

**PART A**

**INVITATION TO BID SBD 1**

**YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)**

BID NUMBER:	WRSCM-2021/2022-0008	CLOSING DATE:	10 January 2022	CLOSING TIME:	11:00
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DESCRIPTION	Appointment of a Supplier to Supply, Install and Deliver or procure, supply and Deliver Furniture to the W&RSETA Head Office and National Provincial Offices
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**BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)**

**1303 Riverside Office Park**

**Corner Heuvel and Lenchen South Avenue**

**Hennops House**

**Centurion**

<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>	<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>
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CONTACT PERSON	<b>Supply Chain Management</b>	CONTACT PERSON	<b>Dawn</b>
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TELEPHONE NUMBER	<b>012 622 9500</b>	TELEPHONE NUMBER	<b>012 622 9500</b>
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FACSIMILE NUMBER	<b>N/A</b>	FACSIMILE NUMBER	<b>N/A</b>
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E-MAIL ADDRESS	<a href="mailto:tenders@wrseta.org.za">tenders@wrseta.org.za</a>	E-MAIL ADDRESS	<a href="mailto:tenders@wrseta.org.za">tenders@wrseta.org.za</a>
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**SUPPLIER INFORMATION**

NAME OF BIDDER	
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POSTAL ADDRESS	
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STREET ADDRESS	
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TELEPHONE NUMBER	CODE		NUMBER	
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CELLPHONE NUMBER				
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FACSIMILE NUMBER	CODE		NUMBER	
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E-MAIL ADDRESS				
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VAT REGISTRATION NUMBER						
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		AND	CENTRAL SUPPLIER DATABASE No:	MAAA	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX]  <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>						
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR <b>THE GOODS /SERVICES /WORKS OFFERED?</b>		<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES, ANSWER PART B:3]	
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>						
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						
<b>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.</b>						

**Table 1: DOCUMENTS THAT MUST BE SUBMITTED FOR PRE-QUALIFICATION**

Document that must be submitted	Non-submission will result in disqualification?	
Invitation to Bid – SBD 1	YES	Complete and sign the supplied pro forma document
Tax Status	YES	<ul style="list-style-type: none"> <li>i. A Central Supplier Database (CSD) summary report and Tax Compliance Status Pin Should be submitted to verify the bidder's tax whether the bidder's tax matters' are in order.</li> <li>ii. The Tax Compliance Pin Number or the CSD Master Registration Number (MAAA number) to verify the bidder's tax compliance tax status.</li> <li>iii. In case of foreign recommended bidders who has no history of doing business in South Africa, the foreign recommended bidder's completed SBD 1 must be submitted to the South African Revenue Service to issue Confirmation of Tax Obligation letter in terms <b>Instruction Note No. 09 of 2017/2018.</b></li> <li>iv. The CSD and tax compliance status PIN are the approved methods of verifying the tax compliance status of bidders.</li> <li>v. In the event where the Bidder does not submit a tax compliance status PIN ,the tax compliance status will be verified utilizing the CSD summary report.</li> </ul>
Pricing Schedule (SBD 3.1)	YES	Submit full details of the pricing proposal as per <b>Annexure A "Price"</b> attached to <b>SBD 3.1</b>
Declaration of Interest – SBD 4	YES	Complete and sign the supplied pro forma document
Preference Point Claim Form – SBD 6.1  BBBEE Status Level Contributor Certificate  Or Sworn Affidavit	YES	Complete and sign the supplied pro forma document
	NO	Non-submission will lead to zero points awarded.  (A valid and certified copy must be attached)

<b>SBD 6.2. DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS</b>	<b>YES</b>	Complete and sign the supplied pro forma document with all the applicable Annexures C, D and E
<b>Declaration of Bidder's Past Supply Chain Management Practices – SBD 8</b>	<b>YES</b>	Complete and sign the supplied pro forma document
<b>Certificate of Independent Bid Determination – SBD 9</b>	<b>YES</b>	Complete and sign the supplied pro forma document
<b>Registration on Central Supplier Database (CSD</b>	<b>YES</b>	<p>Bidders must be registered on the Central Supplier Database (CSD).</p> <p>If you are not registered proceed to complete the registration of your company prior to submitting your proposal. Visit <a href="https://secure.csd.gov.za/">https://secure.csd.gov.za/</a> to obtain your vendor / supplier number.</p> <p>Submit proof of registration with your bid document.</p>
<b>Hard copy submission</b>	<b>YES</b>	Submission of one copy of the proposal i.e., compliance, technical and price proposal.

