

PLEASE TAKE NOTE

TENDER NUMBER: COGTA 04/2022

CLOSING TIME: 11:00

CLOSING DATE: 15 JULY 2022

DOCUMENTS RECEIVED AFTER THE CLOSING TIME AND DATE ARE LATE AND WILL, AS A RULE THEY WILL NOT BE ACCEPTED FOR CONSIDERATION

DOCUMENTS MUST BE SIGNED IN THE ORIGINAL THAT IS IN INK. DOCUMENTS WITH PHOTOCOPIED SIGNATURES OR OTHER SUCH REPRODUCTION OF SIGNATURES WILL BE REJECTED

**The Tender Document must be
Delivered at Reception,
Provincial Disaster Management
Centre ,11 Janadel Avenue, Block B,
Riverview Park Midrand**

**11 JANADEL
AVENUE,
BLOCK B.**

MIDRAND

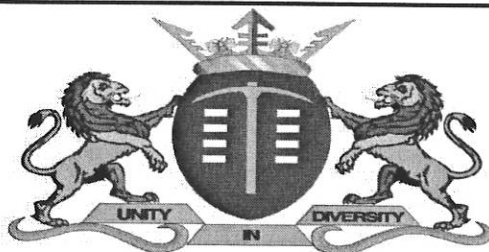
TENDERERS SHOULD ENSURE THAT TENDERS ARE DELIVERED TIMEOUSLY AT THE CORRECT ADDRESS

SUBMIT ALL TENDERS ON THE OFFICIAL TENDER FORMS – DO NOT RETYPE

TENDERS BY TELEGRAM, FACSIMILE OR OTHER APPARATUS WILL NOT BE ACCEPTED FOR CONSIDERATION

SUBMIT EACH TENDER IN SEPARATE SEALED ENVELOP

[GPG 3]



GAUTENG PROVINCE

CO-OPERATIVE GOVERNANCE AND
TRADITIONAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

Tender Notice & Invitation to Tender

TENDER NO: COGTA 04/2022

| Tender Number | Service | Evaluation Criteria | Compulsory Briefing Session | Tender Closing Date and Time |
|---------------|---|---|--|------------------------------------|
| COGTA 04/2022 | APPOINTMENT OF A SERVICE PROVIDER FOR IMPLEMENTATION OF THE SEDIBENG DISTRICT DEVELOPMENT MODEL (DDM) HUB FOR SEDIBENG DISTRICT | Price =80 Equity=20 (Please refer to the B-BBEE Equity points allocation below) | Date: 28 June 2022 Time: 11H00 Venue: Zealandia Boardroom, Block B, Riverview Park, 11 Janadel Avenue, Midrand | Date: 15 July 2022 Time : 11H00 |

BBBEE Equity Points Allocation Table

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

TECHNICAL EVALUATION (100 FUNCTIONALITY POINTS)

The technical evaluation will focus on the following aspects: Value Matrix: 0 = No document attached, 1 = Poor, 2= Average, 3 =Good, 4 =Very Good, 5 =Excellent

| FUNCTIONALITY ITEM | WEIGHTING FACTOR |
|--|------------------|
| Expertise | 30 |
| Methodology | 30 |
| Personnel/Capacity | 40 |
| Total Points for Functionality | 100 |
| Minimum Threshold for Functionality | 70 |

Bidders who fails to meet the minimum requirements/threshold in relation to Functionality Evaluation (70) will not be evaluated further.

Mandatory Requirements for Tenders. Service providers who intend to respond to the tender invitation must attend the compulsory briefing session and ensure that they sign the attendance register. Completion and submission of all Bid Documents and Pricing Schedules, SBD 1,3,3,4 and 6.1. The use of correction fluid (tippex) when correcting errors on SBDs is prohibited; strike through the error, correct it and initial the corrections. Bid Documents should bear the original signature of an authorised person (Proof of Authority must be submitted e.g. Company Resolution); electronic submissions will not be accepted. In the case of Joint Venture/Consortium, a joint venture/consortium agreement bearing the signature of all the parties to the joint venture/consortium, should be attached and notarised by an attorney. If the bidder intends to sub-contract, a sub-contracting agreement should be attached and signed by all parties to the sub-contracting agreement. The % (percentage) to be sub-contracted must be clearly indicated in the contract and SBD 6.1, section 7.1.1. Proposals submitted after the stipulated closing time and date will not be accepted.

Additional requirements for tenders: In order to verify the tax status of bidders, bidders are required to submit the unique security personal identification number (PIN) from SARS; Only suppliers (including all parties to Joint Ventures/Consortiums and sub-contractors) who are registered on the Central Supplier Database (CSD), www.csd.gov.za will be considered for appointment. (Proof to be attached); A Certified copy of a SANAS accredited valid BBBEE Certificate/ Sworn Affidavit, Certified copies of the company registration documents (CIPC); Certified copies of Directors/ Shareholders' IDs; Latest Audited Annual Financial Statement/ letter from accountant for new or dormant entities; Detailed company profile.

The Department adheres to all relevant Acts, including BBBEE Act; No 53 of 2003, PPPF Act No 5 of 2000 with its associated amended Preferential regulations 2017.

Enquiries may be addressed to the Project Manager: Mr. Lodi Diale or Mr. Jabulani Mkansi at lodi.diale@gauteng.gov.za or Jabulani.mkansi@gauteng.gov.za and Supply Chain Management: Ms. Phumzile Malgas at phumzile.malgas@gauteng.gov.za or Ms Mahlatse Madiba at mahlatse.madiba@gauteng.gov.za

Tender documents are available on the Gauteng etender portal: <http://e-tenders.gauteng.gov.za>

Please Note: All information and documents will be treated in accordance with POPI Act.

