



TERMS OF REFERENCE

BID NO: DMSA 001-2025/26

**APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR
SUBMISSION OF PROPOSALS FOR THE FINANCIAL
RESOURCE MOBILISATION AND REVENUE ENHANCEMENT
INITIATIVES FOR DITSONG: MUSEUMS OF SOUTH AFRICA
(DMSA) FOR A PERIOD OF THREE (3) YEARS / 36 MONTHS**

CLOSING DATE AND TIME OF BID: 001-2025/26

08 MAY 2025 AT 11:00

COMPULSORY BRIEFING SESSION: YES

DATE AND TIME:

24 APRIL 2025 AT 13:00

VENUE:

DITSONG PIONEER MUSEUM

KEUNING STREET, SILVERTON

(No late arrivals after 13H00 will be allowed to participate and their bids shall be declared non-responsive)

BID VALIDITY PERIOD: 120 DAYS

1. OVERVIEW OF DITSONG: MUSEUMS OF SOUTH AFRICA

DITSONG: Museums of South Africa (DMSA) is a schedule 3A public entity, accountable to the Department of Sports Arts and Culture (DSAC) and Parliament. DMSA develops, manages and administers some of the largest and most significant Southern African heritage assets in the fields of fauna, palaeontology, cultural history, anthropology, archaeology and military history; which require constant monitoring of the sustainable and responsible custodianship of these irreplaceable national heritage assets. There are ten museums in Gauteng, South Africa and Delville Wood, France.

DITSONG: Kruger Museum

The Museum consists of the original house in which S.J.P. Kruger, President of the old Zuid-Afrikaansche Republiek (ZAR), and his family lived during the last years of the 19th century, as well as two display halls and President Kruger's State railway coach. The Kruger house, built in 1884, was the original home of Paul Kruger, President of the former Transvaal Boer Republic. The house has been refurbished to reflect the time when the President and his wife, Gezina Kruger, lived there. International admiration for Paul Kruger and the struggle for freedom from British imperialism, his journey to Europe and his exile, are illustrated in the exhibitions.

Adjacent to the Kruger Museum is the former Bantu Commissioner's Office Building, erected in 1932 on the same site as the old Native Pass Office. The people of Tshwane and environs remember the building as GaMohle. Its history of enforcing the Pass Laws dates back to 1896 when Paul Kruger's government used the site for its police headquarters.

DITSONG: National Museum of Natural History

The DITSONG: National Museum of Natural History formerly known as the Transvaal Museum was founded as the Staatsmuseum of the ZAR on 1 December 1892. It is a custodian of South Africa's natural heritage. The Museum's collections and exhibits include hominid fossils from the Cradle of Humankind World Heritage Site and associated fauna, including Mrs Ples [the nickname attributed to a fossil skull believed to represent a distant relative of all humankind]; fossils, skeletons, skins and mounted specimens of amphibians, fish, invertebrates, reptiles and mammals. The Museum has a large collection of southern African beetles, boasts the largest representation of South Africa's birds and herpetology in the world and the largest collection of moths and butterflies in Africa.

The Museum offers behind the scenes tours of various collections and hosts public lectures every quarter.

DITSONG: Pioneer Museum

While enjoying a cup of coffee and homemade bread, visitors can experience a way of life lived in the Pioneer Museum dwelling built in 1848. The house was built of clay and local materials, with a thatched roof and earthen floors, and is furnished in the traditional 19th century rural style. It is surrounded by a traditional herb and vegetable garden, orchard, furnished wagon house and vineyard. Well-trained guides in period clothing present curriculum-based educational programmes. Visitors can make use of the picnic and braai facilities. The hall and lapa can be rented for events. It is ideal for country weddings and kiddies birthday parties. A New Year's Festival is held at the Museum every year in January.

DITSONG: Sammy Marks Museum

Zwartkoppies Hall, a Victorian mansion built in 1885, was the home of businessman and entrepreneur Sammy Marks. He resided here with his family, servants, and farmworkers until his death in 1920. Sammy's wife, Bertha Marks (née Guttman), 18 years his junior, was also an entrepreneur, excelling in poultry farming and earning numerous prizes at agricultural shows. Sammy Marks, originally from Lithuania (a country in the Baltic region of Europe), arrived in the Cape with only a set of Sheffield knives, a gift from his future father-in-law, Tobias Guttman. Over the course of 40 years, Marks built a business empire, significantly contributing to the mining, industrial, and agricultural sectors of South Africa. His legacy as a pioneering entrepreneur endures, and today, the Sammy Marks Museum stands as a testament to his spirit of determination. This Museum displays a life of opulence and style in the 19th century.

