human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

Private Bag X644 Pretoria 0001 RSA Tel (012) 421 1311 Fax (012) 341 8512
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http:///www.housing.gov.za Fraud Line: 0800 701 701 Toll Free Line: 0800 1 46873 (0800 1 HOUSE)

REFERENCE : VA49/749
ENQUIRIES : MR M KWINANA
TELEPHONE :{012} 444 9245

BID VA49/749: TERMS OF REFERENCE: DESIGN AND IMPLEMENTATION EVALUATION OF THE INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT (ISUPG).

1 **The closing date for the submission of applications/bid documents is 25 August 2022 @ 11:00. No late applications/bid documents will be considered. All bids must please be placed in the in the Tender Box at the main entrance of the building (DEPARTMENT OF HUMAN SETTLEMENTS, DR RUTH S MOMPATI BUILDING, 260 JUSTICE MAHOMED STREET, SUNNYSIDE, PRETORIA).**

2 It is compulsory that an original proposal/bid documents be **handed in on/before the closing date of the bid.**

3 You are invited to bid for the services as specified in the attached forms.

4 The conditions contained in General Conditions of Contracts (GCC) and the attached SBD1, SBD3.3, SBD4 and SBD6.1 as well as any other conditions accompanying this request are applicable.

5 **NATIONAL TREASURY CIRCULAR NO 3 OF 2015/2016**

5.1 From 1 April 2016, institutions/departments may not award any bid to a supplier who is not registered on the Centralised Supplier Database (CSD).

5.2 No Briefing Session will be held

MS N BOKGWATHILE
ACTING CHIEF DIRECTOR
For DIRECTOR-GENERAL
DATE: 29/07/2022
Tendercovlet

THE DEPARTMENT OF HUMAN SETTLEMENTS

BID NUMBER: VA49/749

DESCRIPTION: PROFESSIONAL SERVICES

CLOSING DATE: 25 AUGUST 2022

CHECK LIST TO BE COMPLETED BY THE BIDDER:

Table of Contents:	Yes:	No:
Terms of Reference		
SBD1 Invitation To Bid		
SBD3.3 Pricing Schedule		
SBD 4 Declaration of Interest		
SBD 6.1 Preference Point: Purchases		
General Conditions of Contract		
Supporting Documents:		
Company Profile		
ID Copies of Directors (certified)		
Certificate issued by Registrar of Companies & Close Corporation, issued by CIPRO.		
Certified/Original Valid B-BBEE Status Level Verification Certificate - 07 December 2011(IF AVAILABLE)		
Compulsory: Please attach a copy of CSD registration report (not later than a month).		

BIDDER NAME IN FULL: ______________________

SIGNATURE: ______________________

CAPACITY: ______________ **DATE:** ______________

Bid invitation check list: Compiled: MR MC CAMAGU

human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

TERMS OF REFERENCE:
DESIGN AND IMPLEMENTATION EVALUATION OF THE INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT (ISUPG)

JULY 2022

National Department of Human Settlements

Chief Directorate: Sector Information Management Systems (IMS), Performance Monitoring and Evaluation

1. Introduction

The Informal Settlements Upgrading Partnership Grant (ISUPG) was proposed for evaluation as part of the Department of Human Settlements Annual Performance Plan for the 2022/23 financial year.

1.1. Background

The ISUPG is a funding instrument, in the form of a conditional grant, which was conceptualised in 2019 to enhance the implementation of the upgrading of informal settlements programme (UISP). Before this stand-alone grant the UISP was funded through the Human Settlements Development Grant (HSDG) together with other programmes of the Housing Code.

As part of the implementation of the UISP, in 2009 the National Upgrading Support Programme (NUSP) was established to support the implementation of the UISP. In preparation for the 2019 – 2024 MTSF it was established that NUSP had facilitated 1 200 informal settlements upgrading plans which were ready for implementation. These 1 200 upgrading plans formed the basis of and determined the MTSF target for the sector, which was to upgrade 1 500 informal settlements to Phase 3 by the end of the 2019-2024 MTSF. This was to be funded through a public-private partnership and these informal settlements areas had to be mapped.

