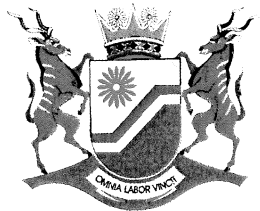


This document must remain the original when submitted, no copies will be accepted

MPUMALANGA PROVINCIAL GOVERNMENT



**DEPARTMENT OF AGRICULTURE, RURAL
DEVELOPMENT, LAND AND ENVIRONMENTAL
AFFAIRS**

BID NUMBER: ALA/567/23/MP

**APPOINTMENT OF FORTUNE 40
COORDINATORS FOR COORDINATION AND
MANAGEMENT OF FORTUNE 40 PROJECTS IN
THE FOUR DISTRICTS OF MPUMALANGA
PROVINCE FOR A PERIOD OF 36 MONTHS**

ISSUED BY:

Department of Agriculture, Rural Development, Land and Environmental Affairs
Private Bag X11219
Mbombela
1200

NAME OF BIDDER:

TOTAL BID PRICE (all inclusive) :

(Also in words):

.....

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND & ENVIRONMENTAL AFFAIRS					
BID NUMBER:	ALA/567/23/MP	CLOSING DATE: 10 MARCH 2023		CLOSING TIME:	12h00
DESCRIPTION	APPOINTMENT OF FORTUNE 40 COORDINATORS FOR COORDINATION AND MANAGEMENT OF FORTUNE 40 PROJECTS IN THE FOUR DISTRICTS OF MPUMALANGA PROVINCE FOR A PERIOD OF 36 MONTHS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
MBOMBELA , Riverside Government Complex, Building No 9, Government Boulevard, Mbombela, 1200, PIET RETIEF , No. 11 Measroch Street, Piet Retief Office, KWAMHLANGA , KwaMhlanga Government Complex, Department of Finance, Building No. 12, Computer Centre EVANDER , 10 Cornell Road (previously occupied by Evander Home Affairs Offices), Evander, 2280, BUSHBUCKRIDGE , Bushbuckridge Advice Centre, Department of Finance, Protea building (old Telkom building), MIDDELBURG , Department of Public Works, Cnr. Lillian Ngoyi and Dr Beyers Naudé Streets – Old TPA Building, Upper ground floor, Office numbers A20, 21 and 25, MALELANE , 24 Air Street, Malelane, ELUKWATINI , Elukwatini Sub Regional offices, Office numbers A49 and A50 (opposite Elukwatini Community Hall) Stand number 12 Extension A, Elukwatini.					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr. H Ndlovu		CONTACT PERSON	Ms. Z Masia	
TELEPHONE NUMBER	013 766 6255/6059		TELEPHONE NUMBER	013 766 6323	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	hendry.ndlovu@gmail.com		E-MAIL ADDRESS	zmasia@mpg.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT <input type="checkbox"/> Yes <input type="checkbox"/> No		
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A BRANCH IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?			<input type="checkbox"/> YES <input type="checkbox"/> NO		
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B

TERMS AND CONDITIONS FOR BIDDING

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

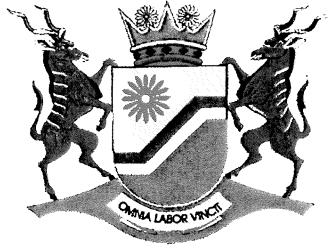
NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

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

DATE:

MPUMALANGA PROVINCIAL GOVERNMENT



**DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, LAND & ENVIRONMENTAL
AFFAIRS**

BID DOCUMENT NO. AS PER DIB BULLETIN

BID DOCUMENT

**APPOINTMENT OF FORTUNE 40 COORDINATORS FOR COORDINATION AND MANAGEMENT
OF FORTUNE 40 PROJECTS IN THE FOUR DISTRICTS OF MPUMALANGA PROVINCE FOR A
PERIOD OF 36 MONTHS**

NAME OF BIDDER : _____

BID AMOUNT : _____

TEL NUMBER : _____

FAX NUMBER : _____

PREPARED BY:



**HEAD
AGRICULTURE, RURAL DEVELOPMENT, LAND & ENVIRONMENTAL AFFAIRS
PRIVATE BAG X 11219
MBOMBELA
1200**

**CONTACT: Mr. H NDLOVU
PHONE: (013) 766 6255/ 6059**

**CLOSING DATE: AS PER BID BULLETIN
THE BID IS VALID FOR 90 DAYS**

APPOINTMENT OF FORTUNE 40 COORDINATORS FOR COORDINATION AND MANAGEMENT OF FORTUNE 40 PROJECTS IN THE FOUR DISTRICTS OF MPUMALANGA PROVINCE FOR A PERIOD OF 36 MONTHS