Completed tender documents should be sealed in an envelope clearly marked with the relevant tender number (COGTA 04/2022 and description). Tender documents should be delivered in the tender box at reception, Provincial Disaster Management Centre, 11 Janadel Avenue, Block B, Riverview Park, Midrand not later than 11:00 am on or before 15 July 2022.

Faxed, electronic or late submissions will not be accepted.

Only companies who have submitted all of the above information will be considered for evaluation process. The Gauteng Department of Co-operative Governance and Traditional Affairs is under no obligation to give reasons for non-acceptance /rejection of any submission. All short listed bidders will be subjected to undergo a security screening in terms of Section 2 (1) (b) of the National Strategic Intelligence Act 67 of 2002 as amended.

PART A INVITATION TO BID

| | | | | | |
|---|---|---------------|--|--|---|
| YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS | | | | | |
| BID NUMBER: | COGTA 04/2022 | CLOSING DATE: | 15 JULY 2022 | CLOSING TIME: | 11: 00 |
| DESCRIPTION | APPOINTMENT OF SERVICE PROVIDER TO ESTABLISHMENT OF THE DISTRICT DEVELOPMENT MODEL HUB FOR SEDIBENG DISTRICT MUNICIPALITY | | | | |
| BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS) | | | | | |
| TENDER BOX AT RECEPTION | | | | | |
| PROVINCIAL DISASTER MANAGEMENT CENTRE | | | | | |
| NO. 11 JANADEL AVENUE, BLOCK B, RIVERVIEW OFFICE PARK, MIDRAND | | | | | |
| BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO | | | TECHNICAL ENQUIRIES MAY BE DIRECTED TO: | | |
| CONTACT PERSON | PHUMZILE MALGAS | | CONTACT PERSON | LODI DIALE OR JABULANI MKANSI | |
| TELEPHONE NUMBER | N/A | | TELEPHONE NUMBER | N/A | |
| FACSIMILE NUMBER | N/A | | FACSIMILE NUMBER | N/A | |
| E-MAIL ADDRESS | Phumzile.malgas@gauteng.gov.za | | E-MAIL ADDRESS | lodi.diale@gauteng.gov.za and Jabulani.mkansi@gauteng.gov.za | |
| SUPPLIER INFORMATION | | | | | |
| NAME OF BIDDER | | | | | |
| POSTAL ADDRESS | | | | | |
| STREET ADDRESS | | | | | |
| TELEPHONE NUMBER | CODE | | NUMBER | | |
| CELLPHONE NUMBER | | | | | |
| FACSIMILE NUMBER | CODE | | NUMBER | | |
| E-MAIL ADDRESS | | | | | |
| VAT REGISTRATION NUMBER | | | | | |
| SUPPLIER COMPLIANCE STATUS | TAX COMPLIANCE SYSTEM PIN: | | OR | CENTRAL SUPPLIER DATABASE No: | MAAA |
| B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE | TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No | | B-BBEE STATUS LEVEL SWORN AFFIDAVIT | | [TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No |
| [A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE] | | | | | |
| ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED? | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF] | | ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED? | | <input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW] |
| QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS | | | | | |
| IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | | |
| DOES THE ENTITY HAVE A BRANCH IN THE RSA? | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | | |
| DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | | |
| DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | | |
| IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? | | | <input type="checkbox"/> YES <input type="checkbox"/> NO | | |

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

PART B TERMS AND CONDITIONS FOR BIDDING

| |
|--|
| 1. BID SUBMISSION: |
| 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION. |
| 1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED--(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT. |
| 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT. |
| 1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7). |
| 2. TAX COMPLIANCE REQUIREMENTS |
| 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS. |
| 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS. |
| 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA . |
| 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID. |
| 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER. |
| 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED. |
| 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE." |

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

.....

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

DATE:

.....

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO.:
CLOSING TIME : CLOSING DATE.....

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) |
|---------|-------------|--|
|---------|-------------|--|

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

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 airtravel, 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.....

.....

.....

.....

R.....

.....

.....

.....

R.....

TOTAL: R.....

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

Name of Bidder:

- 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 –

Ms. Phumzile Malgas

Tel: N/A

Email: phumzile.malgas@gauteng.gov.za

Or for technical information –

Mr. Lodi Diale or Jabulani Mkansi

Tel: N/A

Email: lodi.diale@gauteng.gov.za and jabulani.mkansi@gauteng.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

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.

1. GENERAL CONDITIONS

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

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

1.2

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

1.3 Points for this bid shall be awarded for:

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

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

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

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

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

2. DEFINITIONS

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

3. POINTS AWARDED FOR PRICE

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

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

$$\begin{array}{ccc}
 \text{80/20} & \text{or} & \text{90/10} \\
 P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) & \text{or} & P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)
 \end{array}$$

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

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

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

| B-BBEE Status Level of Contributor | Number of points (90/10 system) | Number of points (80/20 system) |
|------------------------------------|---------------------------------|---------------------------------|
|------------------------------------|---------------------------------|---------------------------------|

| | | |
|---------------------------|----|----|
| 1 | 10 | 20 |
| 2 | 9 | 18 |
| 3 | 6 | 14 |
| 4 | 5 | 12 |
| 5 | 4 | 8 |
| 6 | 3 | 6 |
| 7 | 2 | 4 |
| 8 | 1 | 2 |
| Non-compliant contributor | 0 | 0 |

5. BID DECLARATION

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

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

- 6.1 B-BBEE Status Level of Contributor: . =(maximum of 10 or 20 points)
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

7. SUB-CONTRACTING

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

(Tick applicable box)

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

- 7.1.1 If yes, indicate:

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

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

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

Any QSE

8. DECLARATION WITH REGARD TO COMPANY/FIRM

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

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One person business/sole propriety

Close corporation

Company

(Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

8.6 COMPANY CLASSIFICATION

Manufacturer

Supplier

Professional service provider

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

[TICK APPLICABLE BOX]

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

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

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

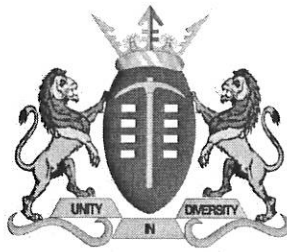
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SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....