In order to realise this MTSF target a new funding instrument was introduced in the Division of Revenue Act, the ISUPG to fund informal settlements upgrading. This funding instrument set new conditions for provincial departments of human settlements and metropolitan municipalities, as recipients of this grant. These conditions require that these ISUPG recipient institutions put in place informal settlements upgrading strategies, flowing from these are the developments of informal settlements upgrading plans that are aligned to the National Upgrading Support Programme (NUSP) methodology. Contained in these plans are details outlining Phase 1 to Phase 3 activities involved in the upgrading process.

1.2. Baseline Assessment

In 2021 the NDoHS conducted a baseline assessment based on all the business plans submitted by the provinces and metropolitan municipalities. The purpose of the evaluation was to ascertain the profile and status of the informal settlements targeted for upgrading in the 2019-2024 MTSF period. The findings of the study revealed that there are 628 informal settlements targeted for upgrading. 55% of the informal settlements projects in the country are in Phase 3: Implementation. Projects in “Phase 1: Feasibility/ Application” and “Phase 2: Initiation” have a percentage share of 12% and 15%, respectively. The remaining 18% of projects had no information.

1.3. Evaluation

Since the ISUPG was conceptualised in 2019 financial year there is a need to conduct a design and implementation of the ISUPG. The implementation activities that have already been undertaken are suitable circumstances and good timing for conducting an implementation evaluation of the ISUPG.

2. PURPOSE OF THE EVALUATION

2.1. The purpose of the evaluation is to analyse:

- 2.1.1. The Theory of Change, inner logic and consistency of the programme;
- 2.1.2. The lessons learnt from its implementation;
- 2.1.3. The institutional and funding frameworks; and
- 2.1.4. The adopted monitoring system

3. EVALUATION QUESTIONS

3.1. Historical context

- 3.1.1. What informed the theoretical framework and development of the ISUPG?
- 3.1.2. What are the factors that informed the transition from HSDG to ISUPG?

3.2. Conceptualisation and design

- 3.2.1. Is the theoretical framework that informs the ISUPG valid and does it provide an appropriate response to human settlements challenges?
- 3.2.1.1. Is the grant instrument appropriately targeted, given its objective to respond to human settlements issues?
- 3.2.1.2. How is the creation of the ISUPG linked to the housing function and its integration into human settlements development at provincial and local government levels?
- 3.2.1.3. Analyse the different versions of the policy framework over time and what influenced the revisions to it.

3.3. Implementation mechanism

- 3.3.1. How has the ISUPG been interpreted at national, provincial and municipal levels?
- 3.3.2. Is the grant being implemented according to the design?
- 3.3.3. To what extent has the ISUPG through the ISUPG Plans found its place within the suite of the development-planning framework (such as Business Plans, Integrated Development Plans (IDPs), Housing Sector Plans, Annual Performance Plans, the Service Delivery Budget Implementation Plans)? Do these planning instruments talk to

one another across national, provincial and local departments involved in the implementation of the ISUPG?

3.3.4. As the ISUPG is being implemented, what are the important challenges/changes that are occurring in terms of the roles and responsibilities of the relevant actors? How are these affecting programme delivery?

3.3.5. Are resources used efficiently? Is value for money obtained?

3.3.6. How does the ISUPG interface with the municipal accreditation process and the City Support Programme?

3.3.7. What are the institutional issues/gaps that are coming to light as this programme is being implemented and how is it affecting delivery of the ISUPG?

3.4. Institutional and Funding Framework

3.4.1. Analyse the legal framework and policy shifts within which the ISUPG is being implemented: does it support or encumber the intentions of the grant?

3.4.2. How could the structure of the grant and its application be improved and strengthened?

3.5. Monitoring Framework

3.5.1. Are the performance indicators (as specified in the grant framework) for the ISUPG suitable for its stated policy purpose and how is it captured in the performance monitoring frameworks of the various spheres of government?

3.5.2. Analyse the extent to which the departmental monitoring frameworks have been revised to track performance (physical and financial) of the ISUPG. Also reflect on the relationship between the current planning and monitoring frameworks that relate to the ISUPG.