BID NOTICE AND INVITATION TO BID

Bids are hereby invited for **APPOINTMENT OF FORTUNE 40 COORDINATORS FOR COORDINATION AND MANAGEMENT OF FORTUNE 40 PROJECTS IN THE FOUR DISTRICTS OF MPUMALANGA PROVINCE FOR A PERIOD OF 36 MONTHS** in Mpumalanga Province.

Bid documents will be obtainable from the Bid office, **Mbombela Riverside Government Complex, Malelane 24 Air Street, Siyabuswa Old Parliament Building, Middelburg Department of Public Works, KwaMhlanga Government Complex Department of Finance, Piet Retief no. 11 Mearsorch Street, Evander 10 Cornell Road, Elukwatini Sub-Regional Offices and Bushbuckridge Advice Centre, Department of Finance**, on payment of a non-refundable levy of **R100.00** or can be downloaded at <https://www.etenders.gov.za/Home/Opportunities>. Only bank guaranteed cheque or cash will be accepted.

Duly completed Bids enclosed in a sealed envelope marked “**APPOINTMENT OF FORTUNE 40 COORDINATORS FOR COORDINATION AND MANAGEMENT OF FORTUNE 40 PROJECTS IN THE FOUR DISTRICTS OF MPUMALANGA PROVINCE FOR A PERIOD OF 36 MONTHS**” with the name of the Bidder, shall be deposited in the clearly marked Bidder boxes provided at the following Supply Chain Offices: Mbombela, Malelane, Bushbuckridge, Kwamhlanga, Evander, Piet Retief & Middelburg, before 12:00hrs on the closing date as per bid bulletin.

NB: COMPULSORY BRIEFING SESSION will be held as follows:

Date and Time	Venue	Location
As per Bid Bulletin	Aqua Street, Cycad Building, The Groove, Ehlanzeni District Office	Mbombela

Telegraphic, telephonic, telex, facsimile, e-mail and late bids **WILL NOT** be accepted

Bidders should ensure that bids are delivered on time to the correct address. If the bid is late, it will not be accepted for consideration

All documentation submitted in response to this bid must be in English, unless otherwise indicated under technical specification.

1. INTRODUCTION

The Department of Agriculture, Rural Development, Land and Environmental Affairs (DARDLEA) hereby invite prospective bidders who have the necessary skills and capacity to coordinate and manage the Fortune 40 farms through coordinating site keepers, provisioning of protective clothing and working tools for the site keeper and learners, provisioning of catering and transportation of learners who are not residing on the Fortune 40 farms to assist with maintenance and repair of farm infrastructures in the four districts of Mpumalanga Province.

2. BACKGROUND

DARDLEA is entrusted with the mandate of provisioning post settlement support to farmers involved in different commodities. Youth development has been highlighted in the 2015 State of the Province Address, wherein youth must be integrated into agriculture, through an incubation programme of Fortune 40 (SOPA Pr. 87-88). The Fortune 40 programme has been implemented since 2015 after the pronouncement by cabinet. The primary objective of the programme is to address challenges of aging farmers, youth unemployment and empowerment, skills gap, food insecurity and local economic growth amongst youth in the Mpumalanga province. To date, the F40 programme established and implemented 24 sites which the department has installed and erected farm infrastructures to ensure that these various farms are optimally utilized by youth. The department has therefore, placed a number of learners to be capacitated with farm skills and knowledge. In other farms, the department has established an accommodation for learners who are residing far from the sites to reside on the farms. The accommodation is also availed to learners to instill the mentality of farm life through living in the farms. Subsequent to that, the Department has appointed site keepers to safe-guard the resources of the farms invested by the department.

3. PURPOSE

The purpose of this bid is to invite reputable, skilled and suitable qualified bidders to assist the department with coordination of site keepers, provisioning of protective clothing and working tools for site keepers and learners, provisioning of catering to learners and transportation of learners who are not residing on the Fortune 40 farms, to assist with maintenance and repair of farm infrastructures in the four districts of Mpumalanga Province, an actual cost plus 10% administration fee. The project

seeks to appoint Coordinators to be allocated to different Fortune 40 projects in all four districts of the Mpumalanga Province.

