 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA		<h1 style="text-align: center;">Provincial Supply Chain Management</h1>							
		Request for Proposal		Page 1 of 4					
RFP NUMBER									
RFP DESCRIPTION									
CUSTOMER DEPARTMENT									
CUSTOMER INSTITUTION									
BRIEFING SESSION	Y		N		SESSION COMPULSORY	Y		N	
					SESSION HIGHLY RECOMMENDED	Y		N	
BRIEFING VENUE					DATE			TIME	
COMPULSORY SITE INSPECTION	Y		N		DATE			TIME	
INSPECTION ADDRESS									
TERM AGREEMENT CALLED FOR?	Y		N		TERM DURATION				
CLOSING DATE					CLOSING TIME				
<b>TENDER BOX LOCATION</b>									
GPT is acting as Common Service Provider or buying organisation on behalf of all Gauteng Provincial Government Customer Departments / Institutions. The goods / services are therefore required by the Customer Department / Institution, as indicated on this form RFP 01.									

### Notes:

- All bids / tenders must be deposited in the Tender Box at the following address:  
**Gauteng Provincial Treasury, Imbumba House, 75 Fox Street, Marshalltown, Johannesburg**
- Bids / tenders must be deposited in the Tender Box on or before the closing date and time.
- Bids / tenders submitted by fax will not be accepted.
- The GPT Tender Box is generally open 24 hours a day, 7 days a week.
- This bid is subject to the preferential procurement policy framework act, 2000 and the preferential procurement regulations, 2022, the general conditions of contract (gcc) 2010 and, if applicable, any other special conditions of contract.
- ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL GPG RFP FORMS – (NOT TO BE RE-TYPED)
- ALL REQUIRED INFORMATION MUST BE COMPLETED (FAILURE TO DO SO MAY RESULT IN YOUR BID BEING DISQUALIFIED):

### The Tendering System

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

### Training sessions

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



# Provincial Supply Chain Management

Request for Proposal

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## PART A INVITATION TO BID

### 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
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES 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.	



# Provincial Supply Chain Management

**Request for Proposal**

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

**ANY ENQUIRIES REGARDING BIDDING PROCEDURE MAY BE DIRECTED TO:**

DEPARTMENT	
CONTACT PERSON	
TELEPHONE NUMBER	
FACSIMILE	
E-MAIL ADDRESS	

**ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:**

DEPARTMENT	
CONTACT PERSON	
TELEPHONE NUMBER	
FACSIMILIE	
E-MAIL ADDRESS	

 <p><b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA</p>	<h1 style="text-align: center;">Provincial Supply Chain Management</h1>	
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## PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
<p>1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.</p> <p>1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.</b></p> <p>1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.</p> <p>1.4. <b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).</b></p>
2. TAX COMPLIANCE REQUIREMENTS
<p>2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.</p> <p>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.</p> <p>2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE <a href="http://WWW.SARS.GOV.ZA">WWW.SARS.GOV.ZA</a>.</p> <p>2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.</p> <p>2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.</p> <p>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.</p> <p>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."</p>

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

SIGNATURE OF BIDDER		DATE	
<b>CAPACITY UNDER WHICH THIS BID IS SIGNED</b> (Proof of authority must be submitted e.g. company resolution)			

**RETURNABLE ATTACHMENT****GAUTENG PROVINCE**TREASURY  
REPUBLIC OF SOUTH AFRICA**PERSONAL INFORMATION PROCESSING FORM**

1. In the furtherance of the relevant Department's operational requirements and for purposes of complying with its policies, procedures and privacy laws, we may be required to disclose, process and/or further process your personal information provided to us and/or made available by virtue of submission of this bid.
2. For purposes contemplated in paragraph 1, the Gauteng Department of Treasury (**Department**), hereby requests your consent and/or authorisation for the disclosure, processing and/or further processing of any and/or all your personal information as may be necessary for reasons provided in paragraph 1.
3. By signing this Personal Information Processing Consent form, you hereby grant the Department permission, consent and/or authorisation to disclose, process and further process your personal information within our records, as may be required and/or necessary from time to time.

I, the undersigned, \_\_\_\_\_ (*INSERT FULL NAME AND SURNAME*) with Identity Number \_\_\_\_\_, in my personal capacity or acting on behalf of \_\_\_\_\_ (Registration Number: \_\_\_\_\_) (**Company**), confirm that:

4. I have read and understood the contents of this Personal Information Processing Consent form, the details of which have been further explained to me.
5. my or \_\_\_\_\_'s (*INSERT COMPANY'S NAME*) personal information and/or data may be disclosed, processed and/or further processed by the Department (including its employees, agents, contractors and representatives) and such other third parties contracted with the Department involved in the processing, verification and management of my and/or Company's Personal Information in accordance with the requirements set out in paragraph 1 (**Processors**);
6. any one or more of the above entities/representatives may utilise my and/or Company's personal information/data storage and/or any traffic data processing infrastructure located in and outside the borders of the Republic of South Africa (**RSA**), in which instance my and/or Company's personal information/data may be conveyed, processed and/or stored outside the borders of RSA;
7. I accept the data security and protection measures adopted and/or applied by the Processors in their retention, disclosure, processing and further processing of my and/or Company's personal information/data; and
8. The Department may retain any of my personal information/data as may be required by the Department or for purposes contemplated in paragraph 1.

9. By my signature below, do hereby give my or the Company's irrevocable consent, and/or authorisation for purposes required and/or detailed in this Personal Information Processing Consent form.

### Privacy Laws Compliance Clause

I, the signatory to this document/form, further warrant and undertake:

10. to comply with all privacy laws (including the Protection of Personal Information Act 4 of 2013, as amended, (**POPIA**)) applicable to the processing of any Personal Information resultant from and/or pursuant to the terms of this Agreement. You further undertake to ensure that all security measures are in place, to:
- ✓ ensure the lawful processing of Personal Information
  - ✓ secure the integrity and confidentiality of such Personal Information;
  - ✓ provide the appropriate and reasonable technical and organization measures to prevent any loss, damage or unauthorized destruction of Personal Information;
  - ✓ mitigate against any unlawful, data breach or unauthorised access to Personal Information;
  - ✓ identify any or potential risks related to data breaches or contravention with privacy laws;
  - ✓ apply the acceptable information security practices and procedures.
11. to indemnify the Department against any losses, howsoever arising, resultant from any breach or contravention of the privacy laws including your breach of this clause and shall, timeously, notify the Department, the data subject and the Information Regulator in the event of any contravention or unauthorised disclosure of Personal Information.
12. In accordance with the requirements of POPIA, I hereby give the Department the expressed and revocable consent to and/or authorisation to disclose, process and/or further process any Personal Information obtained by the Department pursuant to the terms of this Agreement.

Signed by: \_\_\_\_\_

ID Number: \_\_\_\_\_

Signature: \_\_\_\_\_

Designation: \_\_\_\_\_

Date: \_\_\_\_\_



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

**RFP Point System**

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RFP NUMBER		CLOSING DATE	
VALIDITY OF RFP		CLOSING TIME	

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

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

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

The Gauteng Provincial Government requests your bid on the goods and/or services listed on the attached forms. Please furnish all information as requested and return your bid on the date stipulated. Late bids will not be accepted for consideration.

This RFP will be evaluated on the basis of the under noted point system, as stipulated in the Preferential Procurement Policy Framework Act (Act number 5 of 2000).

## Point System

Points SHALL be allocated as follows:

Points for

Points for

## TYPE OF CONTRACT (COMPLETED BY PROJECT MANAGER)

### VALUE BASED

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



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

## Instructions to Bidders

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





# Provincial Supply Chain Management

## Instructions to Bidders

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

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

The bid must be deposited or posted;

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

 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<h1>Provincial Supply Chain Management</h1>	
	<b>Bid Commitment and Declaration of Interest</b>	<b>Page 1 of 3</b>

## 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 interest<sup>1</sup> in the enterprise, employed by the state?

<b>YES</b>		<b>NO</b>	
------------	--	-----------	--

- 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

<sup>1</sup> 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.

 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<h1>Provincial Supply Chain Management</h1>	
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- 2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution?

<b>YES</b>		<b>NO</b>	
------------	--	-----------	--

- 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?

<b>YES</b>		<b>NO</b>	
------------	--	-----------	--

- 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 consortium<sup>2</sup> 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.