DITSONG: Tswaing Meteorite Crater

Some 220 000 years ago a blazing stony meteorite the size of half a football field slammed into the earth's crust. The impact formed a huge crater, 1.4 kilometres in diameter and 200 metres deep. This crater is one of the best-preserved meteorite impact craters in the world. The name Tswaing means *place of salt* in Setswana, and refers to a saline lake that covers the crater floor. From 1912 to 1950 an industry producing soda ash and salt was based at the crater. There are beliefs and practices related to cryptozoology at Tswaing Meteorite Crater. The local community believes the crater has spiritual healing powers. As a result, some locals bring the sick to the crater for healing. The Museum offers a 7.6 kilometres hiking trail with scenic views of game, birds and vegetation. Tswaing is a birdwatcher's paradise with over 240 species of birds to see. Visitors may enjoy a picnic afterwards and use the newly revamped braai facilities.

DITSONG: Willem Prinsloo Agricultural Museum

The DITSONG: Willem Prinsloo Agricultural Museum showcases the history of the development of agriculture in South Africa from the Stone Age until 1945. It has a large collection of farming implements, tractors and animal-drawn vehicles. Visitors will find a historic farmyard (1880-1920) with indigenous domesticated farm animals like Nguni and Afrikaner cattle, Colebrook pigs, Painted Persian sheep and indigenous chickens. By prior booking, visitors can see and experience various demonstrations, including candle-making, roasting of coffee beans and baking of bread. Tractor rides are available on request and the making of clay oxen. Homemade jams, cookies, soap and Ndebele beadwork can be purchased at the Museum. There are two house museums and two Ndebele homesteads from different eras. The Museum distils and sells its own mampoer and liqueurs. An annual Mampoer Festival takes place at the end of May each year.

DITSONG: National Museum of Cultural History

The DITSONG: National Museum of Cultural History explores South Africa's cultural diversity in various permanent and temporary exhibitions. These include rock paintings and engravings of the San hunter gatherers; thousand year old Iron Age figurines from Schroda in the Limpopo Province (described as the best known artefacts indicating ritual behaviour in the Early Iron Age); The Objects with Stories Exhibition, which presents objects and themes relating to the Museum's collection; and an exhibition on Marabastad, a true example of a cosmopolitan and fully integrated rainbow nation before apartheid.

DITSONG: National Museum of Military History

The DITSONG: National Museum of Military History is a memorial for all South Africans who have died in, or as a result of military actions and preserves military heritage for future generations. The Museum has diverse collections covering the First World War (1914-1918), Eastern Cape Cattle Wars in the 17th Century to the current role of South African troops in the United Nations peacekeeping forces.

The collection includes vehicles, aircraft, numismatics and awards, ordnance, uniforms, small arms, edged weapons, barrack & camping equipment, rations, religion, gifts & comforts, military music, graves & memorials, communications, medicine, propaganda and vexillology. The library has a unique collection of over 70 000 books, journals and archival material.

Displays not only reflect historical aspects but also illustrate technological development in warfare. Two historic Bellman Hangars house a variety of thematic displays such as the Anglo-Zulu War, the Anglo-Boer War, South Africa's role in the First and Second World Wars, resistance movements such as Umkhonto-we-Sizwe, medicine in war, the development of combat uniforms and equipment and the development of small arms.

THE DELVILLE WOOD COMMEMORATIVE MUSEUM

On 7 July 1916, the 1st South African Infantry Brigade was told to prepare for the second stage of the Somme Offensive launched earlier that month. The objective was to take the village of Longueval and Delville Wood beyond it. On 15 July, 3 153 South African soldiers entered Delville Wood. For six days the men endured the ravages of artillery bombardment, machine-gun fire at point blank range and relentless attacks by massed infantry assaults. The South Africans were eventually relieved at 18:00 on 20 July and 142 men emerged from the Wood. Although the forces of the Union of South Africa had fought in many battles on several other fronts during the First World War (1914 – 1918), Delville Wood was chosen for the National Memorial site because of the huge impact that the battle there had on the consciousness of the South African people. The South African National War Memorial was unveiled on 10 October 1926.

The Delville Wood Commemorative Museum, officially opened in 1986 at Delville Wood. The Museum reflects South Africa's contribution to the free world in the First World War and the Second World War (1939 – 1945). In July 2016, during the Centenary Commemoration, a new intervention to transform that memorial was inaugurated by the South African Government, with the unveiling of a Wall of Names between the Memorial and the Museum at Delville Wood. The wall features the names of 13 756 South Africans who fought and died in the First World War, regardless of race.

VISION

To be sustainable museums that are globally recognised, accessible and relevant to all.

MISSION

To acquire, preserve, research, exhibit heritage assets, and engage the public on our cultural, military and natural heritage in a sustainable, innovative and transformational manner.