4. PROBLEM STATEMENT

- 4.1 The Department through its post settlement programmes has developed F40 farms that are earmarked to assist youth in agriculture. All these identified farms were under the caterkeship whom their contract lapsed in September 2021. The programme need additional capacity in terms of monitoring and coordination of the site keepers placed in all the Fortune 40 sites.
- 4.2 There are some of the identified learners residing distance away from the farms resulting to absentees and abscondment, hence the need to assist with transportation and to procure food for the learners at the farms.

5. OBJECTIVES

- 5.1 To coordinate the appointment of site keepers
- 5.2. To coordinate the transportation of learners from home to farms.
- 5.3 To coordinate the supply of food for learners residing at the farms.
- 5.4 To coordinate the maintenance and repair of farm infrastructures.

6. TERMS OF REFERENCE

- 6.1 Bidders will be appointed based on non-commitment of any offences that are listed in the Private Security Industry Regulation Act (PSIRA);
- 6.2 Proof that the prospective bidders do not belong to any government security force or agency;
- 6.3 Bidders will be appointed based on relevant experience in the field of law enforcement and have proof of training with a government agency, Safety and Security Sector Education and Training Authority (SASSETA) or any accredited security agency;
- 6.4 Bidder shall conduct minor repairs and maintenance of the farm including procuring of hand tools at own cost not exceeding the amount agreed upon by the parties, and claim reimbursement from DARDLEA.

- 6.5 Bidders must be compliant with the contract's Health and Safety Plan as required in terms of Regulation 5 of the Occupational Health and Safety Act 181 of 1993 and ensure that all activities carried out conform to all the provisions of the Occupational Health and Safety (OHS);
- 6.6 Provide a safe and healthy working environment and will conduct his/her activities in such a manner that the personnel and other persons are not exposed to hazards to their health and safety;
- 6.7 Provide the shift coordination of site keepers, signing of timesheets and keeping records of attendance;
- 6.7 The contract will be subject to review on a quarterly basis on the performance of the coordinator(s); failure to perform according to this contract will result to termination.
- 6.8 Performance of the coordinators will be aligned to deliverables and/milestones of the projects as agreed between the department and the coordinator
- 6.9 The Department will appoint four (4) coordinators to be placed in the four (4) departmental districts within Mpumalanga province.
- 6.10 The coordination and management including coordination of site keepers, provisioning of transport and catering for learners will run for a period of three 36 months.
- 6.11 The bidder(s) should have an office in Mpumalanga Province.

7. SPECIFIC PROJECT OUTPUTS

- 7.1 To assist the department with coordination and management of F40 farm projects.
- 7.2 To ensure that all the departmental infrastructures are well kept, protected and safeguarded.
- 7.3 To monitor site-keepers through ensuring regular / rotational site patrol; and are performed in order to detect intrusion and unauthorized entries.
- 7.4 To submit monthly timesheets to the department and adhere to the instructions issued by the Program Manager
- 7.5 Complete all accident or incident reports and submit to the Department in less than 24 hours
- 7.6 To assist the department with provisioning of transport and catering to learners on daily basis.
- 7.7 To provide monthly and quarterly reports of the progress and performance evaluation reports to the Department

- 7.8 To provide close out report at the end of the contract, report to be aligned to the expected deliverables.
- 7.9 Ensure that any stolen goods and resources from the farms are reported to the department and SAPS with a case number within 24 hours. Failure, the department will hold the Coordinators with their site-keepers accountable.

8. PROPOSAL FORMAT

- 8.1 A detailed proposal indicating the related experience that demonstrates the relevancy to the terms of reference
- 8.2 An approach or strategy of how the Entity/Company and/or Business will structure the coordination and management of the F40 site keepers
- 8.3 Company Profile including track records, qualifications and accreditation details of Key Personnel
- 8.4 Demonstrate the assessment tools to be used for skills, tracking and knowledge appraisal.
- 8.5 The proposal should cover an impact assessment methodology and exit strategy.
- 8.6 Implementation plan and time frame for each milestone should be outlined.
- 8.7 The bidder should use approved public transportation rates when costing their individual proposals
- 8.8 Prior appointment, the bidders will be required to present their proposal to the departmental assessment panel as part of evaluation process.

9. TARGETED AREAS

The coordination is targeting all the four (4) departmental districts of the Mpumalanga Province and specifics are given to all Fortune 40 projects.

