

## PART A : INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE ACADEMY OF SCIENCE OF SOUTH AFRICA</b>					
BID NUMBER:	ASSAf/004/2022	CLOSING DATE:	13 March 2022	CLOSING TIME:	23:59 Online
DESCRIPTION	<b>PROVISION OF OUTSOURCED ICT SERVICES TO THE ACADEMY OF SCIENCE OF SOUTH AFRICA (ASSAf) FOR A PERIOD OF FIVE (5) YEARS</b>				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
To : <b>scm@assaf.org.za</b>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	Ms Lebo Makgae		CONTACT PERSON	Ms Susan Veldsman	
TELEPHONE NUMBER	076 306 3513		TELEPHONE NUMBER	082 889 2293	
FACSIMILE NUMBER	086 576 9514		FACSIMILE NUMBER		
E-MAIL ADDRESS	lebo@assaf.org.za		E-MAIL ADDRESS	susan@assaf.org.za	
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER BELOW]
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? <span style="float: right;"><input type="checkbox"/> YES <input type="checkbox"/> NO</span>					

DOES THE ENTITY HAVE A BRANCH IN THE RSA?

☐ YES ☐ NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?

☐ YES ☐ NO

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

☐ YES ☐ NO

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

☐ YES ☐ NO

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

## PART B TERMS AND CONDITIONS FOR BIDDING

### 1. BID SUBMISSION:

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

### 2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE ASSAF 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](http://WWW.SARS.GOV.ZA).
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

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

SIGNATURE OF BIDDER: .....

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

DATE: .....

## CONTENTS

---

1. BACKGROUND ON ACADEMY OF SCIENCE OF SOUTH AFRICA (ASSAf)
2. SERVICE DESCRIPTION
3. TERMS OF REFERENCE
4. MANDATORY REQUIREMENTS
5. EVALUATION CRITERIA
6. SPECIAL CONDITIONS
7. DEADLINE FOR SUBMISSION
8. BRIEFING SESSION
9. COSTING
10. PERIOD OF APPOINTMENT
11. COMMUNICATION
12. FRONTING
13. SUB-CONTRACTING
14. JOINT VENTURES, CONSORTIUMS AND TRUSTS
15. CONFIDENTIALITY

## **1. BACKGROUND ON ASSAf**

1.1 The Academy of Science of South Africa (ASSAf) aspires to be the apex organisation for science and scholarship in South Africa, recognised and connected both nationally and internationally. ASSAf was inaugurated in May 1996. It was formed in response to the need for an Academy of Science consonant with the dawn of democracy in South Africa: activist in its mission of using science and scholarship for the benefit of society, with a mandate encompassing all scholarly disciplines that use an open-minded and evidence-based approach to build knowledge.

1.2 Through its Membership which represents the collective voice of the most active scholars in all fields of scholarly enquiry, ASSAf aims to generate evidence-based solutions to national problems. The benefits that the Academy aspires to bring to South Africa and the wider society is the sustainable provision of a professionally managed organisation that can mobilise the best intellect, expertise and experience which are used to investigate and provide evidence-based scientific solutions to national problems for the benefit of society; the international connectedness at the highest level of knowledge and insight; and facilitation of public understanding of the nature, scope and value of the scientific and technological enterprise.

1.3 ASSAf is a public entity but it is not listed under the Public Finance Management Act (PFMA).

## **2. SERVICE DESCRIPTION**

2.1 The purpose of this bid is to appoint a service provider for Outsourced Information and Communications Technology (ICT) Support Services for ASSAf for a period of five (5) years, creating a simplified, cost-effective and easy to manage ICT environment.

## **3. TERMS OF REFERENCE**

### **3.1 Scope of Work and Deliverables**

Provide IT support for the Academy of Science of South Africa and its employees. Technical support required broadly includes IT help related to hardware and software, upgrades, troubleshooting, network and server monitoring and maintenance, backups, security and general user support and IT environment management. The provider will be responsible to represent the Academy of Science of South Africa as IT liaison for any 3<sup>rd</sup> Party software or hardware within the IT environment.