4. STUDY DESIGN

4.1. Methodology and approach

4.1.1. The Service Provider must develop a methodology that responds to the scope of work and the study questions. A mixed method approach utilizing both quantitative and qualitative research methods is preferred for this project. The service provider should propose an appropriate research design;

4.1.2. The methodology should illustrate an evaluation process that is rigorous and can stand up to academic scrutiny;

4.1.3. The methodological process outlined in the research proposal should reflect the credibility of the work, the relationship between the theoretical framework, the information sources used and analysed, the relevance and transferability of the findings for policy and be able to validate the findings;

4.1.4. Develop a sound theoretical and conceptual framework informed by a thorough literature review to frame and analyze the evaluation questions. The literature review should be relevant to the evaluation questions

4.2. Sample

4.2.1. The following stakeholders needs to form part of the sample:

a) All Provincial Departments of Human Settlements
b) All Metropolitan Municipalities
c) Developers (Construction)
d) National Department officials
e) National Upgrading Support Programme (NUSP) officials
f) Department of Planning, Monitoring and Evaluation (DPME) officials
g) Department of Cooperative Governance and Traditional Affairs officials
h) Representatives of socials compacts in the community

4.3. Interviews with key stakeholders/officials involved

4.3.1. Interviews need to be conducted with the key stakeholders and officials involved in the implementation of the ISUPG. The interviews will record information from a purposively drawn sample of key stakeholders;

4.3.2. The Service Provider should clearly indicate the data gathering methods that will be used, the key informants, the analysis and interpretation and how findings will be tested and validated to arrive at the final conclusions and recommendations; and

4.3.3. Key stakeholder's questionnaire: The Service Provider will develop a key stakeholder's questionnaire that will illustrate the respondents' understanding of the implementation of the programme.

4.4. Document analysis

The following documents are considered key and must be analyzed for this assessment:

4.4.1. Policy documents:

a) Housing Act of 1997,
b) Housing Code,
c) Human Settlements Policies and Programme,
d) DoRA,
e) National Development Plan,
f) Human Settlements Vision for 2030,
g) NUSP documentation

h) Informal Settlements Upgrading strategies of provincial departments of human settlements
i) Informal Settlements Upgrading strategies of metropolitan municipalities

4.4.2. National documents:
a) National Planning Commission (NPC) documents,
b) National Treasury benchmarking reports,
c) National, Provincial Departments of Human Settlements and Metropolitan Municipalities reports on ISUPG,
d) Provincial Departments of Human Settlements and Metropolitan Municipalities approved business plans,
e) Integrated Development Plans (IDPs)
f) Spatial Planning and Land Use Management Act (SPLUMA)
g) 2019-2024 Medium Term Strategic Framework (MTSF)

4.4.3. Reporting documents:
a) Quarterly performance reports of Provincial Departments of Human Settlements and Metropolitan Municipalities;
b) Auditor General Reports;
c) Any other relevant documents about ISUPG;
d) Policies and strategies relevant to the study.

4.5. GUIDING PRINCIPLES AND VALUES

4.5.1. The evaluation should be development-orientated and should address key developmental priorities of Government and of citizens;
4.5.2. The evaluation should be undertaken ethically and with integrity;
4.5.3. The evaluation should be utilisation orientated;
4.5.4. The evaluation methods should be sound;
4.5.5. The evaluation should advance Government's transparency and accountability;
4.5.6. The evaluation must be undertaken in a manner which is inclusive and participatory;
4.5.7. The evaluation must promote learning;
4.5.8. Evaluators must display honesty and integrity in their own behaviour and should ensure the integrity of the entire evaluation process; and
4.5.9. The evaluation is expected to build the capacity of previously disadvantaged individuals (evaluators and researchers), as well as providing all the data in a usable format.

5. EXPECTED DELIVERABLES

The following are the deliverables of this project

5.1. **Deliverable 1**: Inception Report and Project Plan.

5.2. **Deliverable 2**: Literature Review Report and Data Collection Plan.