<sup>2</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.  
 Filename:RFP4GPT (SBD4)

 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<h1>Provincial Supply Chain Management</h1>	
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3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

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

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


<b>Signature</b>		<b>Date</b>	
<b>Position</b>		<b>Name of Bidder</b>	

 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<b>Provincial Supply Chain Management</b>	
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<b>RFP NUMBER</b>	
<b>RFP DESCRIPTION</b>	
<b>CUSTOMER DEPARTMENT</b>	
<b>CUSTOMER INSTITUTION</b>	

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

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

 <p><b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA</p>	<b>Provincial Supply Chain Management</b>	
	<b>Special Conditions</b>	Page 2 of 3

## EVALUATION METHODOLOGY

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

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

### Stage 1

Criteria for Functionality	Points
<b>TOTAL</b>	

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


### Stage 2

Criteria for Price and Specific Goals	Points
Bid Price	
Specific Goals	
<b>TOTAL</b>	<b>100</b>

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

- Stage One–

- Stage Two–

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

## SUPPLIER JOB CREATION ANALYSIS

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

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

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


Comments to include:

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

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

=====

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

 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<b>PROVINCIAL SUPPLY CHAIN MANAGEMENT</b>	
	<b>TERMS OF REFERENCE FOR TRANSACTION ADVISORY SERVICES FOR THE DEVELOPMENT OF BUSINESS CASES FOR THE DESIGN AND ESTABLISHMENT OF A STATE-OWNED BANK AND A STATE-OWNED PHARMACEUTICAL COMPANY FOR THE GAUTENG PROVINCIAL GOVERNMENT</b>	<b>Page: 1 of 28</b>

## COVER PAGE

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The GPT accepts no liability for any damages whatsoever that may result from the use of this document including the material contained herein, irrespective of the cause or circumstances.

### Content

This document references various standards and specifications applicable to the relevant business sector within the Republic of South Africa. Changes to these standards and specifications affected during the course of preparing this document have not been taken into account and therefore may vary. Changes or queries detected in this document must be brought to the attention of the Gauteng Provincial Treasury (GPT).


Compliance with this specification does not in itself confer immunity from legal obligations



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## ABBREVIATIONS

- "Financial Year" means a twelve-month period commencing from 1 April and ending 31 March.
- "Service provider" means a single entity or consortium or joint venture partnership
- "GPG" - Gauteng Provincial Government herein represented by the GPT.
- "GEP" – Gauteng Enterprise Propeller
- "GPF" – Gauteng Partnership Fund
- "GIFA" – Gauteng Infrastructure Financing Agency
- "GPT" - Gauteng Provincial Treasury
- "TMR" – Transformation, Modernisation, and Re-industrialisation
- "PFMA" - Public Finance Management Act
- "CSD" – Central Supplier Database
- "EME" - Exempted Micro Enterprises
- "TCS" – Tax Compliance Status
- "BAS" – Basic Accounting System
- "SAP" – System Applications and Products
- "SAQA" - South African Qualifications Authority

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## 1. PROJECT BACKGROUNDS AND GOALS

### 1.1 BACKGROUND

The Gauteng Provincial Government (GPG) promotes inclusive economic growth throughout the province. Accordingly, during his first address and introduction of the new Gauteng Executive Council on the 7<sup>th</sup> of October 2022, the new Premier, Mr Panyaza Lesufi, announced the intention to establish a **State-Owned Bank and Pharmaceutical Company** to be developed under the auspices of the GPG. The establishment process of the entities comprises three (3) phases, **Phase 1: Legal due diligence** to help appreciate the legal and regulatory landscape, **Phase 2: Development of a Business Case** to justify the need for the establishment of these entities; and **Phase 3: Design and Establishment**.

Up to now, the GPG has concluded Phase 1, conducting a legal due diligence process on both entities to assess whether these initiatives are legally possible within the provincial legal framework, which yielded positive outcomes.

The appointment of a transaction advisor plays a crucial role in Phase 2 as they will be responsible for providing expert advice and guidance in the development of these business cases. They will assist in conducting feasibility studies, assessing the financial viability of the projects, and identifying potential risks and challenges.


Once the business cases have been developed, the GPT, shall review the outcomes and make a decision on whether the projects should proceed to Phase 3. It is important to note that the decision to move to Phase 3 is a critical milestone in the project's lifecycle. It signifies that the project has been deemed viable and has received the necessary support and resources to proceed further.

Phase 3 involves the Design and Establishment of the entities. This includes developing detailed plans and specifications, securing necessary approvals and permits, and identifying the necessary infrastructure and resources for the project(s). Once the Design and Establishment phase is complete and successful, the GPT can procure resources to proceed to implementation.

#### 1.1.1 State-Owned Bank

A state-owned Bank is defined as a government-owned financial institution providing financial services (lending, deposit-taking, insurance, or micro-finance) to promote inclusivity in economic participation and empowerment. According to the Premier's address, the planned State-Owned Bank will focus on transforming the township economy, where many individuals and entrepreneurs remain unserved by conventional banking offerings, particularly the lack of credit offerings to township businesses. This prevailing situation (where a significant portion of the population remained unserved), is deemed a market failure, which must be addressed by establishing the state-owned Bank.

To obtain an understanding of applicable laws and regulations, the Gauteng Provincial Treasury (GPT), in collaboration with the Gauteng Infrastructure Financing Agency (GIFA), appointed a legal advisor to conduct legal due diligence to gain a comprehensive understanding of all applicable laws and regulations that are relevant for the establishment of a state-owned Bank, and whether the framework supports or hinders the establishment of such an entity.

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Guided by a positive outcome of the legal due diligence for a state-owned Financial Institution it has now given rise for the need to develop a Business Case and if supportive, continue with the Design and Establishment for the identified Financial Institution to serve the Gauteng Province. The Business Case forms part of the project preparation work that will engage the market to appreciate the existing banking landscape, in terms of its legal and regulatory environment, the competitive landscape, and gap analysis and propose the best option for the envisaged Financial Institution. Part of the environmental scan will look at existing GPG interventions in the market, such as the Gauteng Enterprise Propeller (GEP), Gauteng Infrastructure Financing Agency (GIFA), and Gauteng Partnership Fund (GPF), and assess their effectiveness in addressing market failures and how this can be improved on.

The recommended option should offer the best value for money for the Gauteng Province in light of the identified market failures and gaps. The legal due diligence indicated that there is scope for the Gauteng Province to pursue with the establishment of a Financial Institution, but offering inter alia limited banking services such as offering lending products to Micro, Small & Medium-scale enterprises, or project preparation work and lending for infrastructure or housing development.


The legal due diligence report will be made available to the appointed service provider as background documentation.

### 1.1.2 State-Owned Pharmaceutical Company

The role envisaged for a state-owned Pharmaceutical Company is to provide access to quality, affordable medicines for all citizens, especially those who are most vulnerable and lack access to private healthcare.

It is envisaged that the Pharmaceutical Company provides the following efficiencies:

- Health economic research and analysis, with respect to pharmaceutical markets, procurement trends, economies of scale, distributions, geo-political factors, access, per capita expenditure, and annual patterns of expenditure in relation to public sector medicinal products and medical device supplies;
- In collaboration with the Gauteng Department of Health, periodically review the South African Essential Drug List, with regard to product classification and effectiveness of the original and generic medicines for the South African population in relation to efficacy, quality and safety;
- Monitor the Anatomical Therapeutic Chemical (ATC) coding (Particularly ATC 1 Category J) for incorporation into the South African Master Procurement List;
- Formulate and implement the provincial medicine pricing framework, in line with the Master Procurement List and the Public Finance Management Act of 1999 (PFMA);
- Formulate and centralise medicines and medical device supplier databases;
- Source and procure medicine(s) and medical devices and effect efficient contract management processes in compliance with the applicable regulatory requirements;
- Facilitate cost-effective and efficient storage, inventory management and distribution processes to promote access to medicines and medical devices;
- Provide end-to-end medicinal product supply chain management support to the GPG; and
- Ensure compliance with all regulatory requirements applicable to state-owned pharmaceutical companies.

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To obtain an understanding of applicable laws and regulations, the Gauteng Provincial Treasury (GPT), in collaboration with the Gauteng Infrastructure Financing Agency (GIFA), appointed a legal advisor to conduct a legal due diligence to gain a comprehensive understanding of all applicable laws and regulations that are relevant for the establishment of a state-owned Pharmaceutical Company, and whether the framework supports or hinders the establishment of such an entity. It was also essential to consider other factors, such as government policies, national healthcare goals, and public interest, which may influence the decision to establish the entity.

Guided by a positive outcome of the legal report, which identified several options to host the Pharmaceutical Company, underwritten by a legal and regulatory framework, this now calls for the development of a detailed Business Case supporting the viability for the Design and Establishment of a state-owned provincial Pharmaceutical Company. The development of the Business Case will justify and include options which, amongst others, may include the undertaking of a new facility and/or improving on the current Pharma Depot, informed by aspects on the cost of development, implementation against risks, and anticipated economic benefits to the public of Gauteng Province. The transaction advisor will engage with other provinces who are on a similar journey to establish similar entities and work, and engage with the advisory panel and sub-panels established by the GPT

This legal due diligence report will be made available to the appointed service provider.

## 2. CUSTOMERS AND STAKEHOLDERS

### 2.1 CUSTOMERS AND STAKEHOLDERS


- Gauteng Provincial Treasury
- Gauteng Infrastructure Financing Agency
- Recognised Unions

### 2.2 DEPARTMENTS

- Office of the Premier
- Gauteng Department of Economic Development
- Gauteng Department of Health
- Gauteng Department of Infrastructure Development.