### **3.2 General Support**

3.2.1 Provide a fully functional support desk, with unlimited virtual (remote) support (telephone/email/remote desktop access).

3.2.2 Provide on-site desktop/laptop, printer, server, infrastructure, and other IT related user support, which includes both hardware and software support and upgrades/updates (up to 5 hours per week,). This includes support to around 40 ASSAf employees.

3.2.3 Proactively manage and monitor critical IT systems/IT infrastructure and identify possible risks.

3.2.4 Provide 1<sup>st</sup> level ISP, VoIP, telephone, database, and web hosting support, and escalate/liaise with 3<sup>rd</sup> party vendors when needed to apply fixes. Represent and act on behalf of ASSAf to resolve IT related issues.

3.2.5 Provide support related to all services included as part of Microsoft Office 365 (incl. Outlook).

3.2.6 Act as a point of reference for advice on any IT related matter.

### **3.3 Advanced Technical Support**

3.3.1 Manage, secure, monitor, maintain, upgrade/update, conduct routine tasks and provide support for the IT network (both Internet and Intranet, Wi-Fi) in general.

- 3.3.2 Manage, secure, monitor, maintain, upgrade/update, conduct routine tasks and provide support for Linux/Windows managed servers (self-managed, hosted, and on-site), operating within the following server environment:
  - i. Hyper-V Host running 9 virtual machines
  - ii. 6 physical servers
  - iii. On-site Network-attached Storage (NAS) server
  - iv. Managed/self-managed Xneelo cloud servers
  - v On-site Critical Server HyperV replication and failover in the event of server downtime.
- 3.3.3 Provide support and manage/administer/renew IP addresses, domain names and security certificates.
- 3.3.4 Regularly conduct software upgrades/updates to the most recent stable released versions, for maximum security, on all servers/desktops/laptops/printers. This includes antivirus software - Sophos.
- 3.3.5 Monitor, maintain, regularly test, and quarterly service the UPS, to ensure 100% uptime.
- 3.3.6 Design and implement an industry standard backup and disaster recovery policy and procedure. Create **regular** backups, maintain and monitor backups, and restore all services and content in the event of any disaster.
- 3.3.7 Manage, monitor and support individual device encryption using BitLocker for Windows.
- 3.3.8 Manage and monitor the network firewall using FortiGate.
- 3.3.9 Hardware maintenance i.e. update/upgrade all servers, networks, IT infrastructure when and where required.
- 3.3.10 Manage, plan and implement monthly Microsoft Updates and Security patches to ensure all devices are up to date.

#### **3.4 IT Management**

- 3.4.1 Provide guidelines, develop best-practice policies, and keep it up to date.
- 3.4.2 Create and maintain standard operating procedures regarding the network architecture, hardware, software etc
- 3.4.3 Manage and maintain both the hardware and software asset registers and licenses (where applicable).
- 3.4.4 Conduct an independent annual IT environment and security audit and implement mitigation measures.
- 3.4.5 Manage/administer and monitor the ASSAf server room and take responsibility for its general upkeep.
- 3.4.6 Assess and manage IT related risks and provide advise/make recommendations on continuity.

#### **3.5 Service providers should have demonstrable expertise or experience in:**

- 3.5.1 Current web development technology and SQL, Apache, and Linux server administration
- 3.5.2 Office 365 services
- 3.5.3 Microsoft HyperV experience and knowledge
- 3.5.4 Microsoft Windows Server 2012 – 2019 experience
- 3.5.5 Linux Knowledge and experience
- 3.5.6 Domain Hosting and DNS routing knowledge and experience
- 3.5.7 SSL Certificate knowledge
- 3.5.8 Windows Identity Services (Domain Controller and Active Directory) and policy experience
- 3.5.9 Experience in Backup and disaster recovery procedures and various 3<sup>rd</sup> party backup solutions and cloud backup technologies.
- 3.5.10 Service providers should be able to demonstrate that they have the capacity to meet the diverse specifications and tight turnaround times.