VALUES

Our values are the following:

Creativity and Innovation

- We are committed to working smarter and harder by fostering a culture of creativity and innovation, encouraging new ways of thinking, learning, and working. This approach aims to improve organisational effectiveness and efficiency, particularly during challenging economic times, while combating stagnation and enhancing productivity.
- We are committed to developing and maintaining an organisational culture that stimulates and promotes creativity and innovation on a continuous basis. We see this as an imperative for DMSA which currently seeks better ways of ensuring financial sustainability.

Ethical behaviour

- We strongly uphold DMSA's high standards of ethics in the execution of all our work in preserving, creating awareness and building knowledge about our cultural heritage.
- We are committed to acting ethically and transparently in the execution of our duties and responsibilities, prioritising doing the right thing over personal gain.
- We are committed to always acting with honesty and integrity to build trust among employees and between the Council and staff, fostering a positive work environment grounded in strong human relationships.
- The Council's resolve and determination to fight against fraud and corruption guides decision-making on the part of both management and Council.
- All organisational values pertaining to honesty, integrity, accountability and the fight against fraud and corruption are communicated to all employees, individually and collectively, on a consistent and regular basis.

Excellence and accountability

- We strive for excellence in all we do, including service delivery and maintaining the sustainability of DMSA as an organisation through positive organisational and corporate identity by putting people first, especially our clients and employees.
- We instil a spirit of excellence among employees, motivating them to continuously improve their work performance and achieve the highest quality results at individual, team, and organisational levels.
- We foster a culture of trust and accountability where all employees, both managerial and non-managerial, take ownership of their actions, individually and collectively.
- We accept responsibility and accountability for our work performance and the services that museums provide to the broader South African society, in alignment with principles of good management and governance.
- We acknowledge our mistakes, address issues promptly, and make necessary adjustments to improve performance and outcomes.

Professionalism and Teamwork

- We execute our duties with the utmost professionalism to continuously improve the reputation of DMSA. We continually strive towards acquiring knowledge and expertise. By growing and developing our competencies and capabilities, we endeavour to be thought leaders in the knowledge and heritage sectors.
- We advance the rights of vulnerable groups and promote access to our programmes and facilities.
- We are committed to working as a team and creating synergies for shared learning and improved efficiencies across all our museums.
- As a team, we support each other and work tirelessly at building the reputation of DMSA as the place where cultures meet.

Ubuntu/Value our people

We recognise that each person matters. Everyone is valued and respected; their opinion and contributions are important and recognised. To count and be counted, reflects the heartbeat of DMSA.

2. INTRODUCTION

DMSA is mostly funded by the Department of Sport, Arts and Culture to deliver on its mandate. The Museum aims to increase own revenue by R50 million in the next five years by implementing income generating strategies including fund raising. DMSA therefore seeks to appoint a panel of qualified consultants/service providers to mobilise funding resources, conceptualise, develop a business plan, and perform feasibility testing and implementation of fundraising strategies.

The purpose of this document is to seek proposals from a panel of qualified consultants to mobilise funding resources. The service provider will attract funding for various projects within DMSA. They will conceptualise initiatives, perform project feasibility testing, business planning and implementation of income generating initiatives. In proposals, the consultants must identify respective funding institutions in their portfolio, the targeted focus areas, and the total funding available for each area. The proposals must clearly define funding structures for each focus area.

OBJECTIVES OF THE PROGRAMME

- **Mobilise and Attract Financial Resources** – Secure funding, including foreign direct investment, to support a broad range of initiatives that enable the DMSA to meet its mandate.
- **Identify, Conceptualise and Develop Priority Initiatives** – Assess, design and package projects for implementation.
- **Undertake Programme Implementation and Support** – Ensure effective execution and management of initiatives.
- **Monitor and Evaluate Project Outcomes** – Provide ongoing assessment and reporting on the implementation of the identified and developed projects and initiatives.
- **Identify and Mitigate Potential and Inherent Risks** – Assess and address potential risks associated with the various projects and initiatives.

3. SCOPE OF WORK

Prospective service providers are invited to submit innovative proposals that include programmes and campaigns that will increase DMSA own revenue. In addition, the service provider will present investment promotion concepts to enhance growth of DMSA.

- Develop a high level summary of fundraising activities from conceptualisation, funding, disbursements, to implementation, monitoring and evaluation, and reporting on these activities.
- Explore opportunities for partnerships to mobilise and leverage resources.
- Carry out development “partners/funders” mapping and analysis of their policies to gain a thorough understanding of their funding approaches and priorities.
- Identify potential funding opportunities and advise on consistency and feasibility of these opportunities.
- Develop a proposals and submit funding applications to identified funders.
- Ensure that proposals submitted have tangible measures of success and there are realistic expectations of applications being reviewed favourably and actual funding sourced.

- Mobilisation and attraction of financial resources including foreign direct investment, generation of solid investment leads for development in order to implement economic development initiatives.
- Identification, conceptualisation, packaging and implementation of approved key priority innovative initiatives that will attract investment on DMSA.
- Management and implementation of strategic projects.
- Complete funding and turnkey solutions at risk.