## 3. SCOPE OF WORK

The GPT seeks to source a service provider/s (in this instance means a single entity, consortium or JV partnership) to develop both or individual **Business Cases** and, if providing a positive outcome, to assist with the **Design and Requirements for the Establishment** of a state-owned Bank (similar financial institution pending outcome of Business Case) and a state-owned Pharmaceutical Company for the Gauteng Provincial Government (GPG). This means that the Business Cases for the Design and Establishment for both the **state-owned Bank** and the **state-**

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**owned Pharmaceutical Company** need to be developed individually based on the specifications provided in this Terms of Reference. Therefore, service providers have the option to submit their bid proposal for either one or both of the aforementioned projects.

### 3.1 STATE-OWNED BANK

The GPT seeks to source the services of a service provider to develop a Business Case and, if providing a positive outcome, confirming a go-ahead, to assist with the Design and requirements for the formal Establishment of a state-owned Bank/Financial Institution for the Gauteng Province. The business case must be developed in line with the specifications set out in this Terms of Reference.

#### 3.1.1 Phase 2: Business Case for the State-Owned Bank

The business case development will involve the following.

##### 3.1.1.1 Market and Needs Assessment


The service provider needs to perform a market assessment of the banking industry and the sector players that are pertinent to the project, focusing on development finance offerings within the sub-categories of SMME lending, infrastructure project preparation and finance and housing development, with the boundaries of the Gauteng Province. The market assessment should incorporate appropriate industry benchmarks, highlight the best local and international practices that are applicable to this project, and specifically assess the implementation from the public sector perspective. The service provider needs to develop an appreciation of South Africa's banking industry, starting from the legislative framework, regulatory requirements, competitive environment, and profitability. Study local and global trends in banking and financial inclusion to inform preferred option.

##### 3.1.1.2 Gap Analysis

In addition, identify current product offerings (product-market fit) and gaps in the market, based on targeted customer (product needs), affordability and substitute products offered by competitors in the market. The market assessment will need to consider GPG's existing interventions, such as the GEP, GIFA and GPF and how they have attempted to address market failures within their respective sub-sectors. This section should identify gaps in the current bank product offerings from a wide spectrum of commercial, wholesale and investment banking propositions. The identified gap will assist in the development of a positioning strategy and product offering for the proposed type of Financial Institution.

##### 3.1.1.3 Options Analysis

Based on the market assessment and gaps identified above, the service provider is expected to analyse options, ranging from commercial banking product offerings, cooperative banking, mutual banking or development finance product offerings for micro, small and medium-scale enterprises, as well as the possibility of an infrastructure-focused Development Financial Institution's. An in-depth analysis of the following should back each option:

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- Legislative and regulatory requirements e.g., in line with Public Finance Management Act, and Department of Public Service Administration Guidelines.
- Compliance requirements in line with banking and related legislation – South African Reserve Bank, Prudential Authority, Bank requirements;
- Corporate structure and legal form of the Financial Institution;
- Cost-benefit analysis per option;
- The option to provide a unique value proposition that better meets the specific needs of local customer segments and needs;


#### 3.1.1.4 Recommend a Preferred Option

- Needs and Market Analysis;
- Positioning strategy based on the identified gaps or market opportunities;
- Value Proposition;
- Most suitable proposed option;
- Product Offerings;
- Capitalisation Strategy;
- The Operating Model and Delivery Channels;
- The Business Case will inform the preferred option, with detailed costing, which will inform a capitalisation strategy for the Provincial state-owned Financial Institution.

#### 3.1.2 Phase 3: Design and Establishment

- How to launch the preferred option with regard to licensing application.
- Validate design principles and value proposition;
- Review and refine business model recommendation;
- Design and Establishment;
- Guide the application process for a Banking licence and lead in engagements with the National Treasury, the Department of Public Service & Administration and the South African Reserve Bank;
- Guide the development of supporting legislation with the Gauteng Provincial Government;
- Develop a competitive strategy and operational plan for the Financial Institution;
- Develop and implement a funding strategy based on the Bank's capital and operational requirements;
- Recommend staffing requirements in line with the Bank's operational model
- Develop an implementation plan for the Bank, including an Operating Model, Governance Framework
  - Develop an appropriate "go-to-market" strategy for the Bank.
  - Develop appropriate products in line with market needs/ gap.
  - Develop relevant delivery channel for the Bank's product offering.



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- Develop a human resources plan, with timelines.
- Establish proper Governance Structures in line with the SARB requirements, Leadership Board, Assets and Liabilities Committee ("ALCO"), Credit Risk Committee ("CRC"), Remuneration Committee ("RC"), Risk Management Committee ("RMC") and other relevant Risk and Governance Structures ;
- Development of the implementation and procurement plan;
- National Treasury approval process for corporate form (Schedule 3C/3D);
- Department of Public Service and Administration approval process for functions and structure;
- South African Reserve Bank applications, approval for a bank license and any other compliance requirements in line with the banking legislation framework;

### 3.2 PHARMACEUTICAL COMPANY


The GPT seeks to source the services of a service provider to develop the business case and, if providing a positive outcome, confirming a go-ahead, to assist with the Design and Establishment of a state-owned Pharmaceutical Company for the Gauteng Province. The business case will be developed in line with the specifications set out in this Terms of Reference.

#### 3.2.1 Phase 2: Business Case for State Owned Pharmaceutical Company (SOPC)

The scope of work for delivering the business case will involve the following:


- Take considerations from the legal report and obtain an understanding of the regulations that govern the pharmaceutical industry and ensure that the entity is compliant;
- Market Analysis; establishing an understanding of the pharmaceutical industry, including the size and the scope of the market, customer demand and competitive landscape;
- Conduct a needs Assessment/ GAP analysis;
- Conduct an Options Analysis; consider different options, which must include options for upgrading the current facility, leasing facilities, as developing a new facility to be owned by the government;
- Recommendation of the Preferred Option, backed by:
  - A detailed cost-benefit analysis;
  - Positioning strategy based on the identified gaps or market opportunities;
  - Value proposition;
  - Product offerings and services;
  - Evaluation of the efficiency and effectiveness of the existing procurement and distribution system.
  - Identify the availability of essential drugs at institutions;
  - Logistics and operational plan;
- ICT improvements;/Automation of systems for inventory management, temperature monitoring, picking and packing, barcoding of medication and licensing needs.
- Licensing requirements for small scale packaging;



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- Capitalisation strategy;
- The operating model and delivery channels;
- A clear go-to-market strategy;
- Development of the implementation and procurement plan with supporting approvals from
  - National Treasury approval process for corporate form (Schedule 3C/3D);
  - Department of Public Service and Administration approval process for functions and structure;
  - South African Pharmacy Council, applications, approval for a license;
- Risk analysis: understanding and mitigating the risks associated with entering the pharmaceutical industry;
- Brand Development: Developing a strong brand identity that will differentiate the company from its competitors;
- Financial Modelling: Development of a financial model for this assignment that takes into account the cost of renovations/construction, operations and maintenance, pricing and other factors;
- Funding options: Identify sources of capital that can be used to fund the company's operations;
- Business Operations; defining the business operations such as supply chain management, inventory management and quality control;
- Change Management strategy for internal and external stakeholders;
- Communications strategy for internal and external stakeholders;
- Benchmarking with similar institutions or other organisations;
- Operations of a state-owned Pharmaceutical Company looking at the cost of providing medications due to the fact that government institutions have lower overhead costs as being owned by the government;
- Distribution should consider methods to reach the community, such as home delivery, immunisation clinics, and special programs for seniors and low-income patients. The facility should also be equipped with a distribution centre to safely ship the products to the end customer. The distribution centre should also have enough space to manage orders, returns, and customer services;
- Logistics: the facility should have adequate space for managing the inventory, moving goods from areas, and distribution;
- Facilities management: the facility should have a dedicated team to manage its day-to-day operations, such as maintenance and repair for equipment, cleaning, sanitation, waste management and other important tasks;
- Costing for a new facility and upgrading the current facility should be determined and options should be costed as to whether the government wants to own the facility;
- Security: the service provider is to access and recommend the latest and most appropriate security measures such as access control, security cameras and alarm systems than can be used to protect the facility;
- Identify and document the relevant legislative Compliance to the Occupational Health and Safety Act to which the entity must comply.
- PowerPoint presentation and EXCO report based on the business case linked to the executive summary.

**Note: Manufacturing is excluded.**

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### 3.2.2 Phase 3: Design and Establishment

Review and refine the business model after consultation with key stakeholders;

- Validate design principles and value proposition;
- Develop and Establishment - a funding strategy based on the approved option;
- Guide the development of supporting legislation with the Gauteng Provincial Government.
- Guide the application process for license and registration in line with the regulatory framework and in engagements with the National Treasury, the Department of Public Service & Administration and the National Department of Health
- Develop a human resources plan in line with the operational model
- Develop a marketing and competitive strategy
- Develop an implementation plan for the SOPC, including an Operating Model, Governance Framework
  - Establish proper Governance Structures
  - Develop a strategy for the effective and efficient procurement and warehousing, distribution, and stock management of pharmaceutical and medical supplies.
  - Develop the project charter
  - Develop the project plan/procurement plan for implementation (scope, budget, quality, risk, communications, stakeholder and human resources requirements);
  - Develop project specifications;
  - ICT and security solutions;
  - Outsourcing strategy for the delivery of medication.