### 3.6 ASSAf's current configuration

- 3.6.1 Technical specifications of each server in the server Rack (CPU, RAM, Hard-Drives and RAID configuration, Operating System, date of purchase –**Attached**.
  - 3.6.2 Virtualization tools. --Hyper V
  - 3.6.3 Backup –Cloud solution (in process), and all VM's are backed up
  - 3.6.4 HP NAS Device: Hosting the Virtual HDD's for the VM servers.
  - 3.6.5 Firewall: Physical Fortigate 60D hosted in the server room
  - 3.6.6 Telephony- Cloud storage through external SP
- LIST OF ASSAF SEVERS

### 3.7 Reporting

The appointed ICT service provider shall report to the Director Scholarly Publishing

## 4 MANDATORY REQUIREMENTS

- 4.1 Proposals will be disqualified or excluded under the following conditions:
  - 4.1.1 Submission after the deadline,
  - 4.1.2 Proposals submitted at incorrect location,
  - 4.1.3 Service Providers not registered on the Central Supplier Database ([www.csd.gov.za](http://www.csd.gov.za)),
  - 4.1.4 Service Providers whose tax matters are not in order when applications are considered,
  - 4.1.5 Failure to submit completed and signed Standard Bidding Document (SBD 1 PART A and B, SBD 4, SBD 6.1, SBD 8, and SBD 9),
  - 4.1.6 Provide qualified on/offsite staff (certification to be provided)
  - 4.1.7 The Bidder shall submit their company profile, a clear description of service rendered.
  - 4.1.8 A risk mitigation strategy to ensure continued service delivery.
  - 4.1.10 National footprint of the company.

## 5 EVALUATION CRITERIA

Functionality Criteria	Weights
<b>Company References and Experience:</b> Provide three (3) contactable references that are not older than three years. Reference should be where services of similar nature is being provided. Reference check will be conducted.	Maximum 20 points
3 References provided	20
2 References provided	15
1 References provided	10
No info provided	0
<b>Years of company experience in the industry (Company Profile)</b>	Maximum 20 points
More than 10 years of experience	20
Between 6 to 10 years of experience	15
Between 3 to 6 years of experience	10
Below 3 years of experience	5
No info provided	0
<b>Methodology</b>	Maximum 20points

30 Day Implementation Plan	10
Turnaround on Feedback	10
No info provided	0
<b>Staff Capacity and Capability</b>	Maximum 20 points
Provide qualified on/offsite staff (IT Qualification to be provided)	20
Postgrad	15
Undergrad	10
<b>Quality Management System</b>	Maximum 20 points
Standard Operating Procedure	10
Risk Management	10
Not Provided	0
<b>TOTAL POINTS FOR FUNCTIONALITY</b>	100 Points

EVALUATION CRITERIA		WEIGHT	MAXIMUM
Total weighted score/Maximum possible score		100	
	Minimum qualifying score (expressed as percentage)		70%

B-BBEE status level Contributor		20
Points for Price		80
Maximum Points		100

Each panel member will rate each individual criterion on the score sheet using the following scale:

➤ 1 Poor; 2 - Below Average, 3-Good, 4-Very Good, 5-Excellent

- I. Individual value scores will be multiplied with the specified weighting for the criterion to obtain the marks scored for all elements. These marks will be added and expressed as a fraction of the best possible score for all criteria. This score will be converted to a percentage and only bidders that have met or exceeded the **minimum threshold of 70%** for technicality will be evaluated and scored in terms of pricing and socio-economic goals as indicated hereunder.
- II. Any proposal not meeting a **minimum score of 70%** functionality proposal will be disqualified and the financial proposal will remain unopened.
- III. This score will be converted to a percentage and only bidders that have met or exceeded the **minimum threshold of 70%** for technicality will be evaluated and scored in terms of pricing as indicated hereunder.