GAUTENG PROVINCE

CO-OPERATIVE GOVERNANCE AND
TRADITIONAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

TERMS OF REFERENCE

**District Development Model
Sedibeng District DDM Hub**

Directorate: Integrated Development Planning Coordination (IDPC)

JUNE 2022

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LIST OF ACRONYMS

| | |
|---------|---|
| COGTA | Department of Co-operative Governance and Traditional Affairs |
| DBSA | Development Bank of South Africa |
| DDM | District Development Model |
| TOR | Terms of Reference |
| NDP | National Development Plan |
| IDP | Integrated Development Plan |
| IGR | Intergovernmental Relations |
| MISA | Municipal Infrastructure Support Agent |
| ECSA | Engineering Council of South Africa |
| SACPCMP | South African Council for the Project and Construction Management Professions |
| SACPLAN | South African Council of Planners |
| SPLUMA | Spatial Planning and Land Use Management Act, Act No. 16 of 2013 |
| SDB | Standard Bidding Documents |
| EME | Exempted Micro Enterprise |
| CSD | Central Supplier Database |
| CIPC | Companies and Intellectual Property Commission |
| QSE | Qualifying Small Enterprise |
| SANAS | South African National Accreditation System |
| DTI | Department of Trade and Industry |
| B-BBEE | Broad –Based Black Economic Empowerment |
| PPGI | Public-Private Growth Initiative |

1. Project title

Implementation of the Sedibeng District Development Model (DDM) Hub.

2. Purpose

Competent service providers with relevant and appropriate skills and experience are invited to submit proposals to the Department of Urban Planning, Co-operative Governance and Traditional Affairs (COGTA) to implement the Sedibeng District DDM Hub.

3. Background

The DDM Hubs form part of the implementation of the DDM. Currently there are only three DDM Hubs in the country. These Hubs are located in the DDM pilot sites, namely, OR Tambo District Municipality, eThekweni Metropolitan Municipality and Waterberg District Municipality. National Department of Co-operative Governance is currently in the process of setting up an additional 21 DDM Hubs, but these Hubs will be set up in districts that are water services authorities, which means Gauteng will not form part of the 21 Hubs that will be set up.

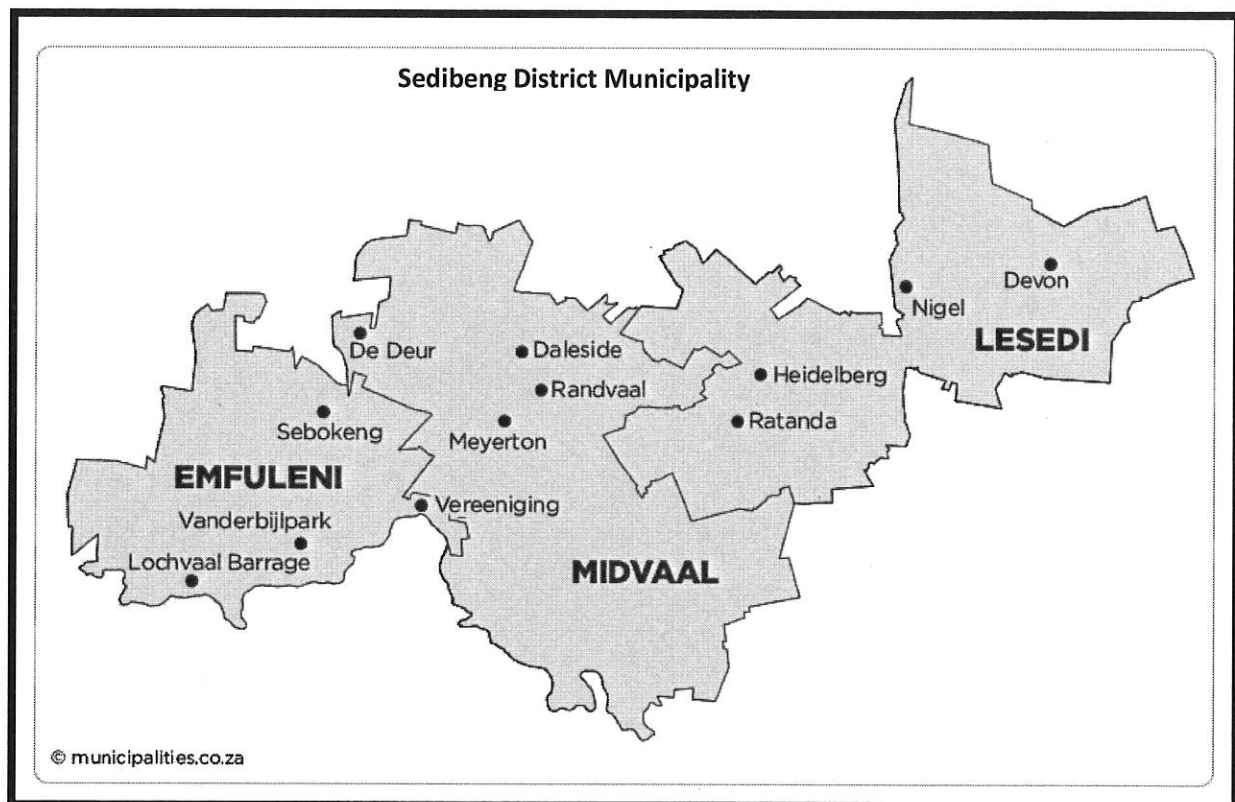
As a result, Gauteng Province Government (GPG) has decided to set up a DDM Hub in Sedibeng District, which is one of the two pilot sites in the province. The other pilot being the City of Johannesburg. It is envisaged that the DDM Hub in the Sedibeng District, which is a pilot will provide the necessary lessons that would be used to establish other Hubs in the province. The DDM Hubs are a critical part of the institutionalization of the implementation of the DDM in the districts and metros. The Hubs are envisaged to form a *'functional network of support and a facilitation system for Intergovernmental Planning in relation to a specific district ... which enable a platform for networking, linking, and connecting with various resources and processes located at various levels of government and outside of government'*.