4. EXPECTED OUTCOMES / KEY DELIVERABLES

The appointed panel of service providers will be expected to demonstrate technical ability and capacity to undertake a project of this complexity including the ability to deliver funded proposals for large organisations to targeted funding groups nationally and internationally within a limited time frame:

- Timely identification of open and potential funding opportunities and advice DMSA.
- Writing and submission of funding applications/proposals in response to open resource mobilisation opportunities.
- Timely submission of high-quality applications or funding to solicited and unsolicited opportunities.
- A funding mapping report outlining the programmatic funding focus areas, current funding priorities, nature of funding (short term, medium term, and long term, including size of grants and resource).
- Successful mobilisation of financial and non-financial resources.
- Undertaking of project identification and prioritisation.
- Project conceptualisation, planning implementation and management.
- Project monitoring, evaluation, reporting, support, and delivery.

5. MINIMUM SUBMISSION REQUIREMENTS

In order to complete the project successfully and ensure quality in the output, the following minimum submissions and competencies will be required from service providers submitting bids:

- Submit clear proposals that detail the methodology and implementation plan of the project including project activities, project team and resources allocated thereto. Time frames to develop each business plans should also be included.
- Bidder must indicate initiatives or key focal areas to mobilise funding for the entity and proposed funding model per focal area or initiative.
- Consultants are requested to include a proposed expense recuperation structure in their proposal (preferably a percentage of funding received).
- The proposal should be limited to between 10 – 15% of the monetary value of the funding/resource.
- The proposal should include detailed value of funding per project to be mobilised over a period of 18 months.
- The company must have prior experience in resource mobilisation projects within public sectors such as Art & Culture, Heritage, Agriculture/Agro-processing and Tourism. Reference letters must be provided for each completed project or ongoing project.
- The company must demonstrate the associated experience and track record in resource mobilisation. A company profile with traceable references must be attached where the service provider undertook similar work in the past.

- Project Team Leader with South African Qualification Association (SAQA) accredited NQF Level 7 qualification in Finance or any other related field, attached CV's with an experience of three (3) years in the respective field.
- The project team must consist of a minimum of three (3) members, each holding at least a Bachelor's Degree (NQF Level 7) in the following fields: Law, Economics, Finance and related fields. CVs and qualifications must be submitted, demonstrating a minimum of three (3) years of relevant experience for each team member.
- Demonstrate the ability to develop a comprehensive bankable business plan/proposal (Attach business plan).
- If the responding legal entity will be forming a consortium/JV, it is a requirement that information relating to members of the consortium/JV be able to provide further information including their roles and responsibilities. Organogram to be attached with the submission.

A list of contactable references for similar undertakings must be tabled as per the table below:

Client Name	Sector: Agriculture Agro- processing, Arts & Culture, Heritage, Tourism	Nature of work undertaken (i.e. Funding applied for from which institution)	Start Date	Completion Date	Funding Approval and amount thereof	Client Contact	Contact Person Number and Email

6. A GENERAL REQUIREMENTS

The following is required of bidders and should be submitted to DMSA as part of the bid submission:

- 6.1 Company profile.
- 6.2 All Bidders must be registered on the National Treasury Central Supplier Database (CSD) and must attach a copy of the most recent report to the tender document.
- 6.3 The tax status on CSD must be compliant, as DMSA is unable to award a contract to a bidder whose tax affairs are not in order as determined by SARS. Bidders whose tax matters have expired or compliance status is invalid will be disqualified. Note that it is no longer a requirement for bidders to submit hard copies of tax clearance certificates as compliance for tax matters can be assessed and verified on the CSD report.
- 6.4 Original Bidder Resolution or Letter of authority or Letter of appointment authorizing the signatory of the Entity to sign the contract with DMSA.
- 6.5 Valid contact details including e-mail address.
- 6.6 At least three most recent reference letters from different companies where similar work has been carried out must be provided.
- 6.7 Companies registered for VAT should include VAT on their costing.
- 6.8 The recent Municipal account of the company not more than 3 months old. If the company is leasing the premises, the water and electricity account that is payable to the municipality or

managing agent needs to be submitted. (If the company does not pay water and electricity account the contractual agreement between the company and the lesser to be submitted.)

6.9 Joint Venture (JV) agreements must be submitted in the prescribed JV agreement format. Attach certified copies of Directors' ID documents.

6.10 Any other details that may be relevant in respect of the tender evaluation criteria described above.

Failure to supply all required and supplementary information will result in the tender being deemed non-responsive.

7. APPOINTMENT, COMMENCEMENT AND DURATION

The appointed service provider is anticipated to commence the work upon appointment for a duration of 36 months.