5.2.1. The **literature review report** containing:

- Existing theories, concepts, definitions
- Implementation evaluation study, design, and sampling methodologies.

5.2.2. The **data collection plan** containing:

- **Sampling Plan:** The Service Provider will outline a defined sampling strategy; and
- **Data Collection Plan**

This Data Collection Plan should be presented to the Steering Committee for comment, and revised as necessary prior to commencing field work.

5.3. **Deliverable 3: 50%** Data Collection and Data Collection Report.

5.4. **Deliverable 4: 100%** Data Collection and Data Collection Report.

5.5. **Deliverable 5:** Final Database with cleaned Data and Final Data Delivery Report.

5.6. **Deliverable 6:** Completion and Submission of a Final Report.

5.6.1. Conduct final cleaning of data and final data delivery report

a. Completion inventory: The database established during this process will be made available electronically to the National Department of Human Settlements. It will be the property of the National Department and must allow for easy manipulation and generation of reports. The Service Provider will be expected to make a formal presentation of the findings to the Steering Committee.

b. The Service Provider will be expected to conduct and workshop on findings with the Provincial Human Settlements, National Human Settlements officials and metropolitan Municipalities officials.

c. The final report to have all sections of academic report. Findings to be presented in tables and graphic forms for each of the test items.

d. All documents must be language edited.

e. The final reports should be submitted in three (3) Compact Disks and 3 bound copies printed in colour. The document should be written in 12 pts Arial, 1½ spacing, justified and in both PDF and MS Word formats. No branding of the service provider would be allowed in any of the documents submitted.

6. PROJECT PLAN AND PAYMENT

6.1. Project plan

This project should be completed within **seven months (28 weeks)** after the Service Provider has been appointed.

Table 2: Outline of project plan

Activity/deliverable	Who	By when
Inception Meeting Service provider contract signed	Dept/Service provider (SP)	1 week after receiving confirmation of appointment
Inception report and a revised comprehensive project plan	SP	2 weeks after signing the contract
Literature Review Report and Data Collection Plan	SP	4 weeks after the approval of the inception report
Report containing: • 50% Data Collection	SP	6 weeks after the approval of the literature review report
Report containing: • 100% Data Collection • Final database with cleaned data and final data delivery report	SP	6 weeks after the approval of the 50% data collection report
Completed data analysis and submission of draft report	SP	5 weeks after approval of the final data delivery report
Workshop with stakeholders on draft report	Dept and SP	1 week after approval of the draft report
Final Report submitted to Dept.	SP	1 week after receiving inputs
Comments on final report	Steering committee	1 week after receiving final report
Final data and report submitted	SP	1 week after receiving comments

6.2. Budget and payment schedule

Payment for the delivery of the work will be conducted in the following manner:

Deliverable	Proportion of total payment
Phase 1: Inception Report and Project Plan a) On submission and approval of the **Inception Report and Project Plan**	**10%**
Phase 2: Literature Review Report and Data Collection Plan a) On submission and approval of the **Literature Review Report and Data Collection Plan**	**10%**
Phase 3: 50% Data Collection Report a) On submission and approval of: • 50% data collection report	**20%**
Phase 4: 100% Data Collection Report a) On submission and approval of: • 100% data collection report	**30%**
Phase 5: Final database with cleaned data and final data delivery report a) On submission and approval of Final database with cleaned data and final data delivery report	**20%**
Phase 6: Final Report a) On submission and approval of a final report (full and in 1/3/25 format) as follows: • Report to have all sections of academic report such as executive summary, introduction, literature review, research methodology, statement and analysis of findings, conclusions and recommendations. Findings to be presented in tables and graphic forms for each of the test items • A summary report in both PDF and MS Word • An overall report with an executive summary (full and in 1/3/25 format) • Electronic presentation of the project • The report should be in three compact disks, 3 bound copies printed in colour (no service provider branding) All reports should be language edited	**10%**

7. MANAGEMENT ARRANGEMENTS

7.1. Management

7.1.1. The NDHS will manage the project;

7.1.2. The Service Provider will be expected to present the inception report, project plan, data collection plan and instruments, draft database, draft report and final report for comments and inputs to the evaluation steering committee, which comprise of NDHS and other relevant stakeholders; and

7.1.3. All communication between the Service Provider and the Departments shall be made through the Project Manager at the NDHS.