#### Price and Preference.

In terms of regulation 5 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 for Broad-Based Black Economic Empowerment in terms of which points are awarded to bidders on the basis of preference points claim in terms of the preferential procurement



regulations 2017.

## 6 SPECIAL CONDITIONS OF THIS BID

ASSAf reserves the right:

- 6.1 To negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s)
- 6.2 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.
- 6.3 To correct any mistakes at any stage of the bid that may have been in the bid documents or occurred at any stage of the bid.
- 6.4 To cancel/or terminate the tender process at any stage, including after the closing date and/or after presentations (if any) have been made, and/or after tenders have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.
- 6.5 ASSAf will furnish the Service Provider with all relevant data and information, which is necessary to perform the services under the agreement.
- 6.6 ASSAf will become the owner of all information, documents, programmes, advice and reports generated and compiled by the Service Provider in the execution of the services.
- 6.7 The copyright of all documents and reports compiled by the service provider will vest in ASSAf and may not be reproduced or distributed or made available in any other way without the written consent of ASSAf.
- 6.8 All information, documents, programmes and reports must be regarded as confidential and may not be made available to any unauthorised person or institution without the written consent of ASSAf.
- 6.9 Should either party fail to carry out any of its obligations in terms of the agreement, then the other party shall be entitled to give the defaulting party notice to comply therewith within a period of fourteen (14) days. Should the other party fail to do so, then the other party may without prejudice to any other rights it may have terminate the agreement without any further notice.
- 6.10 On the termination of the agreement, for whatever reason, all documents, programmes, reports, etc. must be handed to ASSAf. The service provider relinquishes the right or retention thereof.

## 7 DEADLINE FOR SUBMISSION

- 7.1 Proposals should be labelled indicating the Tender reference: ASSAF/004/2022 number and must be submitted at: **SCM@ASSAF.ORG.ZA**
- 7.2 Proposals should be submitted **ONLINE** at the address mentioned above no later than **13 March 2022 at 23:59**
- 7.3 Tender Validity Period **90** days commencing from the RFP closing date.

## 8 BRIEFING SESSION

Non-Compulsory briefing session: **24 February 2022 at 10:00** via ZOOM: <https://assaf-org-za.zoom.us/j/93595402432?pwd=TUt2SmtTZVNxbldYcTkYdUFVZ1BhUT09>  
Meeting ID: 935 9540 2432  
Passcode: 331556

## 9 COSTING

- 9.1 Escalation fees be effected annually on the contract anniversary and in accordance with

the CPI rate.

9.2 Variable costs are incidental costs incurred at ASSAf's request.

9.3 Variable costs may be incurred by service provider after approval by ASSAf's delegated official.

9.4 The cost for this project must cover all activities and deliverables outlined in this term of reference. Budgets presented must be VAT inclusive.

9.5 Quotations must show total per annual as well total for five years.

## **10 PERIOD OF APPOINTMENT**

10.1 The successful bidder will be appointed for a period of 5 years.

## **11. COMMUNICATION**

11.1 ASSAf may communicate with bidders for, among others, where bid clarity is sought, to obtain information or to extend the validity period. Any communication either by facsimile, letter or electronic mail or any other form of correspondence to any representative of the bidders or a person acting in an advisory capacity for ASSAf in respect of this bid between the closing date and the award of the bid by the bidder is prohibited.

## **12 FRONTING**

12.1 ASSAf supports the spirit of broad based black economic empowerment and recognises 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 ASSAf condemns any form of fronting.

12.2 ASSAf, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. 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 during such enquiry/investigation, the onus will be on the bidder/contractor to prove that fronting does not exist. Failure to do so within a period of 14 days from 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 years, in addition to any other remedies ASSAf may have against the bidder/contractor concerned.