8. DESCRIPTION AND EXTEND OF WORK / PROJECT MANAGEMENT

Proposals are to be prepared according to industry/professional standards, as well as terms of reference. All reports will be reviewed by the relevant nominated Project Steering Committee representing DMSA. All working documents and reports will become the property of DMSA.

The successful bidder will work with DMSA's Project Steering Committee on the planning of various phases of the project and must be prepared regularly to report to the said committee.

DMSA reserves the right to appoint any service provider for the identified projects.

9. MONITORING AND REPORTING

The service provider will meet with the Project Steering Committee for discussion and review of the progress made on the approved proposal. The service provider will prepare and present the progress to the committee and the CFO.

Notwithstanding the fact that the progress report will be presented monthly, the CFO in consultation with the Project Steering Committee has the right to change the frequency of reporting as and when necessary.

The CFO will, through engagements with the appointed panel of service providers; invite other interested stakeholders relevant to the various or specified project.

10. LEGAL AND FINANCIAL CONSIDERATIONS

DMSA will develop a Service Level Agreement (SLA) that will govern the relation between the Institution and appointed service providers.

The service provider will only be compensated upon receipt of all and any funding / resource credited to its bank. This implies that any grant funding contract does not raise any obligation on the part of DMSA. DMSA will pay a fee based on the grant received.

11. EXPENDITURE INCURED BY THE BIDDER

DMSA will not be held responsible for any costs, legal or administrative; incurred by the bidder in the preparation, and submission of the bid as well as subsequent presentations.

12. INSTRUCTIONS TO BIDDERS

This document constitutes an Expression of Interest which specifies DMSA's requirements for service providers to assist with Resource Mobilisation and related funding services on behalf of the Institution. The information contained herein provides a format to facilitate bidder's responses to this RFP. It is important that the format be followed closely to help maintain the decision making time frames. Responses must be presented in the same order as the requirements appear, section by section, and numbered accordingly with acknowledgement of all clauses.

13. TERM OF CONTRACT

The term of the contract shall be a period of 36 months from date of award and will be regulated by the service level agreement to be concluded with the service providers. A thirty (30) days written notice must be issued if either party wishes to terminate the agreement prior to the contract's expiry date.

14. EVALUATION

DMSA subscribes to the Preferential Procurement Policy Framework Act (PPFA of 2000) principles whereby a bidder's submission will be evaluated according to the sum of the award points in respect of the tender value and Specific Goals.

The proposal will be evaluated on only one stage namely:

Stage 1: Capacity to execute work.

Item	Points
Stage 1 <ul style="list-style-type: none">Clear proposal with methodology, implementation plan, project team, time frame, funding model.	20
<ul style="list-style-type: none">Knowledge and practical experience in the preparation of business plan (attach business plan).	20

Item	Points
<ul style="list-style-type: none"> Traceable record for similar Resource Mobilisation projects to the value of between R1,000,000 and R10 000 000 (attach certified appointment letter). or Traceable record for similar Resource Mobilisation projects to the value of above R10,000,000 (attach certified reference letter). 	10 or 20
<ul style="list-style-type: none"> Project Team Leader with South African Qualification Association (SAQA) accredited NQF Level 7 qualification in Finance or any other related field, attached CV's with an experience of three (3) years in the respective fields. 	20
<ul style="list-style-type: none"> Support members with at least a Bachelor's Degree (NQF Level 7) in the following fields; : Law, Economics, Financer or any other related field (attach CVs and qualifications, with proof of at least three (3) years of experience in the respective fields). 	20
Minimum Threshold	70

Stage 2 – Pricing Schedule

Estimated Value of Funding / Resource Amount	Proposed and offered compensation on value of funding. The offer is limited to between 8 – 15%. The offered compensation is inclusive of VAT.	Rand value compensation based on estimated funding/resource (Inclusive of VAT)
R1,000,000 (One Million Rands Only)		R_____

15. CONFLICT OF INTEREST

- 15.1 The bidder or bidders' group must submit a document (you may include it in your covering letter, stating whether any of its employees have any interest in DMSA or whether any of DMSA's personnel have any interest in the bidders or affiliated business.

16. INTELLECTUAL PROPERTY AND OWNERSHIP

- 16.1 Ownership and copyright of all documentation developed during the period of the contract will be vested in DMSA.
- 16.2 All intellectual property rights relating to any work produced by the service provider in relation to the performance of this contract shall belong to DMSA and may not be used for any other purpose by the service provider. The service provider shall give DMSA all assistance in protecting such intellectual property rights. All material, in paper, electronic or any recorded format produced by the service provider in the performance of this contract shall remain the property of DMSA and must be handed over to DMSA on termination of the contract.
- 16.3 All service providers undertake not to infringe the intellectual property of third parties. Should any action or claim be instituted against DMSA emanating from an infringement of intellectual property or an alleged infringement of intellectual property, the service providers hereby indemnify DMSA against such claims or actions as well as all costs (including legal costs on an attorney and client scale).