10 RETURNABLE DOCUMENTS

10.1 The following documents are compulsory and have to be submitted with the bid document. Failure to submit or adhere to the following will lead to automatic disqualification.

- All SBD forms should be fully completed and signed
- The Bill of Quantities (BoQ) must be fully completed and signed by the bidder.
- Signed Joint Venture Agreement and Power of Attorney in case of Joint Ventures;
- Company Profile, including previous contract work done, value of the work and contactable references per contract.

10.2 The bidder is required to submit with his/her bid the following documents;

- Evidence to claim preferential points.
- In case of a Joint Venture, the average score of the joint venture companies will be regarded as the score for a specific goal.

All bidders must be registered with the Central Supplier Database (CSD) failure to do so will be automatically disqualified.

NB: It is the responsibility of the bidder to ensure that the following key information is in order to avoid any disqualification during the bid evaluations:

- Tax compliance status
- The Business registration status
- Bidder restrictions and defaulters status
- Bank Account information
- Identification number and the service of the state status

EVALUATION PROCESS

The valuation process comprises of the following phases:

Phase I: Initial screening process

During this phase bid documents will be reviewed to determine compliance with the following:

- All SBD forms should be fully completed and signed
- Attendance of compulsory briefing session and signing of attendance register.
- Signed Joint Venture Agreement and Power of Attorney in case of Joint Ventures;
- Company Profile, including previous contract work done, value of the work and contactable references per contract.
- **All bidders must be registered with the Central Supplier Database (CSD) failure to do so will be automatically disqualified.**

NB: It is the responsibility of the bidder to ensure that the following key information is in order to avoid any disqualification during the bid evaluations:

- Tax compliance status
- The Business registration status
- Bid restrictions and defaulters status
- Bank Account information
- Identification number and the service of the state status

Phase II: Functionality evaluation as per attached Terms of Reference

- a) Bids will be evaluated strictly according to the bid evaluation criteria stipulated in the terms of reference
- b) Bidders must as part of their bid documents, submit supportive documentation for all technical requirements as indicated hereunder. The panel responsible for scoring for the respective bids will evaluate and score all bids based on their submissions and the information provided.
- c) Bidders will not rate themselves, but need to ensure that all information is supplies as required. The Bid Evaluation committee (BEC) will evaluate and score all responsive bids and will verify all documents submitted by the bidders.

- d) The panel members will individually evaluate the responses received against the following criteria as set out below:

PREQUALIFICATION EVALUATION – FUNCTIONALITY

All bidders will be subjected to a prequalification evaluation on Functionality.

Minimum of 60 points on functionality will be excluded for further evaluation.

Item No	Criteria	Aggregation of points	Points (100)
1	Presentation of the full proposal as per the scope of work attached		25
	No presentation of proposals attached	1	
	Presentation of proposals with experience that demonstrates the relevancy to the terms of reference	2	
	Presentation of proposals with experience that demonstrates the relevancy to the terms of reference and strategy of how the coordination will be structured	3	
	Presentation of proposals with experience that demonstrates the relevancy to the terms of reference of how the managing of site keepers/ personnel will be structured	4	
	Presentation of proposal that demonstrates experience in catering, coordination of site keepers, coordination of transportation, coordination, coordination of maintenance and repair of farm infrastructures	5	
2	Experience and competency in coordination & management of project of similar nature		25
	A registered company with no experience in security services (Attached proof)	1	
	A registered company with one or two of experience in security services (Attached proof)	2	
	A registered company with three to four years of experience in security services (Attached proof)	3	
	A security company registered with PSIRA or any relevant security professional body (Attached proof)		

	A registered company with 5 to 6 years of experience in security services (Attached proof) A security company registered with PSIRA or any relevant security professional body (Attached proof)	4	
	A registered company with 7 and above years of experience in security services (Attached proof) A security company registered with PSIRA or any relevant security professional body (Attached proof)	5	
3.	Staff Profile		15
	No CVs attached	1	
	Attached Detailed CV and qualifications of staff available for this contract with written and signed consent from relevant personnel with reference to this bid.	2	
	Attached Detailed CV and qualifications of staff available for this contract with written and signed consent from relevant personnel with reference to this bid, Proof of experience in line with any two of the requirements of the Contracts	3	
	Attached Detailed CV and qualifications of staff available for this contract with written and signed consent from relevant personnel with reference to this bid, Proof of experience in line with any three of the requirements of the Contracts. Proof of non-commitment of any offences that are listed in the Private Security Industry Regulation Act (PSIRA)	4	
	Attached Detailed CV and qualifications of staff available for this contract with written and signed consent from relevant personnel with reference to this bid, Proof of experience in line with all the requirements of the Contracts. Proof of non-commitment of any offences that are listed in the Private Security Industry Regulation Act (PSIRA)	5	
4.	Proposal Presentation		25
	No presentation made	1	