## **13 SUB CONTRACTING**

13.1 Bidders/ tenderers who want to claim Preference points will have to comply fully with regulations 11(8) and 11(9) of the PPPFA Act with regard to sub-contracting.

13.2 The following is an extract from the PPPFA Act:

13.3(8) "A person must not be awarded points for B-BBEE status level if it is indicated in the tender documents that such a tenderer intends sub- contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a tenderer qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract."

13.4(9) "A person awarded a contract may not sub-contract 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 than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract."

## **14 JOINT VENTURES, CONSORTIUMS AND TRUSTS**

14.1 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.

- 14.2 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B- BBEE scorecard is prepared for every separate bid.
- 14.3 Bidders must submit concrete proof of the existence of joint ventures and/or consortium arrangements. ASSAf will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.
- 14.4 The joint venture and/or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party.
- 14.5 The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.

## **15 CONFIDENTIALITY**

- 15.1 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 ASSAf's examination and evaluation of a Tender.
- 15.2 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 ASSAf remain proprietary to ASSAf and must be promptly returned to ASSAf upon request together with all copies, electronic versions, excerpts, or summaries thereof or work derived there from.
- 15.3 Throughout this bid process and thereafter, bidder(s) must secure ASSAf's written approval prior to the release of any information that pertains to:
- (a) the potential work or activities to which this bid relates; or
  - (b) the process which follows this bid. Failure to adhere to this requirement may result in disqualification from the bid process and civil action.

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

This preference form must form part of all bids submitted. 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.**

### 12 GENERAL CONDITIONS

- a. The following preference point systems are applicable to all bids:
  - the 80/20 system for requirements with a Rand value of up to R500 000 and above (all applicable taxes included), and
  - the 80/20 preference point system will be applicable to this tender.
- b. Points for this bid shall be awarded for:
  - (a) Price; and
  - (b) B-BBEE Status Level of Contributor.
- c. The maximum points for this bid are allocated as follows:

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

- d. 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.

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

### 13 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 the ASSAf 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:
  - (i) B-BBEE Status level certificate issued by an authorized body or person;
  - (j) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
  - (k) Any other requirement prescribed in terms of the B-BBEE Act;
  - (l) **“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;
- (m) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

#### 14 POINTS AWARDED FOR PRICE

##### a. THE 80/20 PREFERENCE POINT SYSTEMS

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

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

Where

- $P_s$  = Points scored for price of bid under consideration
- $P_t$  = Price of bid under consideration
- $P_{\min}$  = Price of lowest acceptable bid

#### 15 POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- a. 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 (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

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

**17 B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1**

- a. 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.

**18 SUB-CONTRACTING**

- a. Will any portion of the contract be sub-contracted?

(Tick applicable box)

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

- i. 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 last 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		
<b>OR</b>		
Any EME		
Any QSE		

**19 DECLARATION WITH REGARD TO COMPANY/FIRM**

- a. Name of company/firm:.....  
 b. VAT registration number:.....  
 c. Company registration number:.....  
 d. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium  
☐ One person business/sole propriety  
☐ Close corporation  
☐ Company  
☐ (Pty) Limited

[TICK APPLICABLE BOX]

- e. DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....  
 .....

.....  
.....

f. COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

h. 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-BBEE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificates, 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 ASSAf that the claims are correct.
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the ASSAf 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 .....

.....

.....

**20 DECLARATION OF INTEREST (SBD 4)**

Any legal person, including persons employed by the State, or persons having a kinship with persons employed by the State, including a blood relationship, may make an offer or offers in terms of this invitation to Bid (includes an advertised competitive Bid, a limited Bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting Bid, or part thereof, be awarded to persons employed by the State, or to persons connected with or related to them, it is required that the Bidder or his/her authorised representative, declare his/her position in relation to the evaluating/adjudicating authority where:

- The Bidder is employed by the State; and/or
- The legal person on whose behalf the Bidding Document is signed, has a relationship with a person/persons who is/are involved in the evaluation and or adjudication of the Bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and/or adjudication of the Bid.