The purpose of the Hubs is to support the National Department of Co-operative Governance's IGR mandate and DDM implementation function in facilitating and enabling joint planning and a cohesive government-wide approach and impact in relation to each respective district/metro space. This is to be undertaken with an impact focus that will result in improvement in the quality of life of the people residing within the respective space and the transformation and sustainable development of the space economy optimizing its contribution to an inclusive, competitive and sustainable national economy. The Hubs ought to facilitate the DDM's aim of bringing about fundamental change to people's lives and to the economy.

4. Project Area – Sedibeng District

The Sedibeng District Municipality represents the Sedibeng region that is made up of Emfuleni, Lesedi and Midvaal Local Municipalities. The region has also been named the "Southern Corridor" by the Gauteng Provincial Government. The region is surrounded by three provinces, the Free State to the south, Mpumalanga to the east and North West to the west. This makes the District and its development critical to the three provinces since there is inward and outward migration to and from the surrounding provinces and the districts of Gert Sibande (Mpumalanga), Fezile Dabi (Free State) and Dr Kenneth Kaunda (North West).

Primary nodes in the region are Vereeniging, Vanderbijlpark, Meyerton and Heidelberg. Secondary nodes include Evaton, Sebokeng, De Deur, Savannah City, Walkerville, Waterval, Ratanda, Jameson Park, Vischkuil and Devon. The Rural nodes are Langzeekoegat and Bantu Bonke, both of which are classified as agri-villages. The figure below depicts the spatial representation of Sedibeng District.



5. The role of the DDM hubs

DDM Hubs are part of the overall institutional arrangements for the implementation of the DDM. They form part of the extension of CoGTA capacity for purposes of playing its role in driving the institutionalisation of the DDM and facilitating the formulation, adoption, implementation, monitoring and review of the One Plans.

The Hubs ought to facilitate the DDM aim of bringing about fundamental change to people's lives and to the economy with the following strategic goals:

- To **respond strategically** to the socio-economic impact of Covid-19;
- To **stimulate** new thinking, new socio-economic paradigms, new and bold solutions and alternatives;
- To fundamentally change conditions on the ground:
 - **People,**
 - **Economy,**
 - **Space**
- To develop **resilience and prosperity** of the Country;
- To **facilitate** Responsive Institutions and Change Management; and
- To **embed** a Programmatic Approach to Cooperative Governance

6. Project objectives

According to guidelines from National DCOG, the key objectives of the DDM Hubs include the following:

- a. To facilitate and enable role players across government and society to have a shared appreciation and understanding of the district/metropolitan context, challenges and opportunities;
- b. To facilitate and enable the development of a common vision underpinned by commonly agreed and practical desired future outcomes;
- c. To facilitate and enable agreement by role players across government and society regarding strategic interventions, models for change and transformation, targets, commitments and responsibilities in order to achieve the commonly agreed desired future outcomes;
- d. To link with existing local institutions and bodies to enable credible data, information, research and knowledge systems for evidence-based decision-making;

- e. To facilitate credible and deep intergovernmental collaboration and planning sessions that enable ironing out of contradictions, misalignments and duplication of resources and functions;
- f. To guide and ensure robust technical work and preparations undertaken by all national and provincial departments, state entities and municipalities in contributing and shaping the One Plan and its implementation;
- g. To lead the process to review and monitor the implementation of the DDM One Plan;
- h. To package critical issues for coordination, alignment and decision-making and articulation of such into the One Plan; and
- i. To synergise national priorities, objectives, targets and local dynamics, objectives and participatory planning, IDPs etc.

7. Project scope

The scope of The Hub is to facilitate Intergovernmental Joint Planning (One Plan & IGR) and coordinate a Functional Network of Support (Capacitation & Resourcing). It is a key institutional mechanism to operationalize DDM, which is aimed at improving Cooperative Governance & building a capable, ethical Developmental State. Therefore, The Hub must do the following:

1. **Integrated planning and implementation:** Facilitate joint planning, strategic coordination and alignment by ensuring integrated planning and implementation across government through the coordination of the design and implementation of One Plan for the whole Sedibeng District.
2. **Capacity Building:** To enable streamlined and effective Local Government capacity building by consolidating and strategically coordinating capacity building initiatives and support programmes offered at district level.
3. **Shared resources:** To ensure that municipalities are enabled to perform their mandated functions and duties effectively and efficiently by effectively coordinating mobilization and making available expertise, key skilled personnel and systems that can be shared between district and local municipalities as needed.
4. **Impact Monitoring:** To monitor the effectiveness of government and the spatial and developmental impact on communities within the district. The work must align with the six DDM pillars.