	Presentation with clear model of implementation	2	
	Presentation with clear model of implementation and demonstration of allocation of qualified service provider(s)	3	
	Presentation with clear model of implementation , demonstration of allocation of qualified service providers and identification of challenges that the bidders' intervention is meant to address	4	
	Presentation with clear model of implementation , demonstration of allocation of qualified serviced providers and identification of challenges that bidders' intervention is meant to address and new innovative ideas	5	
Financial Ability to execute the Contract Attached Proof of financial ability (Bank Rating) Grading			10
A		5	
B		4	
C		3	
D		2	
E		1	
			100

The bid evaluation committee may conduct physical verification during the evaluation process.

Only bidders who attain a minimum of 60 percent on Functionality will qualify to proceed for further evaluation on Price and Preference points.

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

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

- f) Individual value scores will be multiplied with the specified weighting for the criterion to obtain the marks scored for all elements. These marks will be added and expressed as a fraction of the best possible score for all criteria. This score will be converted to a percentage and only

bidders that have met or exceeded the minimum threshold of 60% for functionality will be evaluated and scored in terms of pricing and socio-economic goals as indicated hereunder.

- g) The value scored for each criterion will be multiplied with the specified weighting for the relevant criterion to obtain the marks scored for each criterion. These marks will be added and expressed as a fraction of the best possible score for all criteria.
- h) This score will be converted to a percentage and only bidders that have met or exceeded the minimum threshold of 60 percent for functionality will be evaluated and scored in terms of pricing and socio economic goals as indicated hereunder.
- i) Any proposal not meeting a minimum score of 60 percent functionality proposal will be disqualified.
- j) The price will not be evaluated at this stage

Phase III: Price / Financial stage

- a) Price / Financial proposal must be submitted in South African Rand.
- b) The following formula will be used to calculate the points for price in respect of this bid:

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

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

P_{\min} = Comparative price of lowest acceptable bid

- c) The responsive bids will be adjudicated by the State on the 80/20-preference point system based on price points and preference point:
 - The bid price (maximum 80 points)
 - Specific goals (maximum 20 points)
- d) The department reserves the right to arrange contracts with more than one contractor.
- e) The Preferential Procurement Policy Framework Act 2000 (PPPFA) Preferential Procurement Regulations 2022, Regulations were gazetted on 4 November 2022 (No. 47552) Vol.689 and effective from 16 January 2023. These bid will be evaluated as per above mentioned regulations. Bidders are required to submit evidence by which preference

points can be claimed based on the specific goals determined by the Department. In case of a Joint Venture, the average score of the joint companies will be considered for determining preference point score. Sub-contracting will only be allowed for up to 25% of the value of the contract to a company that possess the same or a higher preference point score in terms of specific goals.

- f) A maximum of 20 points may be awarded to a bidder for full complying with specific goals requirements stipulated in the table below. For this bid the maximum number preference points that could be allocated to a bidder are indicated below:

Specific Goal	Maximum Preference Points Allocated	Minimum Proof required for claiming preference points
An Enterprise owned by at least 51% black people	5	CIPC enterprise registration certificate and certified ID copies of company owners
An Enterprise owned by at least 51% black people who are youth (35 years or younger)	5	CIPC enterprise registration certificate and certified ID copies of company owners
An Enterprise owned by at least 51% black people who are women	5	CIPC enterprise registration certificate and certified ID copies of company owners
An Enterprise owned by at least 51% black people with a disability	5	CIPC enterprise registration certificate, certified ID copies of company owners and Proof of disability (Certificate from a medical doctor that specifies the nature of the disability)
TOTAL	20 POINTS	

Failure to submit the required evidence will lead to allocation of zero (0) preference points

- g) The points scored by a bidder in respect of the preference points indicated above will be added to the points scored for price.
- h) Bidders are requested to complete SBD 6.1 in order to claim preference points and attach relevant evidence as stipulated on the table above.
- i) Only a bidder who has completed and signed the declaration part of the preference claim form will be considered for preference points.
- j) Supply Chain Management may, before a bid is adjudicated or at any time, require a bidder to substantiate claims it has made with regard to claims regarding preference points.
- k) Points scored will be rounded off to the nearest 2 decimals.
- l) In the event that two or more bids have scored equal total points, the contract will be awarded to the bidder scoring the highest number of preference points. Should two or more bids be equal in all respects, the award shall be decided by drawing of lots.