In order to give effect to the above, the following questionnaire must be completed and submitted with this Bid:

- Full Name of Bidder or his/her representative
- Identity Number:
- Position occupied in the Company/firm (director, trustee, shareholder<sup>2</sup>, member):
- Registration number of the company/firm:
- Tax Reference Number:
- VAT Registration Number:

- The names of all directors/trustees/shareholders/members, their individual identity numbers, tax reference numbers and, if applicable, employee/PERSAL numbers must be indicated in a separate schedule including answering the following questions:

	Schedule attached with the above details for all directors/members/shareholders	Yes	No
--	---	-----	----

- Are you or any person connected with the Bidder presently employed by the state? If so, furnish the following particulars in an attached schedule:

Yes

No

	Name of person/director/trustee/shareholder/member:
--	---



	Name of state institution at which you or the person connected to the Bidder is employed	
	Position occupied in the state institution	
	Any other particulars:	
<ul style="list-style-type: none"> <li>If you are presently employed by the State, did you obtain the appropriate authority to undertake remunerative work outside the employment in the public sector? If Yes, did you attach proof of such authority to the Bid document? If No, furnish reasons for non-submission of such proof as an attached schedule (Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the Bid.)</li> </ul>	Yes	No
<ul style="list-style-type: none"> <li>Did you or your spouse or any of the company's directors/ trustees /shareholders /members or their spouses conduct business with the State in the previous twelve months? If so, furnish particulars as an attached schedule:</li> </ul>	Yes	No
<ul style="list-style-type: none"> <li>Do you, or any person connected with the Bidder, have any relationship (family, friend, other) with a person employed by the State and who may be involved with the evaluation and or adjudication of this Bid? If so, furnish particulars as an attached schedule.</li> </ul>	Yes	No
<ul style="list-style-type: none"> <li>Are you, or any person connected with the Bidder, aware of any relationship (family, friend, other) between any other Bidder and any person employed by the State who may be involved with the evaluation and or adjudication of this Bid? If so, furnish particulars as an attached schedule:</li> </ul>	Yes	No
<ul style="list-style-type: none"> <li>Do you or any of the directors/ trustees/ shareholders/ members of the company have any interest in any other related companies whether or not they are bidding for this contract? If so, furnish particulars as an attached schedule:</li> </ul>	Yes	No

## 21 DECLARATION OF BIDDER'S PAST SCM PRACTICES (SBD 8)

<ul style="list-style-type: none"> <li>Is the Bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? If Yes, furnish particulars as an attached schedule:</li> </ul>	Yes	No
<ul style="list-style-type: none"> <li>Is the Bidder or any of its directors listed on the Register for Tender Defaulters in terms of Section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? If Yes, furnish particulars as an attached schedule:</li> </ul>	Yes	No
<ul style="list-style-type: none"> <li>Was the Bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years? If Yes, furnish particulars as an attached schedule:</li> </ul>	Yes	No
<ul style="list-style-type: none"> <li>Was any contract between the Bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract? If Yes, furnish particulars as an attached schedule:</li> </ul>	Yes	No
<p>The Database of Restricted Suppliers and Register for Tender Defaulters resides on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</p>		