17. PACKAGING OF BID

- 17.1 Bidders to arrange the Standard Bidding Documents (SBDs) submission in a numerical order.
- 17.2 Bidders are requested to separate technical bids from the financial bids. (Two-envelope system).
- 17.3 Failure to adhere to the above i.e. 17.1 & 17.2 shall invalidate/ disqualify a bid.
- 17.4 Memory stick (Flash Drive) must contain a soft copy of technical bids and the financial proposal (Envelope 1 & 2), Failure to submit the memory stick shall disqualify a bid.

18. COMPULSORY BRIEFING SESSION

Bidders failing to attend the Compulsory Briefing Session will be disqualified automatically and their bids will be regarded as non-responsive.

Compulsory Briefing Session

Date	:	24 April 2025
Time	:	13h00 (Bidders who are late will not be allowed into the briefing session)
Venue	:	Ditsong: Pioneer Museum Keuning Street, Silverton

19. SUBMISSION OF BIDS DOCUMENTS

- 19.1. Bidders are advised to ensure that bids are submitted allowing sufficient time for any unforeseen events that may delay the delivery of the bid.
- 19.2 All bidders are required to complete a bid register when submitting bid documents. The Bid register is available at the below-mentioned address.
- 19.3 Bidders should deposit their documents into the tender box available on the Ground Floor reception area by the **08 of May 2025 at 11H00** am at the address below:

DITSONG: Museums of South Africa, Head Office, 70 WF Nkomo Street, GaMohle Building Pretoria.

20. COST OF BIDDING

- 20.1 The bidder shall bear all costs associated with the preparation and submission of its bid and DMSA will not be held responsible for these costs regardless of the conduct or outcome of the tender process. The bidder will not be entitled to claim for travel and subsistence expenses. If such expenses are applicable, these charges must be included in the bid price.

21. PRICE OR FEES NEGOTIATION

- 21.1. DMSA may negotiate the price or fees with the preferred bidder during a competitive bidding process.

22. LATE BIDS

- 22.1. Bids are received at the address indicated above. Bids received after the closing date and time will not be accepted for consideration and will be returned unopened to the bidder. Bids documents should be submitted before 11:00 am on the closing date of the tender.

23. BID AND TECHNICAL ENQUIRIES / CLARIFICATION OF TENDER DOCUMENTS

- 23.1 DMSA will respond by email to any request for clarification of the tender documents which it receives no later than **one (1) week prior to the deadline for submission of bids prescribed by DMSA**. All enquiries related to the technical content of the Terms of Reference as well as the bid enquires may be directed in writing to the officials listed below:

For Bid Enquiries
Mr Ntsako Thwala
Tel: (012) 492 5744
Email: Tender@mitsong.org.za

For Technical Enquiries:
Ms. Lemohang Zincume
Tel: (012) 492 5744
Email: Tender@mitsong.org.za

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	DMSA 001-2025/26	CLOSING DATE: 08 May 2025		CLOSING TIME:	11:00 AM
DESCRIPTION	APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR SUBMISSION OF PROPOSALS FOR THE FINANCIAL RESOURCE MOBILISATION AND REVENUE ENHANCEMENT INITIATIVES FOR DITSONG: MUSEUMS OF SOUTH AFRICA (DMSA) FOR A PERIOD OF THREE (3) YEARS / 36 MONTHS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
DITSONG: Museums of South Africa, Head Office, ,					
Ground Floor reception area					
70 WF Nkomo Street					
Pretoria.					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr Ntsako Thwala		CONTACT PERSON	Ms Lemohang Zincume	
TELEPHONE NUMBER	(012) 429 492 5744		TELEPHONE NUMBER	(012) 492 5744	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	Tender@mitsong.org.za		E-MAIL ADDRESS	Tender@mitsong.org.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
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

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, 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:

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

- 1 In order to meet this requirement bidders are required to complete in full the attached form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The Tax Clearance Certificate Requirements are also applicable to foreign bidders / individuals who wish to submit bids.
- 2 SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
- 3 The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
- 4 In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
- 5 Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
- 6 Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website www.sars.gov.za.

PRICING SCHEDULE – FIRM PRICES (PURCHASES)

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder.....	Bid number.....
Closing Time 11:00	Closing date.....

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

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

-
- Required by:
 - At:
.....
 - Brand and model
 - Country of origin
 - Does the offer comply with the specification(s)? *YES/NO
 - If not to specification, indicate deviation(s)
 - Period required for delivery
*Delivery: Firm/not firm
 - Delivery basis

Note: All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

*Delete if not applicable

PRICING SCHEDULE – NON-FIRM PRICES (PURCHASES)

NOTE: PRICE ADJUSTMENTS WILL BE ALLOWED AT THE PERIODS AND TIMES SPECIFIED IN THE BIDDING DOCUMENTS.