## 4. EXPERIENCE AND QUALIFICATIONS REQUIREMENTS

Bidder/s to provide a document detailing the team skills set of the project members. All international qualifications must be assessed by the South African Qualifications Authority (SAQA) prior to appointment.


Bidder/s must attach copies of qualifications and CV's for all project team members who are assigned to the project.

### 4.1 PHARMACEUTICAL COMPANY

#### 4.1.1 Project Management

The bidder, during the development of the business case, is expected to undertake control on:

- Real-time resource management;
- Ensuring effectiveness through optimised staffing;
- Quality checks throughout all processes and channels of interaction;
- Project Governance;
- Adherence to timelines;
- Manage to invoice after work has been presented & accepted.

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#### 4.1.2 Advisor composition of team, skills, and experience

The advisor will comprise a team, managed by a single lead advisor. The members of the team will have both the skills and experience necessary to undertake the range of tasks set out in this tender. The advisor must be sufficiently competent to cost-effectively complete the work necessary to the GPT's satisfaction. Everyone on the team must be personally available to do the work as and when required. The lead advisor will be held accountable in terms of the advisor's contract for ensuring deliverables and for the professional conduct and integrity of the team.

**The advisor has to have the following experience:**


- Experience in similar transactions;
- Access to local and international best practices;
- Have the relevant technical skills available;
- An opportunity for skills development among government officials; A single point of accountability for getting the job done well and on time.

**The skills required from the advisor are as follows:**

- Pharmaceutical specialist in business development;
- Commercial, Contract, Administrative, and Insurance law;
- Public law and administrative framework;
- Planning management;
- Relevant experience in projects similar to this assignment;
- Project management;
- Environmental framework;
- Economics;
- All technical disciplines relevant to a particular project sector;
- Market Research – development of market strategies;
- Local content;
- Economic, econometric and macro-economic analysis and modelling skill;
- Financial and technical expertise;
- Change management expertise;
- Risk management expertise;
- Organisational staff structuring development

## 5. PROJECT PLAN

The bidder is to provide a detailed Methodology Project Plan of the following milestones and timelines for each of the below phases that need to be achieved for each project, which must be in line with the scope of work requirements. Project plan to be in Microsoft Projects and/or

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Excel. Phase 2: Business Case is to be completed in 5 months after appointment, and Phase 3: Design and Establishment is to be completed in 12 months thereafter.

The Methodology Project Plan must contain the following elements to ensure successful implementation:


- Project objectives and scope: Clearly defined goals and objectives of the project along with its scope;
- Project timeline and milestones: A detailed timeline that includes start and end dates of the project as well as important milestones and deliverables;
- Project team and responsibilities: Identification of team members involved in the project and their roles and responsibilities;
- Project budget: An estimate of the financial resources required for the project, including costs for materials, equipment, labour, etc;
- Risk management: Identification and assessment of potential risks and development of strategies to mitigate them;
- Communication plan: Details about how communication will be managed throughout the project, including regular meetings, reporting mechanisms, and channels of communication;
- Project tasks and dependencies: Breakdown of the project into individual tasks, including their sequence and any dependencies that exist among them;
- Resource allocation: Allocation of resources, including personnel and equipment, required for each task in the project;
- Quality assurance plan: Strategies and procedures to ensure that the project meets the desired quality standards and deliverables;
- Evaluation and review: Methods for evaluating project progress, such as periodic reviews and audits, to track the achievement of project goals and make necessary adjustments as the project progresses;
- Change management: Strategies and processes to handle any changes or deviations from the original project plan, including change requests, approval procedures, and impact analysis;
- Stakeholder management: Identification and engagement of project stakeholders, including clients, customers, internal teams, and external parties, and strategies to manage their expectations and ensure their satisfaction;
- Dependencies and constraints: Identification of any external dependencies or constraints that may impact the project, such as regulatory requirements, availability of resources, or dependencies on other projects;
- Project monitoring and control: Methods and tools for tracking and controlling project progress, including key performance indicators (KPIs), project management software, and regular status updates;
- Project closure: Plans and procedures for closing the project, including final deliverables, documentation, handover processes, and lessons learned.

These elements may vary depending on the specific project and methodology being used, but amongst others the following planning elements are identified for these two projects respectively:

## 5.1 STATE-OWNED BANK

### 5.1.1 Planning Phase:

- Project governance set-up;

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- Proposed execution plan;
- Change Management plan;
- Post Implementation plan;
- Go to Market strategy.

#### 5.1.2 Design and Establishment Phase:

Development of the implementation and procurement plan, identify steps for the establishment and detailed plan for implementation

- National Treasury approval process for corporate form (Schedule 3C/3D);
- Department of Public Service and Administration approval process for functions and structure;
- South African Reserve Bank applications, approval for a bank license and any other compliance requirements in line with the banking legislation framework.

### 5.2 STATE-OWNED PHARMACEUTICAL COMPANY

#### 5.2.1 Planning Phase:

- Project governance set-up;
- Proposed execution plan;
- Change Management plan;
- Post Implementation plan;
- Go to Market strategy.

#### 5.2.2 Design Phase and Establishment Phase:

Development of the implementation and procurement plan

- National Treasury approval process for corporate form (Schedule 3C/3D);
- Department of Public Service and Administration approval process for functions and structure;
- National Department of Health approvals
- Registration of the Pharmacy with the South African Health Products Regulatory Authority


## 6. TIME FRAME

Phase 2: Business Case is to be completed in 5 months after appointment, and Phase 3: Design and Establishment is to be completed in 12 months thereafter.

## 7. GENERAL CONDITIONS

### 7.1 RFP PACK

General conditions of the contract are attached as **Annexure A** on section 1 of the tender document.

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## 8. SPECIAL CONDITIONS

### 8.1 SPECIAL CONDITIONS OF CONTRACT

The bidder confirms that he/she has read, understood and accepts the special conditions of the contract, which are attached as **Annexure B** in section 1 of the tender document.

### 8.2 FEES

Fees for services rendered will be payable in the South African rand on successful completion of milestones as agreed in the Service Level Agreement.


### 8.3 INTELLECTUAL PROPERTY

All the departmental work, using the modelling software that the successful bidder/s will prepare, create or author for the department under this project in any media or format and whether this is done by the bidder/s alone or by the bidder/s in conjunction with any third party of the bidder/s or the department, will belong exclusively and in totality to the department and the bidder/s will cease all rights, title and interest in and to such intellectual property rights to the department. The bidder/s must ensure that any third party that the bidder/s may appoint in relation to the execution of its obligations under this project agrees to the provision of this clause.

### 8.4 GPT ELECTRONIC INVOICE SUBMISSION AND TRACKING

Section 38(1)(f) of the PFMA and Treasury Regulation 8.2.3 regulates the Payment to suppliers within 30 (thirty) days of invoice receipt. In support of this it is compulsory for the successful bidder/s, on award, to register for GPT Electronic Invoice Submission and Tracking. The GPT shall assist the successful bidder/s in this regard, if required.

The bidder is required to submit a detailed breakdown of all costs associated with the initial development of the solution, including any future costs associated with annual licenses, maintenance, and support. In addition, the bidder/s should submit different types of billing models available for the solution.

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## 9. EVALUATION METHODOLOGY

Evaluation of the bids will be conducted in two stages as per Preferential Procurement Regulations, 2022 issued in terms of section 5 of the Preferential Procurement Policy Framework Act, Act number 5 of 2000 (PPPFA) as follows:

### Stage 1: Administration Compliance and Technical Evaluation.

During these stages the bidder/s that do not meet the compulsory compliance criteria and the minimum required threshold as per each stage of evaluation will be disqualified and will not be considered for further evaluation.

### Stage 2: Preference Point System

- Price = 80 points.
- Preference = 20 points.

#### 9.1 STAGE 1A: ADMINISTRATIVE COMPLIANCE


- Bidder/s must complete, sign, and submit all pages of Tender Bid Documents Section 1 (RFP- Request for Proposal) and Section 2 (Price Schedule – Professional Services);
- Submission of completed and signed Protection of Personal Information Act Consent form;
- Bidders must fully complete and sign the following SBD forms (SBD 01, SBD 04, and SBD 6.1);
- If there will be a share of services between Tenderer i.e., Joint Venture/Consortium, all participating parties must submit the following supporting documents;
  - Copy of a signed Service Agreement stating the roles and the share percentage of the value of the undertaken project signed by all parties, i.e., Letter of Authority from both or all companies bidding for this tender;

**NOTE: Bidder/s that that do not comply with the above requirements shall be eliminated and such bids shall be regarded as non-responsive**

#### OTHER REQUIRED DOCUMENTS:

- Tax Compliance Status (TCS) Pin code issued by the South Africa Revenue Services;
- Valid B-BBEE Certificate or Sworn Affidavit;
- Provide the latest independently reviewed financial statements with comparative years, alternatively, if no audited annual financial statements are available, provide the latest management accounts with comparative years signed by the accountant;
- Companies that are not required to be audited must provide a letter from the accountant attesting thereto;
- Companies that are new or dormant are not required to submit audited financial statements;
- Latest Central Supplier Database (CSD) Registration Report;
- A valid copy of the Company and Intellectual Property Commission (CIPC) Certificate.