## 22 CERTIFICATE OF INDEPENDENT BID DETERMINATION (SBD 9)

I, the undersigned, in submitting this Bid in response to the invitation for the Bid made by the Academy of Science of South Africa, do hereby make the following statements that I certify to be true and complete in every respect:		
• I have read and I understand the contents of this Certificate;	Yes	No
• I understand that the Bid will be disqualified if this Certificate is found not to be true and complete in every respect;	Yes	No
• I am authorised by the Bidder to sign this Certificate, and to submit the Bid, on behalf of the Bidder;	Yes	No
• Each person whose signature appears on the Bid has been authorised by the Bidder to determine the terms of, and to sign, the Bid on behalf of the Bidder;	Yes	No
<p>For the purposes of this Certificate and the accompanying Bid, I understand that the word "competitor" shall include any individual or organisation, other than the Bidder, whether or not affiliated with the Bidder, who:</p> <ul style="list-style-type: none"> <li>a) Has been requested to submit a Bid in response to this Bid invitation;</li> <li>b) Could potentially submit a Bid in response to this Bid invitation, based on their qualifications, abilities or experience; and</li> <li>c) Provides the same goods and services as the Bidder and/or is in the same line of business as the Bidder</li> </ul>		
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 consortium <sup>3</sup> will not be construed as collusive bidding.		
<p>In particular, without limiting the generality of paragraphs above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:</p> <ul style="list-style-type: none"> <li>a) Prices;</li> <li>b) Geographical area where product or service will be rendered (market allocation);</li> <li>c) Methods, factors or formulas used to calculate prices;</li> <li>d) The intention or decision to submit or not to submit, a Bid;</li> <li>e) The submission of a Bid which does not meet the specifications and conditions of the Bid; or</li> <li>f) Bidding with the intention not to win the Bid.</li> </ul>		
In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity,		

specifications and conditions or delivery particulars of the products or services to which this Bid invitation relates.

The terms of this 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.

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

<sup>3</sup> 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.

## 23 STANDARD BIDDING DOCUMENTS DECLARATION

The following documents are deemed to form and be read and construed as part of this agreement even where integrated in this document:

Declaration of Interest (SBD4)
Preference claims for Broad Based Black Economic Empowerment Status Level of Contribution in terms of the Preferential Procurement Regulations 2011 (SBD6.1)
Declaration of Bidder's past SCM practices (SBD8);
Certificate of Independent Bid Determination (SBD9)
General Conditions of Contract

**The obligation to complete, duly sign and submit these declarations included in this SBD declaration pack cannot be transferred to an external authorised representative, auditor or any other third party acting on behalf of the legal entity.**

I declare that I have had no participation in any collusive practices with any Bidder or any other person regarding this or any other procurement.

I certify that the information furnished in the declarations ( SBD4, SBD5 where applicable, SBD6.1, SBD 6.2 where applicable, SBD8, SBD9) is correct and I accept that ASSAf may reject the bid or act against me should these declarations prove to be false.

I confirm that I am duly authorised to sign this SBD declaration pack.