7.2. Reporting arrangements

7.2.1. Monthly progress report should be submitted to the Project Manager in the NDHS indicating the key developments in the time period reported on, future activity schedule and obstacle if any that are being encountered together with the suggested solutions to the challenges; and

7.2.2. It would be expected that any urgent matters that affect the Service Provider's ability to meet the deadlines should be brought to the attention of the Project Manager immediately.

8. EXPECTATIONS OF THE SERVICE PROVIDER

8.1. Qualification criteria

8.1.1. Socio-economic, historic and political landscape of South Africa

8.1.2. Economics, social sciences, statistics, and Human Settlements related field

8.1.3. A good knowledge of evaluation methodologies, and experience in applying them. This would be required in relation to

8.1.3.1. Case Study research

8.1.3.2. Quantitative and qualitative research

8.1.3.3. Policy and programme analysis and policy and programme evaluation

8.1.3.4. Strong project management skills, including field coordination and implementation where needed;

8.1.3.5. Knowledge of and exposure to international good practice would be an advantage, particularly in middle-income and African countries.

9. EVALUATION CRITERIA

9.1. The evaluation of the proposals submitted to the Department will follow a two-step process. In the first step, all proposals will be evaluated on functionalities and capabilities. In the second step, only qualifying proposals will be evaluated on the 80/20 preference point system.

9.2. The proposal should contain a description of how the report will be organised and which components it will contain.

9.3. The functionalities and capabilities will be evaluated as follows:

Criteria	Sub Criteria	Sub points	Total points
Team Leader expertise[1]	Team leader in possession of skills including Social Scientists, Economists, Statisticians, and professionals in the Built Environment at Masters Level and above	10	**10**
	Team leader in possession of skills including Social Scientists, Economists, Statisticians, and professionals in the Built Environment up to Honours Level	7	
	Team leader in possession of skills including Social Scientists, Economists, Statistician, and professionals in the Built Environment only at Degree Level	5	
Team expertise[2]	Team consisting of a combination of skills including Social Scientists, Economists, Statisticians, and professionals in the Built Environment at Masters Level and above	15	**15**
	Team consisting of a combination of skills including Social Scientists, Economists, Statisticians, and professionals in the Built Environment up to Honours Level	10	
	Team consisting of a combination of skills including Social Scientists, Economists, Statistician, and professionals in the Built Environment only at Degree Level	7	
Experience of the team leader in social/ economic and human settlements research	**Years in the field:** 10 and more years' experience	20	**20**
	Between six (6) and nine (9) years of experience	15	
	Between than three (3) and five (5) years' experience	10	
	Delivery of 10 or more similar assignments	10	**10**

[1] Please attach curriculum vitae and certified supporting documents of the team leader

[2] Please attach curriculum vitae and certified supporting documents of the team members

Delivery of similar assignments [3]	Delivery of between seven (7) and nine (9) similar assignments	7	
	Delivery of between four (4) and six (6) similar assignments	4	
	Delivery of between two (2) and three (3) similar assignments	1	
Understanding of the scope of work	• Detailed and logical project proposal with clear and empirical methodology to be followed to respond to the scope of work based on demonstrated significant use of existing relevant literature	30	**30**
	• Project plan with milestones and timeframes	10	
Resource capacity to carry out the project	• Outline of project team members, respective skills and areas of responsibilities during the duration of the project	10	**15**
	• Demonstrated skills and expertise (outline analytical, technical and research skills)	5	
Overall total			**100**

9.4. A service provider who submits a proposal that scores less than 80 out of 100 points would be considered having submitted a non-responsive proposal and will be disqualified.

9.5. No service provider is allowed to score themselves on the submitted documents.

10. COPYRIGHT

10.1. The copyright of all data collected and the final report to be delivered by the Service Provider will rest with the National Department of Human Settlements;

10.2. The Service Provider will not publish (including presentation to conferences and all other forums), whether in part or whole, the submitted report without the written permission of the NDHS.