**PART B**

**TERMS AND CONDITIONS FOR BIDDING**

**1. BID SUBMISSION:**

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

**2. TAX COMPLIANCE REQUIREMENTS**

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

THE W&RSETA WILL BE HOSTING A NON-COMPULSORY BRIEFING SESSION ON THE WEDNESDAY, 15 DECEMBER 2021 @ 11:00AM. THE NON-COMPULSORY BRIEFING SESSION WILL BE A VIRTUAL MEETING WHICH WILL BE DONE USING THE MICROSOFT TEAMS SYSTEM. BIDDERS TO KINDLY FORWARD EMAIL CORRESPONDANCE TO [tenders@wrseta.org.za](mailto:tenders@wrseta.org.za) WITH THE BID REFERENCE NUMBER REQUESTING TO JOIN INTO THE MEETING. RESPONSES WILL BE ACCEPTED FROM THE 09-13 DECEMBER 2021.

### 3. TERMS AND CONDITIONS FOR BIDDING

#### **BIDDING PROCEDURE CONDITIONS FOR THIS BID**

##### **BID VALIDITY PERIOD**

This bid is valid for a period of 90 days after the closing date of the bid.

##### **LATE BIDS RECEIVED**

Bids submitted after the stipulated submission date and time will not be considered.

##### **NON-COMPLIANT BIDS RECEIVED**

Bids not submitted in the prescribed format will not be considered.

##### **BID SUBMISSION QUANTITIES**

*Bids must be submitted in hardcopy submissions only as follows:*

One (1) hardcopy of bid proposal i.e., one original Compliance, Technical and Price Proposal.

##### **COUNTER CONDITIONS**

Bidder's attention is drawn to the fact that amendments to any of the Bid Conditions or setting of counter conditions by bidders may result in the invalidation of such bids. This bid is subject to the Preferential Procurement Policy Framework Act No. 5 and the Preferential Procurement Regulations- 2017.

##### **CANCELLATION PRIOR TO AWARDING**

The W&RSETA has the right to withdraw and cancel the Bid Invitation.

##### **COLLUSION, FRAUD AND CORRUPTION**

Any effort by bidders to influence evaluation, comparisons, or award decisions in any manner may result in the rejection of the bidder concerned. The W&RSETA reserves the right to reject bids when deemed necessary. Bid rigging by the bidder will result in disqualification of the bid. The bidder is not permitted to submit a bid for more than one registered company with a common director/ shareholder.

##### **PRESENTATIONS AND PROOF OF FUNCTIONALITY AS PART OF THE EVALUATION OF BIDS**

The W&RSETA has the right to perform due diligence on a bid proposal received through calling for interviews, presentations, proof of functionality sessions with short listed bidders before concluding the evaluation.

##### **SUB-CONTRACTING**

The W&RSETA does not enter into any separate contract with sub-contractors of its appointed contractors.

##### **INFORMATION PROVIDED IN THE BID INVITATION**

All information contained in this bid documentation is solely for the purpose of assisting bidders to prepare their bids. Any use of the information contained herein for other purpose than those stated in this documentation is prohibited.

##### **GENERAL CONDITIONS OF CONTRACT**

This bid is subject to the General Conditions of Contract.

#### **4.SPECIAL CONDITIONS OF CONTRACT**

- (a) This bid is subject to the Special Conditions of Contract as outlined hereto below.
- (b) The price schedule (cost) must be in South African currency and must include value added tax, where applicable and must include disbursements.
- (c) W&RSETA reserves the right not to accept any of the submitted price schedules (cost). The lowest, or only accepted price schedules (cost), will not necessarily be accepted.
- (d) Penalties will be applied in respect of late completion of work defined in the final contract provided that the delay is attributed on the part of the service provider.
- (e) This bid will follow the 80/20 preferential point system.
- (f) The bid is valid for a period 90 days from the closing date of the bid.
- (g) The service provider shall:**
  - (i) Undertake to act as an independent contractor in respect of the work to be performed.
  - (ii) Exercise all reasonable skill care and diligence in the execution of the work and shall carry out all its obligations in accordance with professional standards.
  - (iii) In all professional matters, act as a faithful adviser to the W&RSETA.
  - (iv) Be deemed to have satisfied itself as to the correctness and sufficiency of the rates and prices set out in the contract for the work/ services to be rendered.
  - (v) Whenever so required by the representative, furnish the representative with particulars in writing regarding the Service Providers arrangement for the execution of the work. Should the parties be of the opinion that the proposal submitted by the Service Provider does not ensure, inter alia, the completion of the work within a stipulated time for completion, the representative shall have the right to request that the proposal be amended to his/ her satisfaction.
  - (vi) Attend meetings with officials whenever required to do so by the representative for the purpose of obtaining information or advice in regard to the work and assignment or any matters arising there from in connection therewith.
  - (vii) Not have the power or authority to enter into any contracts or otherwise to bind or incur any liability on behalf of the W&RSETA.
  - (i) All documents, database or any other material in any format prepared by the Service Provider in relation to the work shall be delivered to W&RSETA immediately upon the W&RSETA's request.
  - (k) The Service Provider shall not attempt to recruit employees of the department during the execution of the contract or any part thereof.
  - (l) The department undertakes to pay the service provider within (30) days from the date of receipt of the correct invoice.
  - (m) The department shall not enter into a contract where a company had directors, partners, or employees who are employed by the state
  - (n) No late, faxed, electronically transmitted, incomplete copies or unsigned bids will be accepted.
  - (o) All service providers enlisted by National Treasury in the restricted service providers register will not be considered.
  - (p) Completed bid documents must be submitted in a one envelope.

