below:

Table 5

B-BBEE Status Level of Contributor	80/20 Number of Points
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

However, if it becomes unclear during the course of the bidding process which preference point system will be applicable, then either the 80/20 or the 90/10 preference point system will apply, based on the lowest acceptable bid which will determine the applicable preference point system that will be used.

B-BBEE points will be allocated to bidders on submission of the following documentation or evidence:

- A duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1); and
- An original or valid B-BBEE Certificate or a certified copy thereof issued by a verification agency accredited by SANAS or an affidavit if applicable whichever is applicable to the bidder (refer to Table 6 below for more detail).
- Bidders must note that a B-BBEE compliance certificate or affidavit must be included as part of the proposal in order to claim B-BBEE points.

The checklist below (refer to **Table 6**) indicates the B-BBEE documents that must be submitted for this tender. Failure to submit proof of as required in Table 6 below will result in the bidder scoring zero in terms of B-BBEE preferential procurement provisions. However, such a bidder will not be excluded from the tender process.

Table 6

Classification	Turnover	Submission Requirement
Exempted Micro Enterprise (EME)	Below R10 million p.a.	A sworn affidavit signed by the EME representative and attested by a Commissioner of Oath or a certified copy of B-BBEE Rating Certificate from a SANAS Accredited rating agency.
Qualifying Small Enterprise (QSE)	Between R10 million and R50 million p.a.	A sworn affidavit in relation to Level 1 and 2 QSEs and a certified copy of the B-BBEE Rating Certificate from a SANAS accredited rating agency for all other QSEs above level 1 and 2.
Generic Enterprise (Large Businesses)	Greater than R50 million p.a.	A certified copy of the B-BBEE Rating Certificate from a SANAS Accredited rating agency.
*Visit http://www.thedtic.gov.za/wp-content/uploads/BEE_Affidavit-QSE-Gen to obtain the template of the correct format for the required sworn affidavit.		

(a) Joint Ventures and Consortiums

A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate. The certificate must have been issued by a SANAS accredited verification agency.

A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, if the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is

prepared for every separate bid. These B-BBEE certificates must have been issued by a SANAS accredited verification agency.

(b) Sub-contracting

Bidders / tenderers who want to claim Preference points will have to fully comply with regulation 7(5) and 12(3) of the Preferential Procurement Regulations 2017 with regard to sub-contracting which states that:

"7(5) A tenderer may not be awarded points for B-BBEE status level of contributor if the tender documents indicate that the tenderer intends subcontracting more than 25% of the value of the contract to any other person not qualifying for at least the points that the tenderer qualifies for, unless the intended subcontractor is an EME that has capability to execute the subcontract.

12 (3) A person awarded a contract may not subcontract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level of contributor than the person concerned, unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

Stage 3 (80 + 20 = 100 points)

The Price and B-BBEE points will be consolidated.

17.5 FINANCIAL ANALYSIS

A Financial Analysis will be conducted on the qualifying bidder(s) after the completion of Pricing and B-BBEE evaluation.

As a minimum requirement, the bidder must submit confirmation of its financial soundness to prove that it is a going concern. This could be done through one of the following options:

- (i) audited financial statements signed by the relevant parties; or
- (ii) proven statistics for the last financial year; or
- (iii) other form of documentary evidence to that effect; or
- (iv) through a letter signed by the CEO/ CFO indicating the financial statistics.

The information provided must cover the last full financial year and it must confirm in writing or must prove that the relevant party is a going concern.

In the case of an unincorporated Joint Venture (JV), the separate annual financial statements of all the entities forming part of the JV should be submitted. A copy of the JV legal agreement detailing the percentage ownership of each entity should also be included in the submission. Incorporated JVs must submit financial statements in the name of the incorporated JV entity.

Note should be taken that the successful bidder(s) might be required to submit audited financial statements during the contract period should the Fund deem it necessary to mitigate any risks that may arise during this period.

18. GENERAL CONDITIONS OF CONTRACT

Any award made to a bidder(s) under this bid is conditional, amongst others, upon:

- 18.1** The bidder(s) accepting the terms and conditions contained in the General Conditions of Contract (refer to **Annexure G**) as the minimum terms and conditions upon which the Fund is prepared to enter into a contract with the successful bidder(s);
- 18.2** By submitting a proposal, a bidder accepts the conditions as contained in the General Conditions of Contract (**Annexure G**).

19. CONTRACT PRICE ADJUSTMENT/ANNUAL ESCALATION

Annual escalations should be CPI related as published by Stats SA.