NAME (PRINT)	
CAPACITY	
SIGNATURE	
NAME OF FIRM	
DATE	

WITNESSES	
1	_____
2	_____
Date	_____

### ASSAf Servers

Make	Type	Name	Role	CPU	RAM	HDD	RAID	OS
HP Proliant DL 360 Gen 9	Physical	ASSAFHOST	Host	2 cpu - 16 cores - 32 threads	64 GB	2 x 300GB SAS	1	Server 2012 R2 Datacentre
Not In Production	Virtual	ASFDC001	Primary DC	6 Virtual Processors	6144 MB	2 x HDD (50GB & 50GB)	None	Server 2012 R2 Standard
	Virtual	ASFAS001	Pastel	6 Virtual Processors	6144 MB	2 x HDD (50GB & 70GB)	None	Server 2012 R2 Standard
	Virtual	ASFFS001	File Server	4 Virtual Processors	6144 MB	2 x HDD (1TB & 1.32TB)	None	Server 2012 R2 Standard
	Virtual	TESLA	HR & Payroll	6 Virtual Processors	6144 MB	1 x 251GB	None	Server 2012 R2 Standard
	Virtual	ASFPBX01	VOIP	2 Virtual Processors	4096MB	1 x 1TB	None	Linux
	Virtual	ASFIS003	Scielo	4 Virtual Processors	8192 MB	1 x 512GB	None	Server 2012 R2 Standard
Not In Production	Virtual	ASFIS001	WSUS	4 Virtual Processors	6144 MB	1 x 100GB	None	Server 2012 R2 Standard
Not In Production	Virtual	Linux VM	Scielo	1 Virtual Processors	1024 MB	1 x 80 GB	None	Linux
	Virtual	ICSUDC001	Not In Production	None	None	None	None	Server 2012 R2 Standard
	Virtual	ICSUFS001	Not In Production	None	None	None	None	Server 2012 R2 Standard
HP 1440 Storage	Physical	NAS	Hyper V Storage	1 cpu - 4 cores - 4 threads	8 GB	4 x 3 TB SATA	5	Server 2012 R2 Standard
HP Desktop	Physical	Host	Secondary DC	1 cpu - 2 cores - 4 threads	4 GB	2 x HDD (210 GB & 250 GB)	None	Server 2012 R2 Standard
HP Desktop	Physical	Host	Backup Server	1 cpu - 2 cores - 4 threads	8 GB	2 x HDD (465 GB & 4TB)	None	Win 10
HP Desktop	Physical	Host	Pastel 18 Server	1 cpu - 2 cores - 4 threads	8 GB	465 GB	None	Win 7
HPE ProLiant DL360 Gen10	Physical	ASSAFHOST02	Host	1 cpu - 18 cores - 36 threads	128GB	2 x 480GB SATA	1	Server 2019 Datacentre
						8 x 1TB SATA	5	
	Virtual	ASSAFAPP01	Pastel	4 Virtual Processors	8192 MB	2 x HDD (75 GB & 100GB)	None	Server 2019
	Virtual	ASSAFAPP02	Scielo	4 Virtual Processors	8192 MB	1 x HDD 250GB	None	Server 2019
	Virtual	ASSAFAPP03	HR & Payroll	4 Virtual Processors	8192 MB	1 x HDD 250GB	None	Server 2019
In Production	Virtual	ASSAFAPP04	WSUS	2 Virtual Processors	12288MB	2 x HDD (100GB & 500GB)	None	Server 2019
In Production	Virtual	ASSAFDC003	Primary DC	2 Virtual Processors	4096MB	2 x HDD (110GB & 100GB)	None	Server 2019
	Virtual	ASSAFFS01	File Server	4 Virtual Processors	6144 MB	2 x HDD (270GB & 1.4TB)	None	Linux

# **THE NATIONAL TREASURY**

**Republic of South Africa**



---

## **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT**

**July 2010**

**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**  
**July 2010**

**NOTES**

The purpose of this document is to:

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

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

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



## **TABLE OF CLAUSES**

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

## **General Conditions of Contract**

### **1. Definitions**

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

RSA.

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

obligations of the supplier covered under the contract.

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

## **2. Application**

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

## **3. General**

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

- |   |   |
|---|---|
| <b>16. Payment</b>                              | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p>   |
| <b>17. Prices</b>                               | <p>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.</p>  |
| <b>18. Contract amendments</b>                  | <p>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.</p>   |
| <b>19. Assignment</b>                           | <p>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.</p>   |
| <b>20. Subcontracts</b>                         | <p>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.</p>   |
| <b>21. Delays in the supplier's performance</b> | <p>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.</p> <p>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.</p> <p>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.</p> <p>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</p> |



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.
<b>29. Governing language</b>	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.
<b>30. Applicable law</b>	30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
<b>31. Notices</b>	<p>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</p> <p>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.</p>
<b>32. Taxes and duties</b>	<p>32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.</p> <p>32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.</p> <p>32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.</p>
<b>33. National Industrial Participation Programme (NIP)</b>	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.
<b>34 Prohibition of Restrictive practices</b>	<p>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).</p> <p>34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.</p>

- 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.