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## 9.2 STAGE 1B: TECHNICAL EVALUATION


The Technical Evaluation for State-Owned Bank and State-Owned Pharmaceutical Company will be performed separately to determine the bidder's compliance with each. A total of **100 points** is allocated to each of the evaluation criteria for the State-Owned Bank and State-Owned Pharmaceutical Company. The **minimum compliance threshold for each is 70 points**. Bidders who fail to meet the minimum requirement shall be deemed non-responsive and not considered for the Preference Point System evaluation.

STATE-OWNED BANK		
AREA	COMMENTS	POINTS
<b>1. Team Leader (Banking Strategy)</b> - Skills  <b>Relevant experience</b> - Strategic planning for a bank - Operational planning for a bank - Ad-hoc banking research projects  <i>CVs and certified copies of valid academic qualifications and certified copies of valid registration with Professional Bodies to be attached to the proposal.</i> <i>Certified copies should not be older than 6 (six) months.</i>	<p><b>Skills (Academic Qualification and Professional Registration)</b></p> <ul style="list-style-type: none"> <li>▪ Postgraduate: MBA or equivalent, CA, CFA, Masters in Finance - <b>10 points</b></li> <li>▪ Honours Degree in Finance, Banking / Commerce – <b>5 points</b></li> <li>▪ Undergraduate: B-Com or equivalent – <b>3 points</b></li> <li>▪ None or not relevant – <b>0 points</b></li> </ul> <p><b>Relevant Experience</b></p> <ul style="list-style-type: none"> <li>▪ 5 or more years of experience in a strategic position in a Bank/ Financial Institution or a Consulting Firm advising on the designing and execution of Bank Strategies, Bank Operational Plans, knowledge, and experience on SARB compliance requirements for Bank set-up and licencing and Ad-hoc banking re-search projects – <b>5 points.</b></li> <li>▪ 3 to 4 years of experience in a strategic position in a Bank/ Financial Institution or a Consulting Firm advising on the designing and execution of Bank Strategies, Bank Operational Plans, knowledge, and experience on SARB compliance requirements for Bank set-up and licencing and Ad-hoc banking research pro-jects – <b>3 points.</b></li> <li>▪ 1 to 2 years of experience in a strategic position in a Bank/ Financial Institution or a Consulting Firm advising on the designing and execution of Bank Strate-gies, Bank Operational Plans, knowledge, and experience on SARB compliance requirements for Bank set-up and licencing and Ad-hoc banking research pro-jects – <b>1 point.</b></li> <li>▪ None or not relevant – <b>0 points</b></li> </ul> <p><b>Signed Reference letters from current or previous employer or client, stating clearly the position or duties relevant to this position and the corresponding number of years. The reference letter must have contactable reference details and should be on the client's or employer's letterhead.</b></p> <ul style="list-style-type: none"> <li>▪ Reference letter/s confirming 5 or more years of experience in a strategic posi-tion in a Bank/ Financial Institution or a Consulting Firm advising on the de-signing and execution of Bank Strategies, Bank Operational Plans, knowledge,</li> </ul>	<div>18 (10)</div> <div>(5)</div> <div>(3)</div>



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STATE-OWNED BANK		
AREA	COMMENTS	POINTS
	<p>and experience on SARB compliance requirements for Bank set-up and licencing and Ad-hoc banking research projects or more – <b>3 points</b></p> <ul style="list-style-type: none"> <li>Reference letter/s confirming 3 to 4 years of experience in a strategic position in a Bank/ Financial Institution or a Consulting Firm advising on the designing and execution of Bank Strategies, Bank Operational Plans, knowledge, and experience on SARB compliance requirements for Bank set-up and licencing and Ad-hoc banking research projects – <b>2 points</b></li> <li>Reference letter/s confirming 1 to 2 years of experience in a strategic position in a Bank/ Financial Institution or a Consulting Firm advising on the designing and execution of Bank Strategies, Bank Operational Plans, knowledge, and experience on SARB compliance requirements for Bank set-up and licencing and Ad-hoc banking research projects – <b>1 point</b></li> <li>0 reference letter – <b>0 points</b></li> </ul>	
<p><b>2. Legal Expert (Bank Compliance)</b></p> <ul style="list-style-type: none"> <li>- Skills</li> </ul> <p><b>Relevant experiences</b></p> <ul style="list-style-type: none"> <li>- Bank Compliance &amp; Regulatory experience.</li> <li>- Advisory on the establishment of a Bank</li> </ul> <p><i>CVs and certified copies of valid academic qualifications and certified copies of registration with Professional Bodies to be attached to the proposal. Certified copies should not be older than 6 (six) months.</i></p>	<p><b>Skills (Academic Qualification and Professional Registration)</b></p> <ul style="list-style-type: none"> <li>Postgraduate: LLM – <b>10 points</b></li> <li>Undergraduate: B-Proc / LLB – <b>5 points</b></li> <li>None or not relevant – <b>0 points</b></li> </ul> <p><b>Relevant Experience</b></p> <ul style="list-style-type: none"> <li>5 or more years in a Bank/Financial Institution or a Consulting Firm working on Bank Compliance within the South African regulatory framework and advisory on the establishment of a Bank, with knowledge of South African Banking Law, the requirements of the Prudential Authority for Bank Licencing, Regulatory Requirements of the SARB, Capital Requirements and Basel III Requirements. – <b>5 points</b></li> <li>3 to 4 years in a Bank/Financial Institution or a Consulting Firm working on Bank Compliance within the South African regulatory framework and advisory on the establishment of a Bank, with knowledge of South African Banking Law, the requirements of the Prudential Authority for Bank Licencing, Regulatory Requirements of the SARB, Capital Requirements and Basel III Requirements. – <b>3 points</b></li> <li>1 to 2 years in a Bank/Financial Institution or a Consulting Firm working on Bank Compliance within the South African regulatory framework and advisory on the establishment of a Bank, with knowledge of South African Banking Law, the requirements of the Prudential Authority for Bank Licencing, Regulatory Requirements of the SARB, Capital Requirements and Basel III Requirements. – <b>2 points</b></li> <li>None or not relevant – <b>0 points</b></li> </ul>	<p><b>18</b> (10)</p> <p>(5)</p>

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STATE-OWNED BANK		
AREA	COMMENTS	POINTS
	<p>Signed Reference letters from current or previous employer or client, stating clearly the position or duties relevant to this position and the corresponding number of years. The reference letter must have contactable reference details and should be on the client's or employer's letterhead.</p> <ul style="list-style-type: none"> <li>Reference letter/ confirming 5 or more years in a Bank/Financial Institution or a Consulting Firm working on Bank Compliance within the South African regulatory framework and advisory on the establishment of a Bank, with knowledge of South African Banking Law, the requirements of the Prudential Authority for Bank Licencing, Regulatory Requirements of the SARB, Capital Requirements and Basel III Requirements – <b>3 points</b></li> <li>Reference letter/s confirming 3 to 4 years of experience in a Bank/Financial Institution or a Consulting Firm working on Bank Compliance within the South African regulatory framework and advisory on the establishment of a Bank, with knowledge of South African Banking Law, the requirements of the Prudential Authority for Bank Licencing, Regulatory Requirements of the SARB, Capital Requirements and Basel III Requirements – <b>2 points</b></li> <li>Reference letter/s confirming 1 to 2 years of experience in a Bank/Financial Institution or a Consulting Firm working on Bank Compliance within the South African regulatory framework and advisory on the establishment of a Bank, with knowledge of South African Banking Law, the requirements of the Prudential Authority for Bank Licencing, Regulatory Requirements of the SARB, Capital Requirements and Basel III Requirements – <b>1 point</b></li> <li>0 reference letter – <b>0 points</b></li> </ul>	(3)
<p><b>3. Senior Bank Analyst (Banking &amp; Financial Services)</b></p> <ul style="list-style-type: none"> <li>- Skills</li> </ul> <p><b>Relevant experiences</b></p> <ul style="list-style-type: none"> <li>- Bank Industry analysis</li> <li>- Bank credit ratings</li> <li>- Bank ad-hoc research</li> </ul> <p><i>CVs and certified copies of valid academic qualifications and certified copies of valid registration with Professional Bodies to be attached to the proposal. Certified copies should not be older than 6 (six) months.</i></p>	<p><b>Skills (Academic Qualification and Professional Registration)</b></p> <ul style="list-style-type: none"> <li>Postgraduate: MSc in Economics / Master in Business Administration/ Master in Business Leadership, Master in Finance - <b>8 points</b></li> <li>Honours Degree in Economics, Finance, Business Management– <b>6 points</b></li> <li>Undergraduate BCom Finance, BSc Economics, Business Management – <b>4 points</b></li> <li>None or not relevant – <b>0 points</b></li> </ul> <p><b>Relevant Experience</b></p> <ul style="list-style-type: none"> <li>5 or more years of experience in a Bank, Advisory Firm or Credit Ratings Agency conducting banking industry analysis, bank credit ratings or ad-hoc banking industry research – <b>4 points</b>.</li> <li>3 to 4 years of experience in a Bank, Advisory Firm or Credit Ratings Agency conducting banking industry analysis, bank credit ratings or ad-hoc banking industry research – <b>2 points</b>.</li> </ul>	<p>15 (8)</p> <p>(4)</p>