20. SERVICE LEVEL AGREEMENT / CONTRACT

- 20.1** Upon award of the tender, the Fund and the successful bidder(s) will conclude a contract / service level agreement regulating the specific terms and conditions applicable to the goods and/or services being procured by the Fund.
- 20.2** The bid specifications of this bid will form an integral part of the contract / service level agreement tender document and therefore bidders must clearly indicate in their proposals whether the specific goods and/or services offered are according to specification or not.

21. SPECIAL CONDITIONS OF THIS BID

The Fund reserves the right:

- 21.1** not to award or to cancel this tender in terms of Regulation 13(1) of 2017 which provides for cancellation (i) should there be no longer a need for the goods/services; (ii) funds are no longer available to cover the total envisaged expenditure; (iii) no acceptable bid is received; and (iv) there is a material irregularity in the tender process.
- 21.2** to negotiate a market-related price with a bidder in accordance with the provisions of Regulation 9(b) of the Preferential Procurement Regulations, 2017;
- 21.3** to accept part of a tender rather than the whole tender;
- 21.4** to carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid;
- 21.5** to correct any mistakes at any stage of the tender that may have been in the Bid documents or occurred at any stage of the tender process;
- 21.6** to conduct Financial Analysis only on the recommended bidder(s) after completion of the pricing and B-BBEE evaluation stage. In this regard bidders are referred to paragraph 18.5 of this bid which outlines the financial documentation required from bidders.
- 21.7** not to award the tender to the bidder whose financial matters are not in order.
- 21.8** award to multiple bidders to spread the risk.

22. THE FUND REQUIRES BIDDER(S) TO DECLARE

In the Bidder's Technical response, bidder(s) are required to declare the following:

Confirm that the bidder(s) is to –

- 22.1** act honestly, fairly, and with due skill, care and diligence, in the interests of the Fund;
- 22.2** have and employ effectively the resources, procedures and appropriate technological systems and equipment for the proper performance of the services;
- 22.3** act with circumspection and treat the Fund fairly in a situation of conflicting interests;

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- 22.4** comply with all applicable statutory or common law requirements applicable to the conduct of business;
- 22.5** make adequate disclosures of relevant material information including disclosures of actual or potential own interests, in relation to dealings with the Fund;
- 22.6** avoidance of fraudulent and misleading advertising, canvassing and marketing;
- 22.7** conduct their business activities with transparency and consistently uphold the interests and needs of the Fund as a client before any other consideration; and
- 22.8** to ensure that any information acquired by the bidder(s) from the Fund will not be used or disclosed unless the written consent of the client has been obtained to do so.

23. CONFLICT OF INTEREST, CORRUPTION AND FRAUD

The Fund reserves its right to disqualify any bidder who either itself or any of whose members (save for such members who hold a minority interest in the bidder through shares listed on any recognised stock exchange), indirect members (being any person or entity who indirectly holds at least a 15% interest in the bidder other than in the context of shares listed on a recognised stock exchange), directors or members of senior management, whether in respect of the Unemployment Insurance Fund or any other government organ or entity and whether from the Republic of South Africa or otherwise ("Government Entity") -

- 23.1** engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
- 23.2** seeks any assistance, other than assistance officially provided by a Government Entity, from any employee, advisor or other representative of a Government Entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;
- 23.3** makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of the Fund's officers, directors, employees, advisors or other representatives;
- 23.4** makes or offers any gift, gratuity, anything of any value or other inducement, to any Government Entity's officers, directors, employees, advisors or other representatives

in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided to a Government Entity;

- 23.5** accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided to a Government Entity;
- 23.6** pays or agrees to pay to any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services to a Government Entity;
- 23.7** has in the past engaged in any matter referred to above; or
- 23.8** has been found guilty in a court of law on charges of fraud and/or forgery, regardless of whether or not a prison term was imposed and despite such bidder, member or director's name not specifically appearing on the List of Tender Defaulters kept at National Treasury.

Furthermore, a tenderer may be considered to have a conflict of interest with one or more parties in this tendering process, if:

- (a) they have a controlling partner/majority shareholder in common; or
- (b) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about or influence on the tender/proposal of another tenderer, or influence the decisions of the UIF regarding this bidding process.

A Tenderer must not have a conflict of interest. All Tenderers found to have a conflict of interest shall be disqualified.