8. Project deliverables

a) Integrated planning and implementation

- Regular engagement with One Plan structures:
 - DDM Political Committee
 - DDM Coordinating Steering Committee
- Identify critical interventions required to unlock developments & key commitments by stakeholders.
- Coordinate the implementation of One Plan and facilitate unlocking bottle necks in One Plan catalytic projects

b) Capacity Building

- Coordinate development and implementation of a Consolidated Capacity Building Intervention Plan based on capacity assessment done by MISA (report to be provided).
- Audit of all support services currently offered in the district and identify key support service providers & services they offer.
- Identify gaps: match identified capacity needs with available services (*offered*) & address uncovered areas.
- Coordinate Consultations/buy-in: Draft list of services to be offered (*confirmation of current & additional*):
 - Engagement of affected municipalities
 - Engagement of providers of the support services
- Coordinate the implementation of agreed list of support services.

c) Impact Monitoring

- Determine a monitoring system.
- Establish a Baseline by identifying **key aspects & indicators** to be monitored.

d) Institutional Impact

- Track the implementation of agreed List of services: *Monthly*
- Evaluate the effectiveness & impact of support offered to each municipality: *Quarterly*

e) District Space Impact

- Confirm and track implementation commitments and key catalytic projects: *Monthly*

- Evaluate the impact of all interventions made within the Sedibeng district space: *Quarterly*
- Monitoring Reports: Prepare & report *monthly* to the COGTA and District

f) Resource Mobilisation

- Coordinate establishment of effective partnerships with key non-government role players including the private sector & allocation/determination of specific contribution, roles & responsibilities:
 - DBSA
 - PPGI
 - Identified private investors
- Mobilise additional resources & expertise as required by each Municipality in Sedibeng.
- Engagement of key national sector departments & SOEs to prioritise the Sedibeng District on their key master plans.

g) Project Close out

- **A close-out report** should be prepared by the service provider at the end of the project as a formal handover of the project deliverables to the client or COGTA.

9. PROJECT TIMEFRAMES

The project is anticipated to commence in the first quarter of 2022/23 financial year. The project is envisaged to span for three years. Please note that the given timeframes are only indicative. The final timelines will be concluded with the implementers during the finalisation of the contract.

10. TENDER VALIDITY PERIOD

Kindly note that the price offer to be valid for 90 days from the closing date of bid.

11. COMPETENCY AND EXPERTISE REQUIREMENTS

In order to execute this assignment successfully, the service provider must put together a team that possesses the required knowledge, experience and expertise. The project team must include the following key staff:

Project team

The project team must consist of individuals with the following areas of expertise:

Hub/Programme manager

A skilled and dedicated programme manager is a requirement in order to effectively execute this work. S/he must be clearly indicated amongst the team and must possess the following expertise:

- Be a Professional Civil Engineer/Technologist registered with ECSA or a Professional Town/Urban/Development Planner, registered with SACPLAN
- Possess a degree in the Built Environment and a Business Management/Administration qualification. A Post-graduate qualification in the specific discipline will be an added advantage.
- Demonstrate 5-years' experience in leading complex strategic initiatives, programmes and projects to successful completion. Has a strong understanding of public sector planning and budgeting processes. Must also demonstrate sound knowledge and good grasp of the infrastructure landscape, political economics, macroeconomics as well as socio-economic development challenges and opportunities in South Africa

Must demonstrate having influence in governance and political oversight on infrastructure and possess effective stakeholder management skills.

Development Economist

- A 3 to 4 years Bachelor's Degree in Economics, Econometrics, Mathematics, Statistics or equivalent
- A minimum of 5 years' experience in research and policy-level analysis
- Some experience in design, monitoring and evaluation of development projects would be beneficial
- Ability to lead formulation and evaluation of development programmes and projects
- Ability to apply economic theory to the specific project, carry out high-quality economic research

12. FORM OF PROPOSAL

The bidder's proposal will be measured in terms of the level of detail, innovation, approach and methodology, practically in terms of the implementation as well as the ability to meet the project timelines.

Service providers should submit quotes in a format that facilitates evaluation as per the TOR. The following format is recommended:

- Executive summary
- An overview of the bid
- Approach and methodology which includes a Project Plan with key activities, timelines(duration), deliverables and detailed project costing
- Project risk management
- Project team with clearly indicated team leader
- Previous experience
- Innovation and value add activities
- Company information
- Other supporting documents

13. BID PRICES

- Bidders must express prices for their services in South African currency (Rand). All prices must be inclusive of Value Added Tax and costs to be incurred that are necessary for the execution and completion of the contract in accordance with the bid document
- Prices will remain fixed for the duration of the contract

13.MANDATORY REQUIREMENTS

Administrative Compliance (Mandatory Returnable Documents)

- Bid documents should comply with the mandatory requirements listed below to be considered responsive. Non-responsive bids will be disqualified from the tender process.
- Service providers who intend to respond to the tender invitation **must** attend the compulsory briefing session and ensure that they sign the attendance register;
- Completion, signing and submission of all Standard Bid Documents, SBD 1, 3.3, 4 and 6.1;

- The use of correction fluid when correcting errors on SBDs is prohibited; strike through the error, correct it and initial the corrections;
- Bid Documents should bear the original signature of an authorised person (Proof of Authority must be submitted e.g. Company Resolution); electronic submissions will not be accepted;
- In the case of Joint Venture/Consortium, a joint venture/consortium agreement must detail the percentage (%) split between the parties and portion/s of work to be shared, bearing the signature of all the parties to the joint venture/consortium, should be attached and notarised by an attorney;
- If the bidder intends to sub-contract, a sub-contracting agreement should be attached and signed by all parties to the sub-contracting agreement. The % (percentage) to be sub-contracted **must** be clearly indicated in the contract or SBD 6.1, section 7.1.1;
- Proposals submitted after the stipulated closing time and date will not be accepted.