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## STATE-OWNED BANK


AREA	COMMENTS	POINTS
	<ul style="list-style-type: none"> <li>1 to 2 years of experience in a Bank, Advisory Firm or Credit Ratings Agency conducting banking industry analysis, bank credit ratings or ad-hoc banking industry research – <b>1 point</b>.</li> <li>None or not relevant – <b>0 points</b>.</li> </ul> <p><b>Signed Reference letters from current or previous employer or client, stating clearly the position or duties relevant to this position and the corresponding number of years. The reference letter must have contactable reference details and should be on the client's or employer's letterhead.</b></p> <ul style="list-style-type: none"> <li>Reference letter/s confirming 5 or more years of experience in a Bank, Advisory Firm or Credit Ratings Agency conducting banking industry analysis, bank credit ratings or ad-hoc banking industry research – <b>3 points</b></li> <li>Reference letter/s confirming 3 to 4 years of experience in a Bank, Advisory Firm or Credit Ratings Agency conducting banking industry analysis, bank credit ratings or ad-hoc banking industry research – <b>2 points</b></li> <li>Reference letter/s confirming 1 to 2 years of experience in a Bank, Advisory Firm or Credit Ratings Agency conducting banking industry analysis, bank credit ratings or ad-hoc banking industry research – <b>1 point</b></li> <li>0 reference letter – <b>0 points</b></li> </ul>	(3)
<p><b>4. Financial Product Specialist (Wholesale and Commercial Banking Products)</b></p> <p>- Skills</p> <p><b>Relevant experiences</b></p> <ul style="list-style-type: none"> <li>Involved in the development of financial products</li> <li>Client market surveys</li> <li>Understanding of credit</li> </ul> <p><i>CVs and certified copies of valid academic qualifications and certified copies of valid registration with Professional Bodies to be attached to the proposal. Certified copies should not be older than 6 (six) months.</i></p>	<p><b>Skills (Academic Qualification and Professional Registration)</b></p> <ul style="list-style-type: none"> <li>Postgraduate: Master in Business Administration, Master in Business Leadership or equivalent - <b>10 points</b></li> <li>Honours Degree in Business Management/ Marketing – <b>5 points</b></li> <li>Undergraduate BCom in Business Management, Marketing – <b>3 points</b></li> <li>None or not relevant – <b>0 points</b></li> </ul> <p><b>Relevant Experience</b></p> <ul style="list-style-type: none"> <li>5 or more years of experience in a Bank/ Financial Institution or Consulting Firm, involved in the designing of financial products and conducting market surveys to understand customer needs – <b>5 points</b>.</li> <li>3 to 4 years of experience in a Bank/ Financial Institution or Consulting Firm, involved in the designing of financial products and conducting of market surveys to understand customer needs - <b>3 points</b>.</li> <li>1 to 2 years of experience in a Bank/ Financial Institution or Consulting Firm, involved in the designing of financial products and conducting of market surveys to understand customer needs. – <b>2 points</b>.</li> <li>None or not relevant – <b>0 points</b></li> </ul>	<p><b>18</b> (10)</p> <p>(5)</p>

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STATE-OWNED BANK		
AREA	COMMENTS	POINTS
	<p>Signed Reference letters from current or previous employer or client, stating clearly the position or duties relevant to this position and the corresponding number of years. The reference letter must have contactable reference details and should be on the client's or employer's letterhead.</p> <ul style="list-style-type: none"> <li>▪ Reference letter/s confirming 5 or more years of experience in a Bank/ Financial Institution or Consulting Firm, involved in the designing of financial products and conducting market surveys to understand customer needs – <b>3 points</b></li> <li>▪ Reference letter/s confirming u 3 to 4 years of experience in a Bank/ Financial Institution or Consulting Firm, involved in the designing of financial products and conducting market surveys to understand customer needs – <b>2 points</b></li> <li>▪ Reference letter/s confirming 1 to 2 years of experience in a Bank/ Financial Institution or Consulting Firm, involved in the designing of financial products and conducting market surveys to understand customer needs – <b>1 point</b></li> <li>▪ 0 reference letter – <b>0 points</b></li> </ul>	(3)
<p><b>5. Quality of project methodology posed work plan, project management approach and timetable for the project considering:</b></p> <ul style="list-style-type: none"> <li>- Proposed work programme with clearly defined sub-activities, outputs, allocated resources, and corresponding timelines</li> <li>- Proposed framework of the required deliverables</li> <li>- Proposed organisational charts of project team linking to the assignment of roles to tasks and deliverables.</li> <li>- Proposed Procurement Plan</li> </ul>	<p>Sequencing of time of activities, sub-activities, milestones and resources <b>are well detailed</b> - work plan permits flexibility and covers all the following aspects of requirements: the plan must cover all sections of the project including, market and needs assessment, the gap analysis, options analysis, preferred &amp; recommended option, final report and the implementation plan.</p> <ul style="list-style-type: none"> <li>▪ Project Plan</li> <li>▪ Project Planning, Coordination, and Execution</li> <li>▪ Project monitoring including risk assessment and project capitalisation</li> <li>▪ Project continuity and support</li> </ul> <ul style="list-style-type: none"> <li>➤ Sequencing of time of activities and sub-activities and milestones and resources <b>are detailed</b> - work plan permits flexibility and covers all 4 aspects of requirements – <b>17 points</b></li> <li>➤ Sequencing of time of activities and sub-activities and milestones and resources <b>are detailed</b> - work plan permits flexibility and covers only 3 aspects of requirements – <b>12 points</b></li> <li>➤ Sequencing of time of activities and sub-activities and milestones and resources <b>are detailed</b> - work plan permits flexibility and covers only 2 aspect of requirement – <b>6 points</b></li> <li>➤ Sequencing of time of activities and sub-activities and milestones and resources are detailed - work plan permits flexibility and covers only 1 aspect of requirement – <b>4 points</b></li> <li>➤ Sequencing of time of activities and sub-activities and milestones and resources are detailed - work plan permits flexibility and covers 0 aspect of requirement – <b>0 points</b></li> </ul>	17

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STATE-OWNED BANK		
AREA	COMMENTS	POINTS
<b>6. Design and Establishment</b> Comprehensive Implementation Programme indicating timelines and methodology for the following: <ul style="list-style-type: none"> <li>- License application process with the SARB.</li> <li>- Approval (concurrence) with the Minister of Finance and the Minister of Public Service.</li> <li>- Detailed competitive strategy</li> <li>- Detailed operational model and governance framework</li> </ul>	<ul style="list-style-type: none"> <li>▪ Comprehensive Implementation Programme indicating timelines and methodology for the following, Licence application process with the SAR, Approval (concurrence) with the Minister of Finance and the Minister of Public Service, Detailed competitive strategy, Detailed operational model and governance framework – <b>14 points</b></li> <li>▪ Implementation Programme indicating timelines and methodology for the following, Licence application process with the SAR, Approval (concurrence) with the Minister of Finance and the Minister of Public Service, Detailed competitive strategy – <b>10 points</b></li> <li>▪ Implementation Programme indicating timelines and methodology for the following, Licence application process with the SAR, Approval (concurrence) with the Minister of Finance and the Minister of Public Service – <b>6 points</b></li> <li>▪ None – <b>0 points</b></li> </ul>	<b>14</b>
<b>TOTAL</b>		<b>100</b>
NB: The minimum threshold for this part of the evaluation is <b>70 points</b> , any bidder who fails to meet this minimum requirement shall be deemed non-responsive for the <b>State-Owned Bank</b> .		