24. MISREPRESENTATION DURING THE LIFECYCLE OF THE CONTRACT

- 24.1** The bidder should note that the terms of this bid will be incorporated in the proposed contract with the successful bidder by reference, and that the Fund relies upon the bidder's response to this bid as a material representation in making an award to a successful bidder and in concluding an agreement with the bidder.
- 24.2** It follows therefore, that misrepresentations in a bid response / proposal may give rise to service termination and a claim by the Fund against the bidder notwithstanding

the conclusion of the Service Level Agreement between the Fund and the bidder for the provision of the service in question. In the event of a conflict between the bidder's proposal and the Service Level Agreement concluded between the parties, the Service Level Agreement will prevail.

25. PREPARATION COSTS

The bidder will bear all its costs in preparing, submitting and presenting any response or proposal to this bid and all other costs incurred by the bidder throughout the bid process. Furthermore, no statement in this bid will be construed as placing the Fund, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder in the preparation of their response to this bid.

26. INDEMNITY

If a bidder breaches the conditions of this bid and, as a result of that breach the Fund incurs costs or damages (including, without limitation, the cost of any investigations, procedural impairment, repetition of all or part of the bid process and/or enforcement of intellectual property rights or confidentiality obligations), then the bidder indemnifies and holds the Fund harmless from any and all such costs which the Fund may incur and for any damages or losses the Fund may suffer.

27. PRECEDENCE

This document will prevail over any information provided during any briefing session whether oral or written, unless such written information provided, expressly amends this bid document by reference.

28. LIMITATION OF LIABILITY

A bidder participates in this bid process entirely at its own risk and cost. The Fund shall not be liable to compensate a bidder on any grounds whatsoever for any costs incurred or any damages suffered as a result of the bidder's participation in this bid process.

29. TAX COMPLIANCE

No tender shall be awarded to a bidder who is not tax compliant. The Fund reserves the right to withdraw an award made, or cancel a contract concluded with the successful bidder in the event that it is established that such bidder was in fact not tax compliant at the time of the award, or whose verification against the Central Supplier Database (CSD) proves to be non-compliant. It remains the duty of a successful bidder to remain tax compliant for the full duration of the contract.

30. NATIONAL TREASURY - PROHIBITED BIDDERS

No tender shall be awarded to a bidder whose name (or any of its members, directors, partners or trustees) appears on the Register of Tender Defaulters kept by National Treasury, or who have been placed on National Treasury's List of Restricted Suppliers. The Fund reserves the right to withdraw an award, or cancel a contract concluded with a bidder should it be established, at any time, that a bidder has been blacklisted with National Treasury by another government institution.

31. GOVERNING LAW

South African law governs this bid and the bid response process. The bidder agrees to submit to the exclusive jurisdiction of the South African courts in any dispute of any kind that may arise out of or in connection with the subject matter of this bid, the bid itself and all processes associated with the bid.

32. RESPONSIBILITY FOR SUB-CONTRACTORS AND BIDDER'S PERSONNEL

A bidder is responsible for ensuring that its personnel (including agents, officers, directors, employees, advisors and other representatives), its sub-contractors (if any) and personnel of its sub-contractors comply with all terms and conditions of this bid. In the event that the Fund allows a bidder to make use of sub-contractors, such sub-contractors will at all times remain the responsibility of the bidder and the Fund will not under any circumstances be liable for any losses or damages incurred by or caused by such sub-contractors. However, the successful bidder may not change sub-

contracting arrangements for the duration of the contract period without the explicit written approval of the Fund.

33. CONFIDENTIALITY

Except as may be required by operation of law, by a court or by a regulatory authority having appropriate jurisdiction, no information contained in or relating to this bid or a bidder's tender(s) will be disclosed by any bidder or other person not officially involved with the Fund's examination and evaluation of a Tender.

No part of the bid may be distributed, reproduced, stored or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, in whole or in part except for the purpose of preparing a Tender. This bid and any other documents supplied by the Fund remain proprietary to the Fund and must be promptly returned to the Fund upon request together with all copies, electronic versions, excerpts or summaries thereof or work derived there from.

Throughout this bid process and thereafter, bidders must secure the Fund's written approval prior to the release of any information that pertains to (i) the potential work or activities to which this bid relates; or (ii) the process that follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

No confidential information relating to the process of evaluating or adjudicating tenders or appointing a bidder will be disclosed to a bidder or any other person not officially involved with such process.

34. THE FUNDS PROPRIETARY INFORMATION

Bidders must on their bid cover letter make a declaration that they did not have access to any of the Fund's proprietary information or any other matter that may have unfairly placed that bidder in a preferential position in relation to any of the other bidders.