14. ADDITIONAL DOCUMENTS

The below listed documents are necessary for vetting and appointment purposes and should be included in bids.

- In order to verify the tax status of bidders, bidders are required to submit their "Tax Compliance Status Pin" from SARS.
- Only suppliers (including all parties to Joint Ventures/Consortiums and sub-contractors) who are registered on the Central Supplier Database (CSD), www.csd.gov.za will be considered for appointment. (Proof to be attached).
- A Certified copy of a SANAS accredited valid BBBEE Certificate or Sworn Affidavit that complies with the Department of Trade, Industry and Competition (DTIC) or Companies and Intellectual Property Commission (CIPC) format, which can be found on the DTIC and/or CIPC websites.
- Certified copies of the company registration documents (CIPC)
- Certified copies of Directors/ Shareholders' IDs
- Latest Audited Annual Financial Statement or letter from accountant for new or dormant entities.
- Detailed company profile

Joint ventures/consortium must submit a valid consolidated B-BBEE status level verification certificate for every separate bid. In order to verify the tax status for each party to a joint venture/consortium, each party is required to submit their "Tax Compliance Status Pin" from SARS.

15. Technical evaluation criteria

All bids duly lodged will be evaluated to determine compliance with bid requirements and conditions. A proposal bid not meeting minimum thresholds will be eliminated for further evaluation.

Value metrics applied, 0= No Documents/Information provided, 1= Poor, 2= Average, 3= Good, 4= Very Good and 5= Excellent

| FUNCTIONALITY ITEM | FUNCTIONALITY BREAKDOWN | WEIGHTS | MAXIMUM POSSIBLE SCORE PER CRITERIA (value matrix rating x weight) |
|--------------------|--|---------|--|
| EXPERTISE (30) | <p>Demonstrate years' experience in leading complex strategic initiatives, programmes and projects to successful completion or similar work.</p> <p>Provide a 2-page summary of similar projects indicating</p> <ul style="list-style-type: none"> • Name of the organization • Contact person name and number • Project description • Project timeframes (start and end) <p>5 – similar projects were completed = 5</p> | 15 | 75 |

| FUNCTIONALITY ITEM | FUNCTIONALITY BREAKDOWN | WEIGHTS | MAXIMUM POSSIBLE SCORE PER CRITERIA (value matrix rating x weight) |
|--------------------|--|---------|---|
| | 4 – similar projects were completed = 4 3 – similar projects were completed = 3 2 – similar projects were completed = 2 1 – similar projects were completed = 1 No similar project completed = 0 | | |
| | <p>Demonstrate <i>quality of work</i> in developing Regional and local master plans that tie in with NDP, Integrated Resource Plans, Integrated Asset Management Plans, Engineering Economics (Modelling of bulk infrastructure for spatial planning), Capacity Assessment, Skills audit and Technical Support to Municipalities or similar work. Provide reports of previously done work.</p> <p><i>One report per category counts towards the total submitted</i></p> 5 Reports = 5 4 Reports = 4 3 Reports = 3 2 Reports = 2 1 Report = 1 No Report/criteria not met = 0 | 10 | 50 |
| | <p><i>Note: A full report is not required, but only the cover page, contents page and copy of a section/chapter to be able to demonstrate the quality of each report. Only the first five reports in the proposal will be</i></p> | | |

| FUNCTIONALITY ITEM | FUNCTIONALITY BREAKDOWN | WEIGHTS | MAXIMUM POSSIBLE SCORE PER CRITERIA (value matrix rating x weight) |
|-------------------------|---|---------|--|
| | <i>assessed. The Department reserves the right to verify the authenticity of information provided by the bidder.</i> | | |
| | <p>Provide reference letters (signed by client, on their letterhead, addressed to bidder, less than 5 years old)</p> <p>5 Reference letters = 5 4 Reference letters = 4 3 Reference letters = 3 2 Reference letters = 2 1 Reference letter = 1 No Reference letter/criteria not met = 0</p> <p>Note: Only the first five reference letters in the proposal will be assessed. The Department reserves the right to verify the authenticity of information provided by the bidder.</p> | 5 | 25 |
| METHODOLOGY (30) | The service provider is required to provide a detailed methodology demonstrating how they will run the DDM Hub, and in so doing must provide: | 30 | 150 |

| FUNCTIONALITY ITEM | FUNCTIONALITY BREAKDOWN | WEIGHTS | MAXIMUM POSSIBLE SCORE PER CRITERIA (value matrix rating x weight) |
|-----------------------|--|---------|--|
| | <ol style="list-style-type: none"> 1. A clear articulation of the objectives of the project, demonstrating an understanding of what needs to be achieved 2. A detailed implementation plan that will reflect the budget and resource allocation and time frames 3. A detailed Project Plan aligned to the scope of work, outlining the methodology of running the DDM Hub, with clearly defined deliverables and/or milestones 4. The methodology should demonstrate an in-depth knowledge and understanding the six themes of the DDM, the One Plan, the IGR structures within the district, relevant local government integrated development planning processes, project execution structures and legislation 5. Detailed budget breakdown per phase and deliverables which is inclusive of professional fees, disbursements and VAT <p>5. Value added activities</p> <p>All 5 criteria above are met = 5</p> <p>Any 4 criteria are met = 4</p> <p>Any 3 criteria are met = 3</p> <p>Any 2 criteria are met = 2</p> <p>Any 1 criteria is met = 1</p> <p>None of the criteria are met/No methodology = 0</p> | | |