 <p><b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA</p>	<h2 style="text-align: center;">PROVINCIAL SUPPLY CHAIN MANAGEMENT</h2>	
<p style="text-align: center;"><b>TERMS OF REFERENCE FOR TRANSACTION ADVISORY SERVICES FOR THE DEVELOPMENT OF BUSINESS CASES FOR THE DESIGN AND ESTABLISHMENT OF A STATE-OWNED BANK AND A STATE-OWNED PHARMACEUTICAL COMPANY FOR THE GAUTENG PROVINCIAL GOVERNMENT</b></p>	<p style="text-align: right;">Page: 23 of 28</p>	

STATE-OWNED PHARMACEUTICAL COMPANY		
AREA	COMMENTS	POINTS
<p><b>1. Business Case: Quality of proposed work plan, project management approach, and timetable for the business case considering</b></p> <ul style="list-style-type: none"> <li>- Proposed methodology work programme with clearly defined sub-activities, outputs, allocated resources and corresponding time-lines</li> <li>- Proposed framework of the required deliverables</li> <li>- Proposed organizational charts of project team linking to the assignment of roles to tasks and deliverables</li> </ul>	<p><b>Well Detailed</b> Sequencing of time of activities in days and clearly defined sub-activities (Level 4-6), milestones and resources histogram for all activities and sub-activities, proposed framework in detail for deliverables, detailed organisational charts of project team, the work plan permits flexibility and covers all aspects of the requirements - <b>10 points</b></p> <p><b>Appropriate</b> Sequencing of time of activities in weeks and sub-activities (level 2- 3), milestones and resources histogram for activities and sub activities, brief framework provided for deliverables, brief organisational charts of project team, work plan permits flexibility and covers main aspects of the requirements. - <b>6 points</b></p> <p><b>Not Adequate</b> Sequencing of time of activities not clearly indicated and sub-activities (level 1), milestones and resources histogram for activities and sub activities, no framework provided for deliverables and no organisational charts of project team, work plan does not permit flexibility and covers minimum aspects of the requirements - <b>4 points</b></p> <p><b>Unacceptable</b> Omits important tasks and timing, activities, resource allocation frameworks, organisational charts and the work plan is not in correlation with project deliverables - <b>0 points</b></p>	<p style="text-align: center;"><b>10</b></p>
<p><b>2. Project Finance Specialist</b></p> <ul style="list-style-type: none"> <li>- Skills</li> </ul> <p><b>Relevant financial experiences</b></p> <ul style="list-style-type: none"> <li>- Cost-benefit analysis</li> <li>- Cost-effectiveness analysis</li> </ul> <p><i>CVs and certified copies of valid educational qualifications and certified copies of valid registration with Professional Bodies to be attached to the proposal. Certified copies should not be older than 6 (six) months.</i></p>	<p><b>Skills (Academic Qualification and Professional Registration)</b></p> <ul style="list-style-type: none"> <li>▪ Masters in Finance, CA, CIMA, CFA - <b>5 points</b></li> <li>▪ Honours Degree in Finance - <b>3 points</b></li> <li>▪ B-Com Finance, National Diploma in Accounting - <b>2 points</b></li> <li>▪ None or not relevant - <b>0 points</b></li> </ul> <p><b>Relevant Experience -Project Structuring and Financial Modelling</b></p> <ul style="list-style-type: none"> <li>▪ 5 or more similar projects -<b>15 points</b></li> <li>▪ 3 - 4 similar projects - <b>12 points</b></li> <li>▪ 2 - similar projects - <b>8 points</b></li> <li>▪ 1 - similar project - <b>3 points</b></li> <li>▪ No experience provided - <b>0 points</b></li> </ul>	<p style="text-align: center;"><b>20</b> (5)</p> <p style="text-align: center;"><b>(15)</b></p>
<p><b>3. Legal Advisor</b></p> <ul style="list-style-type: none"> <li>- Skills</li> </ul> <p><b>Relevant experience:</b></p> <ul style="list-style-type: none"> <li>- Legal establishment</li> </ul>	<p><b>Skills (Academic Qualification and Professional Registration)</b></p> <ul style="list-style-type: none"> <li>▪ Master of Law, LL.M - <b>10 points</b></li> <li>▪ LL.B - <b>8 points</b></li> <li>▪ Graduate: B-Proc/ B-Luris - <b>5 points</b></li> </ul>	<p style="text-align: center;"><b>20</b> (10)</p>





## PROVINCIAL SUPPLY CHAIN MANAGEMENT


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## STATE-OWNED PHARMACEUTICAL COMPANY

AREA	COMMENTS	POINTS
<ul style="list-style-type: none"> <li>- Regulatory Framework</li> <li>- Approval, registration and licensing processes</li> </ul> <p><i>CVs and certified copies of valid academic qualifications and certified copies of valid registration with Professional Bodies to be attached to the proposal. Certified copies should not be older than 6 (six) months.</i></p>	<ul style="list-style-type: none"> <li>▪ None or not relevant - <b>0 points</b></li> </ul> <p><b>Relevant Experience</b></p> <ul style="list-style-type: none"> <li>▪ 5 or more similar projects - <b>10 points</b></li> <li>▪ 3 - 4 similar projects - <b>8 points</b></li> <li>▪ 2 projects achieved - <b>5 points</b></li> <li>▪ 1 project achieved - <b>3 points</b></li> <li>▪ No experience provided - <b>0 points</b></li> </ul>	(10)
<p><b>4. Project Technical Team set with the relevant Professional Registration, that will be verified for points scoring:</b></p> <p>Skills and indication of registration with a professional body e.g. Engineering Council of South Africa, South African Council for the Architectural Profession, South African Council for Project and Construction Management Professionals, South Africa Pharmacy Council, South African Institute of Chartered Accountants and South African Council for Natural Scientific Professions</p> <p><i>CVs and certified copies of valid academic qualifications and certified copies of valid registration with Professional Bodies to be attached to the proposal. Certified copies should not be older than 6 (six) months.</i></p>	<p><b>Skills (Academic Qualifications and Professional Registration)</b></p> <p><b>Lead Transaction Advisor</b></p> <ul style="list-style-type: none"> <li>▪ CA/ MBA/ Master or Doctoral degree - <b>3 points</b></li> <li>▪ BA/ BEng/ BCom - <b>1 point</b></li> <li>▪ None or not relevant - <b>0 points</b></li> </ul> <p><b>Pharmacist</b></p> <ul style="list-style-type: none"> <li>▪ Master or Doctor in Pharm - <b>3 points</b></li> <li>▪ BPharm - <b>1 points</b></li> <li>▪ None or not relevant - <b>0 points</b></li> </ul> <p><b>Architect/Space Planner</b></p> <ul style="list-style-type: none"> <li>▪ MArch - <b>3 points</b></li> <li>▪ BArch - <b>1 points</b></li> <li>▪ None or not relevant - <b>0 points</b></li> </ul> <p><b>Risk Manager</b></p> <ul style="list-style-type: none"> <li>▪ Doctoral/ Masters/ MBA - <b>3 points</b></li> <li>▪ B.Eng/ Nat Diploma - <b>1 points</b></li> <li>▪ None or not relevant - <b>0 points</b></li> </ul> <p><b>Environmental Specialist</b></p> <ul style="list-style-type: none"> <li>▪ MEng/ Honour Degree - <b>3 points</b></li> <li>▪ BEng/ Nat Diploma - <b>1 points</b></li> <li>▪ None or not relevant - <b>0 points</b></li> </ul>	<p><b>18</b></p> <p>(3)</p> <p>(3)</p> <p>(3)</p> <p>(3)</p> <p>(3)</p>


 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<b>PROVINCIAL SUPPLY CHAIN MANAGEMENT</b>	
<b>TERMS OF REFERENCE FOR TRANSACTION ADVISORY SERVICES FOR THE DEVELOPMENT OF BUSINESS CASES FOR THE DESIGN AND ESTABLISHMENT OF A STATE-OWNED BANK AND A STATE-OWNED PHARMACEUTICAL COMPANY FOR THE GAUTENG PROVINCIAL GOVERNMENT</b>	Page: 25 of 28	