35. PROPOSAL SUBMISSION CHECKLIST



No	Description	To be returned by bidder at bid closure	To be returned by bidder in relation to sub-contractor at closure (if applicable)
1.	One original and two copies prepared for submission on closing date (paragraph 12.4)	Yes	No
2.	Each page of the proposal numbered and initialled <u>as well as changes within pages initialled</u> (paragraphs 12.6)	Yes	No
3.	Contents of the proposal document is according to Table 2 (paragraph 12.7)	Yes	No
4.	Copies of ID's included for vetting (paragraph 14)	Yes	Yes
5.	Financial information as listed in paragraph 17.5	Yes	No
6.	Sworn affidavit or certified copy of B-BBEE rating certificate from a SANAS accredited rating agency (Table 6)	Yes	Yes
7.	SBD 3.1: The total tender price inclusive of VAT for the duration of the contract period MUST be completed	Yes	No

L.N

No	Description	To be returned by bidder at bid closure	To be returned by bidder in relation to sub-contractor at closure (if applicable)
	and submitted as part of the proposal (see Annexures D for detailed pricing requirements)		
8.	Other SBD documents listed in Table 4, Completed and signed pro forma documents submitted for - SBD 1 (<i>Annexure C</i>), SBD 4 (<i>Annexure E</i>) and SBD 6.1 (<i>Annexure F</i>)	SBD 1, SBD 4 and SBD 6.1	SBD1 and SBD 4
9.	TAX Compliance status PIN/Tax clearance certificate (Table 4)	Yes	Yes
10.	Proof of registration on the Central Supplier Database (CSD) (Table 4)	Yes	Yes
11.	Technical mandatory document requirements are listed under Part B – technical specification and scope of work of this bid document	Yes	Yes



PART B – TECHNICAL SPECIFICATION AND SCOPE OF WORK

TECHNICAL MANDATORY REQUIREMENTS

Prospective bidders must include proof of all of the following as part of the proposal. **Failure of which will result in the immediate disqualification of the bid.**

- a. The bidders must have the capacity to deal with large volumes of documentation and should be able to render the required services that are required by the UIF across at least five (5) provinces. **Municipal rates and taxes statements (not older than 3 months) with physical addresses, must be attached and in case of rented facilities where no rates and taxes statements are available in the name of the bidder a copy of lease agreement for the rented facility must be attached as evidence**
- b. Bidders must be accredited by National Archives and Record Services for storage of government documentation of which a proof of accreditation must be attached.
- c. All storage facilities must have 24 hours monitored security. The safety of the surrounding area where the storage site is located must have cameras and electric fencing. The bidder must attach installation certificate of cameras and electric fencing.
- d. The bidder must provide a security registration (with PSIRA) certificate for the company providing security services at each storage facilities.

1. SCOPE OF WORK

1.1 OVERVIEW

The Unemployment Insurance Fund is currently creating/generating paper-based records nationwide. The Fund has identified 20 offices where records are deposited for further processing until they are regarded as inactive records. Once records are inactive, they are stored off-site until they reach their retention periods.

The Fund is currently in contract with the service provider for off-site records storage. The service provider is responsible for ensuring that all records are collected and presented at their various off-site records storages.

The Unemployment Insurance Fund is currently also processing claims electronically that will to a great extent reduces the number of physical documents that needs to be archived. Bidders should take note that quantities of records to be stored will fluctuate.

Note: It should be noted that the monthly on going packing and manual indexing will be the responsibility of 20 offices of the UIF.

1.2 REQUIREMENTS

The prospective bidder is expected to provide comprehensive, secure and reliable off-site storage facilities, including the retrieval of documents comprising of the following:

- 1.2.1 The archiving facilities must be suitable for the purpose and mitigating the risk associated with records storage.
- 1.2.2 Bidders must provide a records management process/method for easy tracking and retrieval of documents,
- 1.2.3 Bidders must provide the retrieval services of stored records from the off-site facilities and delivery to the UIF offices.
- 1.2.4 Bidders must provide storage boxes and relevant tracking labels for the records to be transferred from the twenty (20) offices to the off-site storage facility.
- 1.2.5 The successful bidder will be responsible for the collection and delivery of records, with own transportation.
- 1.2.6 Bidders must be able to verify and confirm all records/boxes on site before loading in a pick-up truck.
- 1.2.7 Successful bidder must be able to retrieve and transport records to the relevant office within the prescribed time frame.
- 1.2.8 The retrieval of documents must be done according to the service provider's generated box numbers and it will be expected that the whole box with its full content, as stored, should be delivered to the required offices unless otherwise indicated upon retrieval.
- 1.2.9 The successful bidder must comply with Protection of Personal Information Act, No 4 of 2013. (POPIA)

1.3 TURN AROUND TIMES FOR DELIVERY AND COLLECTION

- 1.3.1 The retrieval services shall apply to physical/original records, and must be delivered to Provincial\Regional Offices and UIF Head Office within 48 hours upon request.