**(g) W&RSETA reserves to right:**

- (i) To award this bid to a bidder that did not score the highest total number of points, only in accordance with section 2(1)(f) of the PPPFA (Act 5 of 2000)
- (ii) To negotiate with one or more preferred bidders identified in the evaluation process, regarding any terms and conditions, including price without offering the same opportunity to any other bidder(s) who has not been awarded the status of the preferred bidder(s).
- (iii) To accept part of a tender rather than the whole tender
- (iv) To correct any mistakes at any stage of the tender that may have been in the bid documents or occurred at any stage of the tender process.
- (iv) To cancel and/ or terminate the tender process at any stage, including after the closing date and/ or after tenders have been evaluated and/ or after the preferred bidder (s) have been notified of their status as such.

**NB: Failure to comply with the above requirements will lead to the bid regarded as non-responsive and not considered.**

**5.BID EVALUATION PHASE**

**Bidders must achieve the minimum allocated functionality threshold percentage in order to be considered for Price and Preference Point evaluation.**

**Shortlisted bidders may be invited to present the implementation approach to the W&RSETA.**

**Due Diligence may be conducted (where applicable)**

**Bidders must adhere to the Mandatory Requirements as set out in the Specification. Failure in doing so will render the bid as non-responsive.**

**The W&RSETA reserves the right to award or not award the services to the successful bidder.**

**NB: FAILURE TO SUBMIT THE MANDATORY REQUIREMENTS WILL LEAD TO DISQUALIFICATION OF THE BID**

SIGNATURE OF BIDDER:

\_\_\_\_\_

CAPACITY UNDER WHICH THIS BID IS SIGNED:

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

\_\_\_\_\_

DATE:

\_\_\_\_\_



PART C

SBD 3.1

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)
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- 
- 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**

**PART D**

**DECLARATION OF INTERST SBD4**

Bidders exclude and warrant that there will be no form of misrepresentation which may arise in future pertaining to the disclosure of the information presented below:

1. Any legal person, including persons employed by the state, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer to offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid proposals). 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 representation declare his/ her position in relation to the evaluating/ adjudicating authority where-

- ☐ the bidder is employed by the state; and/ or
- ☐ legal person on whose behalf the bid 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 declaration 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, Shareholder)	
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, employees/ persal number must be indicated in paragraph 3 below.

“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 municipal or municipal entity;
- (c) Provincial legislature;
- (d) National Assembly or the national provinces; or
- (e) Parliament

“Shareholder” means a person who owns share in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

Item	Question	Yes	No
2.7	Are you, or any person connected with the Bidder presently employed by the state?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
2.7.1	If so, furnish particulars: Name of the 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 <input type="checkbox"/>	No <input type="checkbox"/>
2.7.2	If yes, did you attach proof of such authority to the bid document?		
2.7.2	If so, 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? That is any Public Entity e.g. W&RSETA	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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 <input type="checkbox"/>	No <input type="checkbox"/>
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?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

2.10	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 <input type="checkbox"/>	No <input type="checkbox"/>
2.11.	If so, furnish particulars		

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

Full Name	Identity Number	Personal TAX Ref #	State Employee #

**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 or act against me in terms of paragraph 23 of the general conditions of contract should this declaration provide to be false.