| FUNCTIONALITY ITEM | FUNCTIONALITY BREAKDOWN | WEIGHTS | MAXIMUM POSSIBLE SCORE PER CRITERIA (value matrix rating x weight) |
|---|--|---------|--|
| CAPACITY, QUALIFICATION AND EXPERIENCE (40) | DEDICATED AND SKILLED PROGRAMME/HUB MANAGER Provide a CV, <i>certified</i> copies of qualifications (Graduate Degree/Qualification in Built environment – Engineering / Town / Urban / Development Planning), Business Management/Administration Qualification with a minimum NQF level 7, ID document, and proof of registration with ECSA or SACPLAN. The programme manager <i>must</i> be clearly indicated amongst team members. <ul style="list-style-type: none"> • CV with 5 years' experience and more = 5 • CV with less than 5 years' experience = 4 • CV with less than 4 years' experience = 3 • CV with less than 3 years' experience = 2 • CV with less than 2 years' experience = 1 • No CV/below 1 year experience = 0 | 5 | 25 |
| | Qualification <ul style="list-style-type: none"> • Certified degree/qualification in Built environment Engineering / Town / Urban / Development Planning = 5 • Certified Business Management/Administration qualification = 3 | 5 | 25 |

| FUNCTIONALITY ITEM | FUNCTIONALITY BREAKDOWN | WEIGHTS | MAXIMUM POSSIBLE SCORE PER CRITERIA (value matrix rating x weight) |
|--------------------|--|---------|--|
| | <ul style="list-style-type: none"> No degree/qualification in Engineering / Town / Urban / Development Planning = 0 | | |
| | Professional body registration <ul style="list-style-type: none"> Certified copy of registration with ECSA/SACPLAN = 5 No registration with ECSA/SACPLAN = 0 | 5 | 25 |
| | Identity verification <ul style="list-style-type: none"> Certified ID copy included = 5 No ID copy included = 0 <p>Note: all certified documentation must be dated and no more than three months old.</p> | 5 | 25 |
| | A DIVERSE, MULTI-DISCIPLINARY PROJECT TEAM <p>The potential service provider must have minimum 2 individuals with the following areas of expertise in order to execute this project: (1) Development/Town/Urban Planning (2) Economist/Econometrics/mathematics/statistics,</p> <p>Provide CVs of team members, with contactable references, indicating clear beginning and end dates per experience, with certified copies of qualifications</p> | 4 | 20 |

| FUNCTIONALITY ITEM | FUNCTIONALITY BREAKDOWN | WEIGHTS | MAXIMUM POSSIBLE SCORE PER CRITERIA (value matrix rating x weight) |
|--------------------|---|---------|--|
| | <p>and proof of registration with the relevant professional body (as outlined under Item 8 titled, Competency and Expertise Requirements of the TORs) and ID documents.</p> <ul style="list-style-type: none"> CVs with all 5 expertise areas covered = 5 CVs with only 4 expertise areas covered = 4 CVs with only 3 expertise areas covered = 3 CVs with only 2 expertise areas covered = 1 1 or No CVs/criteria not met = 0 | | |
| | <p>Team members to demonstrate 5 years' experience in their respective areas of expertise: Development/Town/Urban Planning, Economist/Econometrics/mathematics/statistics.</p> <ul style="list-style-type: none"> 5 years and more experience = 5 Less than 5 years' experience = 4 Less than 4 years' experience = 3 Less than 3 years' experience = 2 Less than 2 years' experience = 1 Below 1 year experience/criteria not met = 0 <p>Note: For the years of experience, each CV will be assessed individually, and the scores will be averaged. Only the first 5 CVs will be assessed.</p> | 4 | 20 |

| FUNCTIONALITY ITEM | FUNCTIONALITY BREAKDOWN | WEIGHTS | MAXIMUM POSSIBLE SCORE PER CRITERIA (value matrix rating x weight) |
|-----------------------|--|---------|--|
| | Each of the 2 team members to demonstrate qualification in their respective area of expertise <ul style="list-style-type: none"> • 5 certified copies of qualifications = 5 • 4 certified copies of qualifications = 4 • 3 certified copies of qualifications = 3 • 2 certified copies of qualification = 1 • 1 or No qualifications/ criteria not met = 0 | 4 | 20 |
| | Each of the 2 team members to demonstrate professional registration in their respective area of expertise <ul style="list-style-type: none"> • 5 certified copies of registration certificates = 5 • 4 certified copies of registration certificates = 4 • 3 certified copies of registration certificates = 3 • 2 certified copy of registration certificate = 1 • 1 or No registration certificates / criteria not met = 0 | 4 | 20 |
| | Each of the 2 team members to demonstrate proof of identity <ul style="list-style-type: none"> • 5 certified copies of ID documents = 5 • 4 certified copies of ID documents= 4 • 3 certified copies of ID documents= 3 • 2 certified copy of ID document = 1 • 1 or No ID documents/criteria not met = 0 | 4 | 20 |

| FUNCTIONALITY ITEM | FUNCTIONALITY BREAKDOWN | WEIGHTS | MAXIMUM POSSIBLE SCORE PER CRITERIA (value matrix rating x weight) |
|--|---|------------|--|
| | Note: all certified documentation must be dated and no more than three months old. | | |
| TOTAL FUNCTIONALITY POINTS | | 100 | 500 |
| MINIMUM THRESHOLD FOR FUNCTIONALITY | | 70 | 350 |

Scores are allocated according to a value matrix ranging from 0 to 5 of which 0 is the lowest score that can be obtained and 5 the highest. The Maximum Possible points are calculated by multiply the weight of each criteria with the highest score (as per the value matrix) that can be obtained. The minimum qualifying score for functionality is indicated as a percentage and is calculated as follows:

- The score for each criterion is added to obtain the total score; and
- The following formula is applied to convert the total score to a percentage for functionality:

So

$$Ps = Ms \times 100$$

Were:

Ps = Percentage scored for functionality by bid under consideration

So = Total score of bid under consideration

Ms = Maximum possible score

The percentage of each panel member is added and divided by the number of panel members to establish the average percentage obtained by each bidder for functionality.