1.3.2 In case of emergency retrieval and delivery, the turnaround time will be within 12 hours.

1.3.3 The collection of records/boxes must be carried out within 60 hours upon request.

1.4 RECORDS TO BE STORED OFF-SITE

1.4.1 The records will be collected from various Provinces and stored at offsite storages as per Provincial Service provider storage facilities.

1.5 LOCATION:

LIST OF OFFICES AND ADDRESSES

1.	Head Office	Pretoria	Absa Towers, 230 Lillian Ngoyi Street, Pretoria
2.	Eastern Cape	East London	C/O Oxford & Church St., Rennies Bld
3.	Eastern Cape	Gqeberha	VSN Building, Govan Mbeki Ave
4.	Free State	Bloemfontein	43 Charlotte Maxeke Street, Laboria House
5.	Gauteng North	Pretoria	Consillium Building, Skinner Street
6.	Gauteng South	Johannesburg	77 De Korte st.
7.	Gauteng South	Germiston	141 c/o Victoria & Odendaal Streets ABSA Bld
8.	Kwazulu Natal	Durban	Royal Hotel, 267 Anton Lembede Street
9.	Kwazulu Natal	Pietermaritzburg	370 Langalibalele Road (old Market St.)
10.	Limpopo	Polokwane	Boland Bank Bld, 42A Schoeman St.
11.	Mpumalanga	Witbank	C/O Hofmeyer & Beatty Ave
12.	North West	Mmabatho	University Drive, Provident House
13.	Northern Cape	Kimberley	c/o Compound & Pniel Road, Laboria House
14.	Western Cape	Cape Town Provincial office	C/o Long & Riebeeck St. Wesbank Bld
15.		Bellville	Middestad Mall, 1st floor
16.		Cape Town labour centre	Thomas Boydelle Building, 22 Parade Street
17.		Somerset West	117 Main Road
18.		Worcester	Worcester LC. 90A Durban Road Worcester 6849
19.		Vredenburg	Vredenburg LC. 85 Main Road Vergelegen, Vredenburg 7380
20.		George	35 Albert Street

1.6 CLASSIFICATION:

The records generated are classified as confidential as they consist of personal information of employees and employers.

1.7 CONDITION:

The successful bidder will be required to only store records from the commencement of the contract as generated from the twenty (20) offices country wide.

1.8 VOLUMES:

Listed here-under are volumes of the records for all prospective bidders. It is important to note that future volumes might be less due to the implementation of the electronic benefit claiming system (U-filing) that UIF has implemented.

RECORDS VOLUME

CURRENT STATISTICS OF AVAILABLE RECORDS FOR VARIOUS OFFICES.

No	NAME OF THE OFFICE	M2 BOXES	M3 BOXES	TOTAL BOXES
01	UIF HEAD OFFICE	4587	2078	6665
02	MPUMALANGA	2068	384	2452
03	POLOKWANE	2925	-	2925
04	MMABATHO	1324	3	1327
05	KIMBERLY	629	3	632
06	EAST LONDON	1164	-	1164
07	BRAAMFONTEIN	8646	4	8650
08	GERMISTON	1658	3	1661
09	GQEBERHA	2378	-	2378
10	GEORGE	1324	-	1324
11	DURBAN	5993	90	6083
12	PETERMARITZBURG	572	-	572
13	BLOEMFONTEIN	1167	-	1167
14	CAPE TOWN	7321	-	7321
15	BELLVILE			
16	SOMERSET WEST			
17	CT LABOUR CENTRE			

18	PRETORIA (CONCILIUM BUILDING)	1502	1	1503
19.	WORCESTER	0	0	0
20.	VREDENBURG	0	0	0

The quantities indicated below might fluctuates over the next 36 months

1.9 STORAGE OF RECORDS

All records must be stored in a standard archive box and in a warehouse complying with all requirements of National Archives and Records Services.