A contract may, on reasonable and justifiable grounds, be awarded to a bid that did not score the highest number of points. The bidder must submit copies of identity documents of all directors or shareholders of the company with the bid documents at the closing date and time of the bid.

Phase IV: Vetting

Shortlisted bidders will be required to undergo the vetting procedure to verify the authenticity of the submitted documents during the submission period and bidder can be eliminated if discovered that false information was submitted. The vetting process doesn't mean that the bidder will be automatically awarded the contract.

11. CLIENT BASE

Bidders are required to have specific experience and are encouraged to submit at least four recent references, in writing on the company's letter head. The references must include the names of relevant persons as well as their phone numbers, fax numbers and email addresses.

DARDLEA may utilize this data to obtain information during the evaluation and/or adjudication process

12. LEGAL IMPLICATIONS

Successful service providers must be prepared to enter into a service level agreement with the DARLEA.

DARDLEA reserves the right to award this bid on a non-exclusive basis, i.e. DARDLEA may procure similar services outside this bid with the view of securing the best service and value for money.

13. COMMUNICATION

Supply Chain Management will communicate with bidders for, among others. Where bid clarity is sought, to obtain information or to extend the validity period. Any communication either by facsimile, letter or electronic mail or any other form of correspondence to any government official, department or representative of a testing institution or a person acting in an advisory capacity for DARLEA in respect of this bid between the closing date and the award of the bid by the bidder is prohibited.

14. COUNTER CONDITIONS

Bidders' attention is drawn to the fact that amendments to any of the Special Conditions by bidders will result in invalidation of such bids.

15. PROHIBITION OF RESTRICTIVE PRACTICES

- a) In terms of section 4(1) 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:
- Directly or indirectly fixing a purchase or selling price or any other trading condition;
 - Dividing markets by allocation customers, suppliers, territories or specific types of goods or services; or
 - Collusive bidding.

- b) If a bidder(s) or contractor(s), in the judgment of purchaser, has/have engaged in any of the restrictive practices referred to above, the purchaser may, without prejudice to any other remedy provided for, invalidate the bid(s) for such items(s) offered or terminate the contract in whole or in part and 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.

16. FRONTING

Dardlea supports the spirit of broad based black economic empowerment and recognizes that real empowerment can only be achieved through individuals and businesses conducting themselves in accordance with the Constitution and in an honest, fair, equitable, transparent and legally compliant manner. Against this background Dardlea condemns any form of fronting.

Dardlea, in ensuring that bidders conduct themselves in an honest manner will, as part of the bid evaluation processes, conduct or initiate the necessary enquiries/investigations to determine the accuracy of the representation made in bid documents. Should any of the fronting indicators as contained in the Guidelines on Complex Structures and Transactions and Fronting, issued by the Department of Trade and Industry be established during such enquiry/investigation, the onus will be on the bidder / contractor to prove that fronting does not exist.

Failure to do so within a period of 14 days from date of notification may invalidate the bid/contract and may also result in the restriction of the bidder/contractor to conduct business with public sector for a period not exceeding ten years, in addition on any other remedies Dardlea may have against the bidder/contractor concerned.

17. SPECIAL CONDITION OF CONTRACT

- The Department reserves the right to appoint the mentors to work on farms throughout the province according to their own discretion and needs.
- The department reserves a right to appoint more than one service provider per commodity, per farm.

- To negotiate with one or more preferred bidder(s) identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).
- To accept part of a bid rather than the whole tender.
- To carry out site inspections, product evaluations or explanatory meetings in order to verify the nature and quality of the services offered by the bidder(s), whether before or after adjudication of the Bid.
- To correct any mistakes at any stage of the bid that may have been in the Bid documents or occurred at any stage of the tender process.
- To cancel and/or terminate the tender process at any stage, including after the Closing Date and/or after presentations have been made, and/or after bids have been evaluated and/or after the preferred bidder(s) have been notified of their status as such.
- Award to multiple bidders based either on size or geographic considerations.
- The department will pay rates per kilometre up to 2.0 engine capacity

18. PRICES

All prices quoted are to be in SA Rand and inclusive of Value Added Tax (VAT). No change in the prices submitted shall be considered after receipt of response to the Bid submission.