11. ENQUIRIES

Written enquiries regarding this ToR should be directed to:

Ms Mulalo Muthige
National Department of Human Settlements
e-mail: mulalo.muthige@dhs.gov.za.

[3]Please provide reference letters from clients, indicating the name of the client, contact person for reference and project undertaken for that client.

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE *(NAME OF DEPARTMENT/ PUBLIC ENTITY)*			
BID NUMBER:	VA49/749	CLOSING DATE: 25 AUGUST 2022	11:00
DESCRIPTION	PROFESSIONAL SERVICES		

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT *(STREET ADDRESS)*
THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS,
DR RUTH MOMPATI BUILDING
260 JUSTICE MAHOMED STREET,
SUNNYSIDE, PRETORIA

BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO		TECHNICAL ENQUIRIES MAY BE DIRECTED TO:	
CONTACT PERSON	MR M KWINANA	CONTACT PERSON	**Mr Anddile Mncube**
TELEPHONE NUMBER	012 444 9245	TELEPHONE NUMBER	
FACSIMILE NUMBER		FACSIMILE NUMBER	
E-MAIL ADDRESS	mluleki.kwinana@dhs.gov.za,	E-MAIL ADDRESS	**Andile.mncube@dhs.gov.za**

SUPPLIER INFORMATION				
NAME OF BIDDER				
POSTAL ADDRESS				
STREET ADDRESS				
TELEPHONE NUMBER	CODE		NUMBER	
CELLPHONE NUMBER				
FACSIMILE NUMBER	CODE		NUMBER	
E-MAIL ADDRESS				
VAT REGISTRATION NUMBER				
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		**OR**	CENTRAL SUPPLIER DATABASE No: MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] ☐ Yes ☐ No

[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐Yes ☐No [IF YES ENCLOSE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR **THE GOODS /SERVICES /WORKS OFFERED?**	☐Yes ☐No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]

QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO

DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO

DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ YES ☐ NO

DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO

IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? ☐ YES ☐ NO

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

PART B
TERMS AND CONDITIONS FOR BIDDING

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

2.	TAX COMPLIANCE REQUIREMENTS
2.1	BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2	BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3	APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
.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.

NB: THE DEPARTMENT'S INTENTION IS TO APPOINT INDIVIDUAL CONSULTANTS AND NOT COMPANIES.

SIGNATURE OF BIDDER: ……………………………………………

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

DATE: ……………………………………………

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: ....BID NO: **VA49/749**

CLOSING TIME **11:00** CLOSING DATE: **25 AUGUST 2022**

OFFER TO BE VALID FOR... **90**... DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)

BID VA49/749: TERMS OF REFERENCE: DESIGN AND IMPLEMENTATION EVALUATION OF THE INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT (ISUPG).

1. The accompanying information must be used for the formulation of proposals.

2. Bidders are required to indicate **a ceiling price** based on the total estimated time for completion of all phases and including all expenses inclusive of all applicable taxes for the project. **R**...

3. PERSONS WHO WILL BE INVOLVED IN THE PROJECT AND RATES APPLICABLE (CERTIFIED INVOICES MUST BE RENDERED IN TERMS HEREOF)

4. PERSON AND POSITION

PERSON AND POSITION	HOURLY RATE	DAILY RATE
--	R------------------------------	---------------------------------
--	R------------------------------	---------------------------------
--	R------------------------------	---------------------------------
--	R------------------------------	---------------------------------
--	R------------------------------	---------------------------------

5. PHASES ACCORDING TO WHICH THE PROJECT WILL BE COMPLETED, COST PER PHASE AND MAN-DAYS TO BE

SPENT

--	R------------------------------	-------------------------- days
--	R------------------------------	-------------------------- days
--	R------------------------------	-------------------------- days
--	R------------------------------	-------------------------- days

5.1 Travel expenses (specify, for example rate/km and total km, class of air travel, etc). Only actual costs are recoverable. Proof of the expenses incurred must accompany certified invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
--	....	....	R....................
--	....	....	R....................