1.10 CONSUMABLES

Bidders will be required to provide the following consumables:

- a. Standard Archive boxes and lids as prescribed by National Archive and Records Services.
- b. Barcode labels.
- c. Index Books/input forms

1.11 DESTRUCTION OF INFORMATION

1.11.1 The bidder must be able to provide a list of records that qualifies for destruction as identified by the Fund.

1.11.2 The successful bidder will have to provide the Fund with a customized destruction certificate

ANNEXURE A – EVALUATION CRITERIA ON FUNCTIONALITY

FUNCTIONALITY		100 Points
Qualifying proposals will be evaluated in terms of the following:		
1.	1.1 The Bidder must provide the Project Plan with activities in the following areas (Retrieval, Collection, Method of Transport, Delivery, Record Keeping/filing, Tracking, Records Security) outlining how the work will be organised and executed. (14)	20
	1.2 Turnaround time for delivery and collection. (6)	
2	<p><u>Operational Experience</u> (15)</p> <p>2.1. The Bidder must provide operational experience of the company in document storage as evidence by the company profile, the FUND reserves the right to perform due diligence to verify the information provided.</p> <p>2.2. <u>Track Record:</u> (15)</p> <ul style="list-style-type: none"> • The Bidders must attach reference letters indicating the positive performance in records storage rendered by the company to its clients. • The UIF reserves the right to conduct reference check to the clients that the bidder provided the service. • References must be on the letter head of the company, stating the duration of the contract, signed by authorized official and have a contact person including contact numbers 	30
3	<p><u>Operational Managerial experience</u></p> <p>The Bidder must provide curriculum vitae for Lead Operational Manager with relevant experience in the records storage industry.</p>	15
4	<u>Storage facility</u>	35

	<p>The Bidder must have the ability to provide storage facilities in Provinces.</p> <p>➤ Bidders must provide evidence in the form of physical address of the facility (including Municipal rates and tax statements (not older than 3 months) for each of the facilities and in case of a rented facility where no rates and taxes statements are available in the name of the bidder, a copy of lease agreement for the rented facility must be attached as evidence.</p>	
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ANNEXURE B – SCORING GUIDELINE FOR FUNCTIONALITY

SCORING GUIDELINE

1	1.1 The Bidder must provide the Project Plan with activities in the following areas outlining how the work will be organized and executed: <ul style="list-style-type: none"> • Retrieval • Collection • Method of Transport • Delivery • Record Keeping/filing • Tracking • Records Security 	0	07	14
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0 No project plan attached

OR

0 *Project plan attached with activities on how each activity will be executed but it is not indicated how these activities will be organised.*

7 Project plan attached with activities on how each activity will be organised. Each activity covered (as listed above) clearly indicating how it will be **organised**, counts (1) point. Maximum of 7 points.

14 Project plan attached with activities on how each activity will be organised and executed. Each activity, clearly indicating how it will be **organised** and **executed**, counts(2) points. Maximum of 14 points.

1.2 Turnaround time for delivery and collection (06 points)

NB: Non completion of the table below will lead to Zero score (please tick in the applicable column)

Description- Refer to paragraph 1.4 above	Turnaround time	Compliance – each yes counts 2 points and a No count to Zero point	
		Yes	No
Normal retrieval and delivery services	Within 48 hours		
Emergency retrieval and delivery services	Within 12 hours		
Collections	Within 60 hours		

2	<u>2.1 Operational Experience</u> The Bidder must provide operational experience of the company in document storage as evidence by the company profile, the FUND reserves the right to perform due diligence to verify the information provided. Submission of company profile without required information or the non-submission of a company profile will lead to a zero score.	0	05	10	15
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- 0 0-less than 3years experience in the Records storage industry.
- 5 3-less than 6years experience in Records storage industry
- 10 6-less than 9years experience in Records storage industry
- 15 9 and more years' experience in Records storage industry

<u>2.2 Track Record:</u>	0	05	10	15
<ul style="list-style-type: none"> • The Bidders must attach reference letters indicating the positive performance in records storage rendered by the company to its clients. • The UIF reserves the right to conduct reference checks with the client(s) that the bidder provided the service to. • References must be on the letter head of the company, stating the duration of the contract, signed by authorized official and have a contact person including contact numbers 				

- 0 No reference letter attached or incomplete letter.
- 5 1-3 reference letters attached
- 10 4-6 reference letters attached
- 15 7 and more reference letters attached.