17. Preferential Procurement System

The Preferential Procurement Policy Framework Act, Act No 5 of 2000 and its associated Preferential Procurement Regulations 2017 will be applied when evaluating and appointing the preferred service provider. Bids meeting the minimum threshold for functionality will be further

evaluated in terms of the 80/20-point system as stipulated in the Preferential Procurement Regulations, 2017. Shortlisted bid(s) will be allocated 80 points (maximum possible score) if the competitive price of the acceptable bid(s) is/ are the lowest and 20 points for a Level 1 B-BBEE status.

The following formula is applied to calculate preference points.

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for competitive price of bid or offer under consideration

Pt = Competitive price of bid or offer under consideration; and

Pmin = Competitive price of lowest acceptable bid or offer

NB: Bidders are required to, together with their bids, submit original and valid B-BBEE status level verification certificates or certified copies to substantiate their B-BBEE rating claims. A bid will not be disqualified from the bidding process if the bidder does not submit a certificate substantiating the B-BBEE status level of contribution nor is a non-compliant contributor (unless a specific B-BBEE level is required as a pre-qualification criteria). Such a bidder will score zero out of maximum of 20 points for B-BBEE.

| 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 |

Note: *The total points (out of 100) for the various bidders will be calculated by adding the points for price (out of 80) and the points for BBBEE Contributor Level (out of 20).*

18. B-BBEE Requirements

1. A Bidder who qualifies as an Exempted Micro Enterprise (EME) must submit a sworn affidavit with Financial Statements / Management Accounts and other information available on the latest financial year-end.
2. A Bidder who qualifies as a Qualifying Small Enterprise (QSE) and is more than 51% black owned must submit a sworn affidavit with Financial Statements / Management Accounts and other information available on the latest financial year-end.
3. Sworn affidavits submitted by bidders in support of their B-BBEE level should comply with the DTIC or the CIPC format or in a similar format and must be valid, original or certified as a true copy of the original.
4. A Bidder who qualifies as a Qualifying Small Enterprise (QSE) and is less than 51% black owned must submit a B-BBEE verification certificate issued by an Agency accredited by SANAS (South African National Accreditation System) which has to be valid, original or certified as a true copy of the original. In addition, the Bidder must submit an affidavit stipulating that their annual Total Revenue was between R10,000,000.00 (Ten Million Rand) and R50,000,000.00 (Fifty Million Rand) based on their latest Financial Statements/Management Accounts and other information available thereon.
5. Bidders who do NOT qualify as EME's and QSE's as outlined in 1 and 2 above, must submit B-BBEE verification certificates that are issued by an Agency accredited by SANAS.
6. A trust, consortium or joint venture must submit a valid SANAS accredited, consolidated B-BBEE status level verification certificate for every separate bid.
7. Public entities and tertiary institutions must also submit B-BBEE Status Level Verification Certificates together with their tenders.

NOTE: Bidders who fail to submit a valid original or certified copy of their B-BBEE Certificate or Sworn Affidavit will forfeit the points allocated for B-BBEE status level of contributor. Sworn Affidavits and certification as a "true copy of the original", must comply with the requirements outlined in the Justices of the Peace and Commissioners of Oaths Act, No 16 of 1963 and its Regulations promulgated in Government Notice GNR 1258 of 21 July 1972 Justices of the Peace and Commissioners of Oaths Act, No. 16 of 1963.

19. Contact details

All enquiries should be directed via electronic mail. The project manager should be contacted for enquiries related to the terms of reference/specifications. Tender administrative enquiries should be directed to tender administrators.

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| Project Managers: Mr. Lodi Diale | Tender Administrators: Ms. Mahlatse Madiba |
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|---|--|
| Josiah.Lodi@gauteng.gov.za | <u>Mahlatse.madiba@gauteng.gov.za</u> |
| Mr. Jabulani Mkansi Jabulani.mkansi@gauteng.gov.za | Ms. Phumzile Malgas <u>phumzile.malgas@gauteng.gov.za</u> |

19. Tender document delivery address

Bids should be delivered in the tender box at the address provided below. All Bids should be bonded and sealed in an envelope. The envelop should be clearly marked with the tender number and description.

Provincial Disaster Management Centre (PDMC)

Riverview Office Park,11 Janadel Avenue

Halfway House

MIDRAND,1685

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of 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.

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| 2. Application | <p>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.</p> <p>2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.</p> <p>2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.</p> |
| 3. General | <p>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.</p> <p>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</p> |
| 4. Standards | <p>4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.</p> |
| 5. Use of contract documents and information; inspection. | <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> |
| 6. Patent rights | <p>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.</p> |
| 7. Performance security | <p>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.</p> |

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

**8. Inspections,
tests and
analyses**

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
 - (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

- 16. Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard

the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure

25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security,

damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.

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

**26. Termination
for insolvency**

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

**27. Settlement of
Disputes**

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

**28. Limitation of
liability**

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

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
- 32. Taxes and duties** 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation Programme (NIP)** 33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.