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of Bidder.....	Bid number.....
Closing Time 11:00	Closing date.....

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
<hr/>			
-	Required by:	
-	At:	
-	Brand and model	
-			
-	Country of origin	
-	Does the offer comply with the specification(s)?		*YES/NO
-	If not to specification, indicate deviation(s)	
-	Period required for delivery	
-	Delivery:		*Firm/not firm

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

*Delete if not applicable

A NON-FIRM PRICES SUBJECT TO ESCALATION

- $$Pa = (1 - V)Pt \left(D1 \frac{R1t}{R1o} + D2 \frac{R2t}{R2o} + D3 \frac{R3t}{R3o} + D4 \frac{R4t}{R4o} \right) + VPt$$

Pa	=	The new escalated price to be calculated.
(1-V)Pt	=	85% of the original bid price. Note that Pt must always be the original bid price and not an escalated price.
D1, D2..	=	Each factor of the bid price eg. labour, transport, clothing, footwear, etc. The total of the various factors D1, D2...etc. must add up to 100%.
R1t, R2t.....	=	Index figure obtained from new index (depends on the number of factors used).
R1o, R2o	=	Index figure at time of bidding.
VPt	=	15% of the original bid price. This portion of the bid price remains firm i.e. it is not subject to any price escalations.

- | | | |
|-----------------------|-----------------------|-----------------------|
| Index..... Dated..... | Index..... Dated..... | Index..... Dated..... |
| Index..... Dated..... | Index..... Dated..... | Index..... Dated..... |

- [illegible]

B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS

1. Please furnish full particulars of your financial institution, state the currencies used in the conversion of the prices of the items to South African currency, which portion of the price is subject to rate of exchange variations and the amounts remitted abroad.

PARTICULARS OF FINANCIAL INSTITUTION	ITEM NO	PRICE	CURRENCY	RATE	PORTION OF PRICE SUBJECT TO ROE	AMOUNT IN FOREIGN CURRENCY REMITTED ABROAD
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		
				ZAR=		

2. Adjustments for rate of exchange variations during the contract period will be calculated by using the average monthly exchange rates as issued by your commercial bank for the periods indicated hereunder: (Proof from bank required)

AVERAGE MONTHLY EXCHANGE RATES FOR THE PERIOD:	DATE DOCUMENTATION MUST BE SUBMITTED TO THIS OFFICE	DATE FROM WHICH NEW CALCULATED PRICES WILL BECOME EFFECTIVE	DATE UNTIL WHICH NEW CALCULATED PRICE WILL BE EFFECTIVE

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER:	BID NO.:
CLOSING TIME 11:00	CLOSING DATE.....

OFFER TO BE VALID FORDAYS FROM THE CLOSING DATE OF BID.

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

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

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

R.....

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

4. PERSON AND POSITION

HOURLY RATE

DAILY RATE

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

R.....
R.....
R.....
R.....
R.....

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

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

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

R..... days
R..... days
R..... days
R..... days

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

DESCRIPTION OF EXPENSE TO BE INCURRED

RATE

QUANTITY

AMOUNT

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

..... R.....
..... R.....
..... R.....
..... R.....

TOTAL: R.....

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

Name of Bidder:

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

DESCRIPTION OF EXPENSE TO BE INCURRED	RATE	QUANTITY	AMOUNT
.....	R.....
.....	R.....
.....	R.....
.....	R.....
TOTAL: R.....			

6. Period required for commencement with project after acceptance of bid
7. Estimated man-days for completion of project
8. Are the rates quoted firm for the full period of contract? *YES/NO
9. If not firm for the full period, provide details of the basis on which adjustments will be applied for, for example consumer price index.
-
-
-

***[DELETE IF NOT APPLICABLE]**

Any enquiries regarding bidding procedures may be directed to the –

(INSERT NAME AND ADDRESS OF DEPARTMENT/ENTITY)

Tel:

Or for technical information –

(INSERT NAME OF CONTACT PERSON)

Tel:

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
 - the bidder is employed by the state; and/or
 - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
 - 2.1 Full Name of bidder or his or her representative:
 - 2.2 Identity Number:
 - 2.3 Position occupied in the Company (director, trustee, shareholder²):
 - 2.4 Company Registration Number:
 - 2.5 Tax Reference Number:
 - 2.6 VAT Registration Number:
 - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / persal numbers must be indicated in paragraph 3 below.

¹"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

²"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

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

Name of state institution at which you or the person connected to the bidder is employed :

Position occupied in the state institution:

Any other particulars:

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attached proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....

.....

.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:

.....

.....

.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1 If so, furnish particulars.

.....

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

2.10.1 If so, furnish particulars.

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?