(i) Amplifications of submissions:

The department may, after the opening of submissions, call on the prospective provider to amplify in writing any matter which is not clear in the prospective service provider's submission and such amplification shall form part of the original submission. In the event of the prospective provider failing to supply such information, the submission will be liable to rejection.

(ii) Cost of proposal:

Bidders shall bear all costs associated with the preparation and submission of their proposals, the department will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the tender.

(iii) Bid Documents:

This document in its entirety serves as the complete tender document. Proposals must offer services to the entire department. Proposals offering only part of the requirements will be rejected. The bidder is expected to examine all corresponding instructions, forms, terms and specifications contained in this document. Failure to comply with these documents will be at the bidder's risk and may affect the evaluation of their Proposal.

(iv) Documents comprising the proposal:

In preparing the technical and price components of your submission all references to descriptive material and brochures should be included in the appropriate response paragraph, although material documents themselves may be provided as annexes to the proposal/response. Bidders are requested to focus on the provision of relevant information which will ably assist the department in adjudicating this Tender. The successful bidder's proposal may be incorporated in whole or in part in the final contract. Any information that the Bidder considers proprietary should be marked as such.

(v) Information:

Information that the bidder considers proprietary, if any, should be clearly marked "proprietary" next to the relevant part of the text and it will be treated as such accordingly.

19. VALIDITY PERIOD

- Proposals shall remain valid for ninety (90) days after the date of Proposal submission. A Proposal valid for a shorter period may be rejected by the department on the grounds that it is non-responsive.
- In exceptional circumstances, the department may solicit the bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. A bidder granting the request will not be required nor permitted to modify their Proposal.

20. FORMAT AND SIGNING OF PROPOSALS:

The bidder shall submit one (1) copy of document per commodity bidding for, clearly marked:

COORDINATION AND MANAGEMENT OF FORTUNE 40 PROJECTS WHICH INCLUDE COORDINATION OF THE SITE KEEPERS, CATERING AND TRANSPORTATION OF LEARNERS FOR A PERIOD OF 36 MONTHS (3 YEARS)

I. Interlineations:

A Proposal shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the bidder, in which case the person or persons signing the Proposal shall initial such corrections.

II. Payment:

Payment to the service provider(s) will be in accordance with the Public Finance Management Act (PFMA) and related Treasury Regulations.

III. Project Plans and milestones:

Milestones and delivery dates will be mutually agreed by both parties and as per the contract.

21. PRICE NEGOTIATIONS

- Rates will be negotiated whereby a standard rate will apply to all successful bidder(s) in terms of the market related price.
- If the price offered by the bidder scoring the highest points is not market related, the department will negotiate a market related price with the bidder scoring the highest points or cancel the bid.
- If the bidder scoring the highest points does not agree to a market related price the department shall negotiate a market related price with second bidder, if the bidder scoring the second highest points does not agree to a market related price the department shall negotiate a market related price with the bidder scoring the third highest points.
- If the market related price is not agreed to as envisaged by the first, second and third bidder the department shall cancel the bid.

22. ENQUIRIES

Technical enquiries

Mr H Ndlovu

Tel: 013 766 6255/6059

hendry.ndlovu@gmail.com/HNdlovu@mpg.gov.za

Administrative enquiries

Ms. Z Masia

Tel: 013 766 6323

zmasia@mpg.gov.za

No visit to the respective persons will be entertained to ensure fairness to all prospective bidders and for audit ability purposes.

Closing Date: AS PER BID BULLETIN

23. BILL OF QUANTITY

NO	DESCRIPTION	YEAR 1 UNIT PRICE	YEAR 2 UNIT PRICE	YEAR3 UNIT PRICE
1.	CATERING			
1.1	Breakfast / per plate (sandwiches, Tea /1 x 500ml 100% canned juice, Fruits – Apple AND Banana AND Pear, 1 x 500ml bottled water)			
1.2	Lunch / per plate Pap OR Rice, Grilled ¼ chicken OR Stew beef OR Hake and gravy, 1 vegetable, 1 salad, 1 x 500ml bottled water, 1 x 340 ml Assorted soft drink			
1.3	Dinner/ per plate Pap OR Rice, Grilled ¼ chicken OR Stew beef OR Hake and gravy, 1 vegetable, 1 salad, 1 x 500ml bottled water, 1 x 340 ml Assorted soft drink			
2.	TRANSPORTATION			
2.1	Transportation of ONE participant OR learner per kilometer (Rate per kilometer)			
3.	COORDINATION			
3.1	Total rate per hour			