SIGNATURE OF BIDDER:

\_\_\_\_\_

CAPACITY UNDER WHICH THIS BID IS SIGNED:

\_\_\_\_\_

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

DATE:

\_\_\_\_\_

**PART E**

**PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017**  
**SBD 6.1**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017**

**1. GENERAL CONDITIONS**

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

- The 80/20 system for requirements with a Rand value of up to R50,000,000.00 (all applicable taxes included) and
- The 90/10 system for requirements with a Rand value above R50,000,000.00 (all applicable taxes included)

1.2. The value of this bid is estimated to exceed or not exceed R50,000,000.00 (all applicable taxes included) and therefore the 80/20 or 90/10 system shall be applicable.

1.3. Preference points for this bid shall be awarded for

- (a) Price and
- (b) B-BBEE Status Level of Contribution

Total points for Price and B-BBEE must not exceed 100

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

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

OR

	POINTS
PRICE	90
B-BBEE STATUS LEVEL OF CONTRIBUTOR	10
Total points for Price and B-BBEE must not exceed	100

- 1.5. Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.
- 1.6. The purchaser reserves the right to require of a bidder, wither before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

## 2. DEFINITIONS

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

### 3. POINTS AWARDED FOR PRICE

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

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

**80/20**

**or**

**90/10**

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

$P_s$  = Points scored for price of bid under consideration

$P_t$  = Price of bid under consideration

$P_{\min}$  = Price of lowest acceptable bid

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

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

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0



**5. BID DECLARATION**

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

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

6.1. B-BBEE Status Level of Contributor: = .....(maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.

**7. SUB-CONTRACTING**

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

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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7.1.1. If yes, indicate:

- i) What percentage of the contract will be subcontracted \_\_\_\_\_%
- ii) The name of the sub-contractor \_\_\_\_\_
- iii) The B-BBEE status level of the sub-contractor \_\_\_\_\_
- iv) Whether the sub-contractor is an EME or QSE

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
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- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

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

<b>OR</b>		
Any EME		
Any QSE		

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

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

8.2. VAT registration number: \_\_\_\_\_

8.3. Company registration number: \_\_\_\_\_

**8.4. TYPE OF COMPANY/ FIRM**

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

**8.5. DESCRIBE PRINCIPAL BUSINESS ACTIVITIES**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**8.6. COMPANY CLASSIFICATION**

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

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

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

- i) The information furnished is true and correct;

- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –
  - (a) disqualify the person from the bidding process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution.

SIGNATURE OF BIDDER:

\_\_\_\_\_

CAPACITY UNDER WHICH THIS BID IS SIGNED:

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

\_\_\_\_\_

DATE:

\_\_\_\_\_

WITNESS SIGNATURE:

\_\_\_\_\_

## PART F

### SBD 6.2

#### DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

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

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

#### 1. General Conditions

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

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

Where

x is the imported content in Rand

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

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) on the date of advertisement of the bid as indicated in paragraph 3.1 below.

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

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

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

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

3. Does any portion of the goods or services offered have any imported content?  
(***Tick applicable box***)

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

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

The relevant rates of exchange information is accessible on [www.resbank.co.za](http://www.resbank.co.za)

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

<b>Currency</b>	<b>Rates of exchange</b>
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

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

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

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

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

**IN RESPECT OF BID NO. ....**

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

.....

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.

2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on [http://www.thedti.gov.za/industrial\\_development/ip.jsp](http://www.thedti.gov.za/industrial_development/ip.jsp). Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

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

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
- (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

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

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

**The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 3.1 above and the information contained in Declaration D and E.**

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

## Annex C

### Local Content Declaration - Summary Schedule

(C1)	Tender No.											<b>Note:</b> VAT to be excluded from all calculations
(C2)	Tender description:											
(C3)	Designated product(s)											
(C4)	Tender Authority:											
(C5)	Tendering Entity name:											
(C6)	Tender Exchange Rate:	Pula		EU		GBP						
(C7)	Specified local content %											

  

Calculation of local content								Tender summary			
Tender item no's	List of items	Tender price - each (excl VAT)	Exempted imported value	Tender value net of exempted imported content	Imported value	Local value	Local content % (per item)	Tender Qty	Total tender value	Total exempted imported content	Total Imported content
(C8)	(C9)	(C10)	(C11)	(C12)	(C13)	(C14)	(C15)	(C16)	(C17)	(C18)	(C19)
								(C20) Total tender value	R 0		
Signature of tenderer from Annex B								(C21) Total Exempt imported content	R 0		
								(C22) Total Tender value net of exempt imported content	R 0		
								(C23) Total Imported content	R 0		
								(C24) Total local content	R 0		
Date:								(C25) Average local content % of tender			