YES/NO

2.11.1 If so, furnish particulars:

3 Full details of directors / trustees / members / shareholders.

[illegible]

4 DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME IN TERMS OF
PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION
PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

May 2011

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).

1.2 **To be completed by the organ of state**

(delete whichever is not applicable for this tender).

- a) The applicable preference point system for this tender is the **90/10** preference point system.
- b) The applicable preference point system for this tender is the **80/20** preference point system.
- c) Either the **90/10 or 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.

1.3 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.

1.4 **To be completed by the organ of state:**

The maximum points for this tender are allocated as follows:

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

- 1.5 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.
- 1.6 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;
- (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:

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

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:

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

Where

- Ps = Points scored for price of tender under consideration
Pt = Price of tender under consideration
Pmax = 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.

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

(Note to organs of state: Where either the 90/10 or 80/20 preference point system is applicable, corresponding points must also be indicated as such.)

Note to tenderers: The tenderer must indicate how they claim points for each preference point system.)

The specific goals allocated points in terms of this tender	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Enterprises with ownership of 51% or more by person/s who are black	3	5		
Enterprises with ownership of 51% or more by person/s who are women	2	5		
Enterprises with ownership of 51% or more by person/s who are youth	2	4		
Enterprise with ownership of 51% or more by person/s with disability	1	2		
Enterprises with ownership of less than 51% by person/s who are black or less than 51% by person/s who are women or less than 51% by person/s who are youth or less than 51% by person/s with disability	0	0		
Enterprises with ownership Exempt Micro Enterprise	1	2		
Enterprises with ownership Qualifying Small Enterprise (QSE)	1	2		
Total	10	20		

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:
.....
.....
.....

CONTRACT FORM - RENDERING OF SERVICES

THIS FORM MUST BE FILLED IN DUPLICATE BY BOTH THE SERVICE PROVIDER (PART 1) AND THE PURCHASER (PART 2). BOTH FORMS MUST BE SIGNED IN THE ORIGINAL SO THAT THE SERVICE PROVIDER AND THE PURCHASER WOULD BE IN POSSESSION OF ORIGINALLY SIGNED CONTRACTS FOR THEIR RESPECTIVE RECORDS.

PART 1 (TO BE FILLED IN BY THE SERVICE PROVIDER)

1. I hereby undertake to render services described in the attached bidding documents to (name of the institution)..... in accordance with the requirements and task directives / proposals specifications stipulated in Bid Number..... at the price/s quoted. My offer/s remain binding upon me and open for acceptance by the Purchaser during the validity period indicated and calculated from the closing date of the bid .
2. The following documents shall be deemed to form and be read and construed as part of this agreement:
 - (i) Bidding documents, viz
 - Invitation to bid;
 - Proof of tax compliance status;
 - Pricing schedule(s);
 - Filled in task directive/proposal;
 - Preference claim form for Preferential Procurement in terms of the Preferential Procurement Regulations;
 - Bidder's Disclosure form;
 - Special Conditions of Contract;
 - (ii) General Conditions of Contract; and
 - (iii) Other (specify)
3. I confirm that I have satisfied myself as to the correctness and validity of my bid; that the price(s) and rate(s) quoted cover all the services specified in the bidding documents; that the price(s) and rate(s) cover all my obligations and I accept that any mistakes regarding price(s) and rate(s) and calculations will be at my own risk.
4. I accept full responsibility for the proper execution and fulfilment of all obligations and conditions devolving on me under this agreement as the principal liable for the due fulfillment of this contract.
5. I declare that I have no participation in any collusive practices with any bidder or any other person regarding this or any other bid.
6. I confirm that I am duly authorised to sign this contract.

NAME (PRINT)

CAPACITY

SIGNATURE

NAME OF FIRM

DATE

WITNESSES

1

2

DATE:

CONTRACT FORM - RENDERING OF SERVICES

PART 2 (TO BE FILLED IN BY THE PURCHASER)

1. I..... in my capacity as..... accept your bid under reference numberdated.....for the rendering of services indicated hereunder and/or further specified in the annexure(s).
2. An official order indicating service delivery instructions is forthcoming.
3. I undertake to make payment for the services rendered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice.

DESCRIPTION OF SERVICE	PRICE (ALL APPLICABLE TAXES INCLUDED)	COMPLETION DATE	TOTAL PREFERENCE POINTS CLAIMED	POINTS CLAIMED FOR EACH SPECIFIC GOAL

4. I confirm that I am duly authorised to sign this contract.

SIGNED ATON.....

NAME (PRINT)

SIGNATURE

OFFICIAL STAMP

WITNESSES

1

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.

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

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	<p>31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice</p> <p>31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.</p>
32. Taxes and duties	<p>32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.</p> <p>32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.</p> <p>32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.</p>
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	<p>34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).</p> <p>34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.</p>

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