Name of Bidder: ……

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

5.2 Other expenses, for example accommodation (specify, eg. Three star hotel, bed and breakfast, telephone cost, reproduction cost, etc.). On basis of these particulars, certified invoices will be checked for correctness. Proof of the expenses must accompany invoices.

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
--	……………….	…………….	R……………….
--	……………….	…………….	R……………….
--	……………….	…………….	R……………….
--	……………….	…………….	R……………….

TOTAL: R………………………………………………

6. Period required for commencement with project after acceptance of bid ……………………………………………………………

7. Estimated man-days for completion of project ……………………………………………………………

8. Are the rates quoted firm for the full period of contract? *YES/NO

9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index. ……………………………………………………………

……………………………………………………………

……………………………………………………………

***[DELETE IF NOT APPLICABLE]**

Any enquiries regarding bidding procedures may be directed to the –

THE NATIONAL DEPARTMENT OF HUMAN SETTLEMENTS, 260 JUSTICE MAHOMED STREET, DR RUTH MOMPATI HOUSE, SUNNYSIDE, PRETORIA, 0002

MR M KWINANA, MR M CAMAGU, MS K MALEKA OR MR L NGWENYA

Tel: 012 444 9245, 9240, 9243 OR 9274

Or for technical information –

Contact Person: Mr Andile Mncube

E-mail address: andile.mncube@dhs.gov.za

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest1 in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

2.2 Do you, or any person connected with the bidder, have a relationship

1 the power, by one person or a group of persons holding the majority of the equity of an enterprise, alternatively, the person/s having the deciding vote or power to influence or to direct the course and decisions of the enterprise.

with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:
....
....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract? **YES/NO**

2.3.1 If so, furnish particulars:
....
....

3 DECLARATION

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

3.1 I have read and I understand the contents of this disclosure;

3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;

3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium2 will not be construed as collusive bidding.

3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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2 Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

I CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 1, 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF PARAGRAPH 6 OF PFMA SCM INSTRUCTION 03 OF 2021/22 ON PREVENTING AND COMBATING ABUSE IN THE SUPPLY CHAIN MANAGEMENT SYSTEM SHOULD THIS DECLARATION PROVE TO BE FALSE.

…………………………………	…………………………………………
Signature	Date
…………………………………	…………………………………………
Position	Name of bidder

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

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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 not to exceed R50 000 000 (all applicable taxes included) and therefore the ......80/20........ preference point system shall be applicable; or

b) The 80/20 preference point system will be applicable to 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**

$$Ps = 80\left(1 - \frac{Pt - P\min}{P\min}\right) \quad \text{or} \quad Ps = 90\left(1 - \frac{Pt - P\min}{P\min}\right)$$

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 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		
OR		
Any EME		
Any QSE		

8. **DECLARATION WITH REGARD TO COMPANY/FIRM**

8.1 Name of company/firm:...

8.2 VAT registration number:...

8.3 Company registration number:...

8.4 TYPE OF COMPANY/ FIRM

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

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

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

8.6 COMPANY CLASSIFICATION

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

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

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

i) The information furnished is true and correct;

ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

(a) disqualify the person from the bidding process;

(b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;

(c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;

(d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) forward the matter for criminal prosecution.

WITNESSES 1. .... 2.	.... SIGNATURE(S) OF BIDDERS(S) DATE: .... ADDRESS ....

THE 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

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:

1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.

1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.

1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.

1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.

1.7 "Day" means calendar day.

1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.

1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.

1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.

1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.

1.14 "GCC" means the General Conditions of Contract.

1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.

1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.

1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.

1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.

1.20 "Project site," where applicable, means the place indicated in bidding documents.

1.21 "Purchaser" means the organization purchasing the goods.

1.22 "Republic" means the Republic of South Africa.

1.23 "SCC" means the Special Conditions of Contract.

1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.

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

2. Application

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

2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.

2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.

3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

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

5. Use of contract documents and information; inspection.

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

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

7. Performance 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.

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.