4	STIPENDS			
4.1	Learner (Daily rate)			
4.2	Site keeper (Daily rate)			
	SUB-TOTALS			
	ADD VAT @ 15%			
	TOTAL YEAR 1 VAT INCLUSIVE			
	PRICE ESCALATION PERCENTAGE (%) YEAR 2 & YEAR 3	N/A		
	TOTAL YEAR 2 & YEAR 3 VAT INCLUSIVE	N/A		

Name of the bidder: _____

Signature: _____

Date : _____

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all tenders invited. It contains general information and serves as a claim form for preference points for specific goals.

NB: BEFORE COMPLETING THIS FORM, TENDERERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF THE TENDER AND PREFERENTIAL PROCUREMENT REGULATIONS, 2022

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to invitations to tender:

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

a) The applicable preference point system for this tender is the 80/20 preference point system.

b) 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

1.2 Points for this tender (even in the case of a tender for income-generating contracts) shall be awarded for:

- (a) Price; and
- (b) Specific Goals.

1.3 The maximum points for this tender are allocated as follows:

	POINTS
PRICE	80
SPECIFIC GOALS	20
Total points for Price and SPECIFIC GOALS	100

1.3 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

1.4 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to

preferences, in any manner required by the organ of state.

2. DEFINITIONS

- (a) **“tender”** means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation; mn
- (b) **“price”** means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;
- (c) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;
- (d) **“tender for income-generating contracts”** means a written offer in the form determined by an organ of state in response to an invitation for the origination of income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions; and
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration

Pmin = Price of lowest acceptable tender

3.2. FORMULAE FOR DISPOSAL OR LEASING OF STATE ASSETS AND INCOME GENERATING PROCUREMENT

3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

P_s = Points scored for price of tender under consideration

P_t = Price of tender under consideration

P_{max} = Price of highest acceptable tender

4. POINTS AWARDED FOR SPECIFIC GOALS

4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:

4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—

(a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or

(b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

The applicable preference point system for this tender is the 80/20 preference point system.

Table 1: Specific goals for the tender and points claimed are indicated per the table below.

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
An Enterprise owned by at least 51% black people	5	
An Enterprise owned by at least 51% black people who are youth (35 years or younger)	5	
An Enterprise owned by at least 51% black people who are women	5	
An Enterprise owned by at least 51% black people with a disability	5	
TOTAL	20 points	

DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm

.....

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium
 One-person business/sole propriety
 Close corporation
 Public Company
 Personal Liability Company
 (Pty) Limited
 Non-Profit Company
 State Owned Company

[TICK APPLICABLE BOX]

4.6. I, the undersigned, who is duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the specific goals as advised in the tender, qualifies the company/ firm for the preference(s) shown and I acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;

- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
 - (a) disqualify the person from the tendering process;
 - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
 - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
 - (e) forward the matter for criminal prosecution, if deemed necessary.

.....	
SIGNATURE(S) OF TENDERER(S)	
SURNAME AND NAME:
DATE:
ADDRESS:

TCC 001

Particulars of tender (If applicable)Tender number Estimated Tender amount R , Expected duration of the tender year(s)**Particulars of the 3 largest contracts previously awarded**

Date started	Date finalised	Principal	Contact person	Telephone number	Amount
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

AuditAre you currently aware of any Audit investigation against you/the company? YES NO
If "YES" provide details

Appointment of representative/agent (Power of Attorney)I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

 - -

Date

Name of representative/agent

Declaration

I declare that the information furnished in this application as well as any supporting documents is true and correct in every respect.

Signature of applicant/Public Officer

 - -

Date

Name of applicant/
Public Officer**Notes:**

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
 - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - without just cause shown by him, refuses or neglects to-
 - furnish, produce or make available any information, documents or things;
 - reply to or answer truly and fully, any questions put to him ...

As and when required in terms of this Act ... shall be guilty of an offence ...

SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

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

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....
 ...

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium² will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

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

- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

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

.....

.....

Signature

Date

.....

.....

...

Position

Name of bidder

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

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

3..1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):

.....

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of(name of bidder
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.

The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017

promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

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

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

16. Payment

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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