3.	<u>Operational Managerial experience</u> The Bidder must provide curriculum vitae for Lead Operational Manager with relevant experience in the records storage industry. CV not attached will amount to Zero point.	0	05	10	15
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- 0 0-less than 3years relevant experience in the Records storage industry.
- 5 3-less than 6years relevant experience in Records storage industry
- 10 6-less than 8years relevant experience in Records storage industry
- 15 8 and more years relevant experience in Records storage industry

4	<u>Storage Facility:</u> The Bidder must have the ability to provide storage facilities in Provinces. ➤ Bidders must provide evidence in the form of physical address of the facility (including Municipal rates and tax statements (not older than 3 months) for each of the facilities and in case of a rented facility where no 36s statements are available in the name of the bidder, a copy of lease agreement for the rented facility must be attached as evidence. No submission of the required proof will amount to a zero score.	15	20	25	35
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- 15 Proof of the availability of the storage facilities in 5 Provinces.
- 20 Proof of the availability of the storage facilities in 6 Provinces.
- 25 Proof of the availability of the storage facilities in 7 Provinces.
- 35 Proof of the availability of the storage facilities in 8 and above Provinces.

LIST OF ANNEXURES ATTACHED TO BID

PART B

Annexure A: Evaluation criteria on functionality

Annexure B: Scoring guideline for functionality

PART C

Annexure C: SBD 1 - Invitation to Bid

Annexure D: SBD 3.1 – Pricing Schedule for Firm Prices

Annexure E: SBD 4 – Bidder's disclosure

Annexure F: SBD 6.1 – B-BBEE in terms of PPR 2017

Annexure G: General Conditions of contract

**PART A
INVITATION TO BID**

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF UIF/ PUBLIC ENTITY)				
BID NUMBER:		CLOSING DATE:		CLOSING TIME:
DESCRIPTION				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)				
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO	
CONTACT PERSON			CONTACT PERSON	
TELEPHONE NUMBER			TELEPHONE NUMBER	
FACSIMILE NUMBER			FACSIMILE NUMBER	
E-MAIL ADDRESS			E-MAIL ADDRESS	
SUPPLIER INFORMATION				
NAME OF BIDDER				
POSTAL ADDRESS				
STREET ADDRESS				
TELEPHONE NUMBER	CODE		NUMBER	
CELLPHONE NUMBER				
FACSIMILE NUMBER	CODE		NUMBER	
E-MAIL ADDRESS				

VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA

B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]	B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX]
	<input type="checkbox"/> Yes <input type="checkbox"/> No		<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]

<p>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</p>	<p><input type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>[IF YES ENCLOSE PROOF]</p>	<p>ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</p>	<p><input type="checkbox"/>Yes <input type="checkbox"/>No</p> <p>[IF YES, ANSWER THE QUESTIONNAIRE BELOW]</p>
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QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?

☐ YES ☐ NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA?

☐ YES ☐ NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

☐ YES ☐ NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?

☐ YES ☐ NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?

☐ YES ☐ NO

IF THE ANSWER IS “NO” TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.

L. M.

**PART B
TERMS AND CONDITIONS FOR BIDDING**

1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED—(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).**

2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:.....

(Proof of authority must be submitted e.g. company resolution)

L.M

PRICING SCHEDULE – FIRM PRICES

(PURCHASES)

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number.....
Closing Time 11:00	Closing date.....

OFFER TO BE VALID FOR 180 DAYS FROM THE CLOSING DATE OF BID.

Annexure D (continued)

PRICE QUOTE TO BE SUBMITTED BY BIDDERS

Category	Item	Quantity	1 ST YEAR			2 ND YEAR			3 RD YEAR			TOTAL PRICE PER ITEM FOR 3 YEARS
		Base line (Current ly stored offsite)	Unit price	Estimated Quantity	Total Cost	Unit price	Estimated Quantity	Total Cost	Unit price	Estimated Quantity	Total Cost	
Consumables	Box base: M2	N/A	R	25 000	R	R	18 000	R	R	10 000	R	R
	Box base	N/A	R	25 000	R	R	18 000	R	R	10 000	R	R
	Lid											
	Box base: M3	N/A	R	2 000	R	R	2 500	R	R	3 000	R	R