STATE-OWNED PHARMACEUTICAL COMPANY		
AREA	COMMENTS	POINTS
	<b>Transport - Logistics/ Economist</b> <ul style="list-style-type: none"> <li>▪ MEng/ CA/ BCom - <b>3 points</b></li> <li>▪ BEng/ Nat Diploma - <b>1 point</b></li> <li>▪ None or not relevant - <b>0 points</b></li> </ul>	
<b>5. Project Technical Team set with the Professional Registration; however, the registration will not be verified for points scoring:</b>  Skills, and preferred registration with a professional body e.g., Engineering Council of South Africa, South African Council for the Architectural Profession, South African Council for Project and Construction Management Professionals, South Africa Pharmacy Council or South African Council for Natural Scientific Professions South African Institute of Occupational Safety and Health  <i>CVs and certified copies of valid academic qualifications and certified copies of valid registration with Professional Bodies to be attached to the proposal. Certified copies should not be older than 6 (six) months</i>	<b>Skills (Academic Qualifications with 3 years or more of experience): Project dependent</b>  <b>Market Researcher</b> <ul style="list-style-type: none"> <li>▪ Honours/ MBA - <b>3 points</b></li> <li>▪ BEng/ BA/ Nat Diploma - <b>1 point</b></li> <li>▪ None or not relevant - <b>0 points</b></li> </ul> <b>Change Management expert</b> <ul style="list-style-type: none"> <li>▪ Honours/ MBA - <b>3 points</b></li> <li>▪ BEng/ BA/ Nat Diploma - <b>1 point</b></li> <li>▪ None or not relevant - <b>0 points</b></li> </ul> <b>Organisational Structural Practitioner</b> <ul style="list-style-type: none"> <li>▪ Honours/ MBA/ Honours - <b>3 points</b></li> <li>▪ BEng/ BA/ Nat Diploma - <b>1 point</b></li> <li>▪ None or not relevant - <b>0 points</b></li> </ul> <b>Health and Safety Specialist</b> <ul style="list-style-type: none"> <li>▪ Honours - <b>3 points</b></li> <li>▪ Nat Diploma/ BEng/ BA - <b>1 point</b></li> <li>▪ None or not relevant - <b>0 points</b></li> </ul>	<b>12</b>  (3)  (3)  (3)  (3)
<b>6. References</b>  No points will be awarded if the reference letter does not correspond to the terms of reference and is not signed by the respective project owner/sponsor.	Reference letters signed by the respective project owner/sponsor for work to the terms of reference with detailed description/information and provide references for all the or completed projects similar in the (buildings, pharmacies, hospitals) to the terms of reference including client name, project size, completed date, client contact references and work descriptions. The scoring is as follows: <ul style="list-style-type: none"> <li>▪ Reference letters for 5 projects or more completed - <b>10 points</b></li> <li>▪ Reference letters for 4 projects completed - <b>8 points</b></li> <li>▪ Reference letters for 3 projects completed - <b>6 points</b></li> <li>▪ Reference letters for 2 projects completed - <b>4 points</b></li> <li>▪ Reference letter for 1 project completed - <b>2 points</b></li> </ul>	<b>10</b>



 <b>GAUTENG PROVINCE</b> PROVINCIAL TREASURY REPUBLIC OF SOUTH AFRICA	<b>PROVINCIAL SUPPLY CHAIN MANAGEMENT</b>	
<b>TERMS OF REFERENCE FOR TRANSACTION ADVISORY SERVICES FOR THE DEVELOPMENT OF BUSINESS CASES FOR THE DESIGN AND ESTABLISHMENT OF A STATE-OWNED BANK AND A STATE-OWNED PHARMACEUTICAL COMPANY FOR THE GAUTENG PROVINCIAL GOVERNMENT</b>	Page: 26 of 28	

STATE-OWNED PHARMACEUTICAL COMPANY		
AREA	COMMENTS	POINTS
	<ul style="list-style-type: none"> <li>No projects completed - <b>0 points</b></li> </ul> <p><b>NOTE:</b> Bidder/s must provide references where similar projects were undertaken and finalised and provide evidence through a letter of recommendation from the institution/s. The reference letters should be on the client's letter-head, indicating the name of the bidder as being the bidder/s that serviced the client and should be signed by the client.</p>	
<b>7. Design and Establishment</b> Comprehensive Programme indicating timelines and methodology for the following: <ul style="list-style-type: none"> <li>Licence and registration in line with South African Health Products Regulatory Authority, National Treasury, Department of Public Administration and the National Department of Health.</li> <li>Development of business model, plan and all strategies as indicated.</li> <li>Detailed implementation plan, Operating Model and Governance Framework. Detailed operational model and governance framework</li> </ul>	<p><b>Well Detailed</b>          Sequencing of time of activities in days and clearly defined sub-activities (Level 4-6), milestones and resources histogram for all activities and sub-activities, proposed framework in detail for deliverables, detailed organisational charts of project team, the work plan permits flexibility and covers all aspects of the requirements - <b>10 points</b></p> <p><b>Appropriate</b>          Sequencing of time of activities in weeks and sub-activities (level 2- 3), milestones and resources histogram for activities and sub activities, brief framework provided for deliverables, brief organisational charts of project team, the work plan permits flexibility and covers main aspects of the requirements. – <b>6 points</b></p> <p><b>Not Adequate</b>          Sequencing of time of activities not clearly indicated and sub-activities (level 1), milestones and resources histogram for activities and sub activities, no framework provided for deliverables and no organisational charts of project team, work plan does not permit flexibility and covers minimum aspects of the requirements . – <b>3 points</b></p> <p><b>Unacceptable</b>          Omits important tasks and timing, activities, resource allocation frameworks, organisational charts and the work plan is not in correlation with project deliverables. – <b>0 points</b></p>	<b>10</b>
<b>TOTAL</b>		<b>100</b>
NB: The minimum threshold for this part of the evaluation is <b>70 points</b> , any bidder who fails to meet this minimum requirement shall be deemed non-responsive for the <b>State-Owned Pharmaceutical Company</b> .		

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### 9.3 STAGE 2: PRICE AND PREFERENCE POINTS

The contract will be awarded in terms of Regulation 4: Preferential Procurement Regulations, 2022. Acceptable tenderers will be adjudicated in terms of the 80/20 Preference Point System for State-Owned Bank and State-Owned Pharmaceutical Company separately, to determine the highest scoring bidders per project for awarding purposes.

Area	State-Owned Bank	State-Owned Pharmaceutical Company
	Points	Points
Price	80	80
Preference	20	20
<b>Total</b>	<b>100</b>	<b>100</b>

The formula for calculation of price points is found on section 2 of the tender document **SBD 6.1**

#### Preference Points


Specific Goals	State-Owned Bank	State-Owned Pharmaceutical Company
	Points	Points
Enterprises owned by Black individuals	10	10
Enterprises owned by Women	10	10
<b>Total</b>	<b>20</b>	<b>20</b>

Points for the above specific goals will be measured by calculating the pro-rata percentage of ownership of the bidding company which meets this criterion. E.g., Company A has five shareholders each of whom own 20% of the company. Three of the five shareholders meet the criterion, i.e., they are black/ women/ PwD/ youth. Therefore, this bidder will obtain 60% of the points allocated for the goal and the resultant number will be rounded off to two decimal places.

- A tenderer must submit applicable returnable documents as stipulated in order to be awarded points.

Specific Goal	Evidence required
Enterprises owned by Black individuals	ID copy / Valid B-BBEE certificate/ Valid Sworn Affidavit/ CIPC documents
Enterprises owned by Women	ID copy / Valid B-BBEE certificate/ Valid Sworn Affidavit/ CIPC documents

- Bidders must complete and sign SBD 6.1 to claim points.
- A tenderer failing to submit supporting document for the specified goal/s as per the above Table will not be disqualified, but-
  - shall only score points out of 80 (eighty) for price; and
  - shall scores 0 (zero) points out of 20 (twenty) for specific goal/s.
- The points scored by a tenderer for specific goal will be added to the points scored for price.

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- Price and preference points evaluation will be conducted as per the prescribed formula on SBD 6.1 which is found in section 2 of the tender document.

## 10. AWARD CONDITIONS

GPT reserves the right to:

- Negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions including price without offering the same opportunity to any bidder(s) who has not been awarded the status of the preferred bidder(s).
- The GPT reserves the right to award the tender in part or full.
- Should there be a need to replace a resource based on whom a consulting firm was appointed, it should be noted that the replacement will not be automatic i.e., provision of another resource by the service provider. GPT has a right to request a replacement resource with equivalent experience and expertise or better credentials, failing which, GPT will appoint the second-best service provider should they qualify or re-advertise the position to find a suitable replacement.
- The GPT reserves the rights to conduct reference checks and verification of qualifications to authenticate the submitted information.
- GPT reserves the right to terminate any of the assignments should the business case be non-supportive of continuing with implementation of the project.
- The Service Supplier shall be responsible for any costs associated with the preparation and submission of their proposal.



**GAUTENG PROVINCE**  
PROVINCIAL TREASURY  
REPUBLIC OF SOUTH AFRICA

# Provincial Supply Chain Management

**Registered Supplier Confirmation**

Page 1 of 1

**THIS FORM IS TO BE COMPLETED BY REGISTERED SUPPLIERS ONLY**

## PLEASE NOTE:

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

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

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

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

**I HEREBY CERTIFY THAT THIS INFORMATION IS CORRECT.**

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

DATE:



# Provincial Supply Chain Management

**Financial Statements**

**Page 1 of 1**

## Submission of Financial Statements

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

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

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

The purpose of this document is to:

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

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

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

## TABLE OF CLAUSES

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

## General Conditions of Contract

### 1. Definitions

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



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

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

**security**

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

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

**8. Inspections, tests and analyses**

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

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

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

## **9. Packing**

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

## **10. Delivery and documents**

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

## **11. Insurance**

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

## **12. Transportation**

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

## **13. Incidental services**

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

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

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

#### **14. Spare parts**

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

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

#### **15. Warranty**

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

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

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

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

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

may have against the supplier under the contract.

## **16. Payment**

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

## **17. Prices**

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

## **18. Contract amendments**

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

## **19. Assignment**

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

## **20. Subcontracts**

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

## **21. Delays in the supplier's performance**

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

available.

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

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

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

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

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

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

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

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

#### **24. Anti-dumping and countervailing duties and rights**

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



**25. Force Majeure**

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

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

**28. Limitation of liability**

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

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

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

Js General Conditions of Contract (revised July 2010)