Category	Item	Quantity		1 ST YEAR			2 ND YEAR			3 RD YEAR			TOTAL PRICE PER ITEM FOR 3 YEARS
		Base line (Current ly stored offsite)	Unit price	Estimated Quantity	Total Cost	Unit price	Estimated Quantity	Total Cost	Unit price	Estimated Quantity	Total Cost		
	Box base Lid M3	N/A	R	2 000	R	R	2 500	R	R	3 000	R	R	
	Barcode	N/A	R	27 000	R	R	20 500	R	R	13 000	R	R	
	Labels in duplicate												
Storage	Input sheet form	N/A	R	27 000	R	R	20 500	R	R	13 000	R	R	
	M2 Boxes	43 258	R	68258	R	R	86 258	R	R	99 258	R	R	
	M3 Boxes	2 566	R	4 566	R	R	7 066	R	R	10 066	R	R	

Category	Item	1 ST YEAR				2 ND YEAR				3 RD YEAR				TOTAL PRICE PER ITEM FOR 3 YEARS
		Quantity Base line (Current ly stored offsite)	Unit price	Estimated Quantity	Total Cost	Unit price	Estimated Quantity	Total Cost	Unit price	Estimated Quantity	Total Cost			
Permanent withdrawal	M2 Boxes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	R	99 258	R	R		
	M3 Boxes	N/A	N/A	N/A	N/A	N/A	N/A	N/A	R	10 066	R	R		
	Box registration charges	N/A	R	72 824	R	R	20 500	R	R	13 000	R	R		
	Box Handling fee	N/A	R	72 824	R	R	20 500	R	R	13 000	R	R		

Category	Item	1 ST YEAR				2 ND YEAR				3 RD YEAR				TOTAL PRICE PER ITEM FOR 3 YEARS
		Quantity Base line (Current ly stored offsite)	Unit price	Estimated Quantity	Total Cost	Unit price	Estimated Quantity	Total Cost	Unit price	Estimated Quantity	Total Cost			
Transportation	Delivery and collection on per Kilometer	N/A		15 000 Km	R	R	17 000 Km	R	R	20 000 Km	R	R		
Other Costs (specify)														
TOTAL BID PRICE, INCLUSIVE OF VAT AND ALL APPLICABLE TAXES FOR A PERIOD OF THREE (3) YEARS													R	

Bidders must take note of the following when submitting their price quotes in respect of this tender:

1. All pricing must be inclusive of VAT and all applicable taxes.
2. Annual price escalations should be CPI based.

BIDDER'S DISCLOSURE**1. PURPOSE OF THE FORM**

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

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

2. Bidder's declaration

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

employed by the state?

YES/NO

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

Full Name	Identity Number	Name of State institution

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.

--	--	--

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,

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.

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prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring 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

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PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

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

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

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

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

1.2

- (a) The value of this bid is estimated to exceed/not exceed R50 000 000 (all applicable taxes included) and therefore the **80/20** preference point system shall be applicable; or
- (b) Either the 80/20 or 90/10 preference point system will be applicable to this tender (delete whichever is not *applicable for this tender*).

1.3 Points for this bid shall be awarded for:

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

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

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

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

- 1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) **B-BBEE** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **"B-BBEE status level of contributor"** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **"bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **"Broad-Based Black Economic Empowerment Act"** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **"EME"** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **"functionality"** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **"prices"** includes all applicable taxes less all unconditional discounts;
- (h) **"proof of B-BBEE status level of contributor"** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **"QSE"** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **"rand value"** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

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

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

80/20 or 90/10

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

Pmin = Price of lowest acceptable bid

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

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

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

5. BID DECLARATION

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

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

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

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

7. SUB-CONTRACTING

- 7.1 Will any portion of the contract be sub-contracted?
(*Tick applicable box*)

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

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....%
- ii) The name of the sub-contractor.....
- iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME or QSE
(Tick applicable box)

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

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

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

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....
.....
.....
.....
.....

8.6 COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provider

Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a

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fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES	
1.
2.

.....	
SIGNATURE(S) OF BIDDERS(S)	
DATE:
ADDRESS

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Annexure G - GENERAL CONDITIONS OF CONTRACT

THE NATIONAL TREASURY

Republic of South Africa



**GOVERNMENT PROCUREMENT: GENERAL
CONDITIONS OF CONTRACT**

July 2010

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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

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2. Application
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6. Patent rights
7. Performance security
8. Inspections, tests and analysis
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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

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

10. Delivery and documents

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

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

16. Payment

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

**25. Force
Majeure**

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

**26. Termination
for insolvency**

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

**27. Settlement of
Disputes**

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

**28. Limitation of
liability**

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

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

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

30. Applicable law

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

31. Notices

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

32. Taxes and duties

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.

33. National Industrial Participation (NIP) Programme

- 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.

34 Prohibition of Restrictive practices

- 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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- 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)