## Annex D - Continued

### Imported Content Declaration - Supporting Schedule to Annex C

#### C. Imported by a 3rd party and supplied to the Tenderer

#### Calculation of imported content

#### Summary

Description of imported content	Unit of measure	Local supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Rate of Exchange	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT	Quantity imported	Total imported value
(D33)	(D34)	(D35)	(D36)	(D37)	(D38)	(D39)	(D40)	(D41)	(D42)	(D43)	(D44)
(D45) Total imported value by 3rd party										R 0	

#### D. Other foreign currency payments

#### Calculation of foreign currency payments

#### Summary of payments

Type of payment	Local supplier making the payment	Overseas beneficiary	Foreign currency value paid	Tender Rate of Exchange	Local value of payments
(D46)	(D47)	(D48)	(D49)	(D50)	(D51)

(D52) Total of foreign currency payments declared by tenderer and/or 3rd party

Signature of tenderer from Annex B

(D53) Total of imported content & foreign currency payments - (D32), (D45) & (D52) above

#REF!

Date:

This total must correspond with Annex C - C 23

## Local Content Declaration - Supporting Schedule to Annex C

(E1)	Tender No.				<b>Note:</b> VAT to be excluded from all calculations
(E2)	Tender description:				
(E3)	Designated products:				
(E4)	Tender Authority:				
(E5)	Tendering Entity name:				

Local Products (Goods, Services and Works)	Description of items purchased	Local suppliers	Value
	(E6)	(E7)	(E8)
	<b>(E9) Total local products (Goods, Services and Works)</b>		R O
<b>Manpower costs</b>	( Tenderer's manpower cost)		R O
<b>Factory overheads</b>	(Rental, depreciation & amortisation, utility costs, consumables etc.)		R O
<b>Administration overheads and mark-up</b>	(Marketing, insurance, financing, interest etc.)		R O
		<b>(E13) Total local content</b>	R O
		<b>This total must correspond with Annex C - C24</b>	

**Signature of tenderer from Annex B**

Date:

**PART G**  
**DECLARATION OF PAST SCM PRACTICES SBD 8**

1. This Standard Bidding Document must form part of all bids invited
2. It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system
3. The bid of any bidder may be disregarded if that bidder, or any of its directors have-
  - a. abused the institution's supply chain management system;
  - b. Committed fraud or any improper conduct in relation to such system; or
  - c. Failed to perform on any previous contract
4. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid:

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied)</p> <p>The Database of Restricted Suppliers now resides on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <p><input type="checkbox"/></p>	<p>No</p> <p><input type="checkbox"/></p>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p>The Register for Tender Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</p>	<p>Yes</p> <p><input type="checkbox"/></p>	<p>No</p> <p><input type="checkbox"/></p>
4.2.1	If so, furnish particulars:		
4.3	<p>Was the bidder or any of its directors convicted by a court of law, (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?</p>	<p>Yes</p> <p><input type="checkbox"/></p>	<p>No</p> <p><input type="checkbox"/></p>

4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		

**CERTIFICATION**

I, the undersigned (Full name) \_\_\_\_\_ certify that the information furnished in this declaration for is true and correct. I accept that, in addition to the cancellation of a contract, action may be taken against me should this declaration prove to be false.

SIGNATURE OF BIDDER: \_\_\_\_\_

CAPACITY UNDER WHICH THIS BID IS SIGNED: \_\_\_\_\_

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

DATE: \_\_\_\_\_

**PART H**

**CERTIFICATE OF INDEPENDENT BID DETERMINATION SBD9**

- 1 This Standard Bidding Document (SBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
  - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
  - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

**<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.**

**<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_  
(Bid Number and Description)

in response to the invitation for the bid made by:

Wholesale and Retail Sector Education and Training Authority

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: \_\_\_\_\_ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
  - (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid;or

(f) bidding with the intention not to win the bid.

8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

**<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.**

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

SIGNATURE OF BIDDER:

\_\_\_\_\_

CAPACITY UNDER WHICH THIS BID IS SIGNED:

\_\_\_\_\_

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

DATE:

\_\_\_\_\_

**GCC- GENERAL CONDITIONS OF CONTRACT: 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
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17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
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23. Termination for default
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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



## General Conditions of Contract

### 1. Definitions

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 "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 recognised new product results that is substantially different in basic characteristics or in purpose or utility from its components
- 1.6 "Day" means calendar day.
- 1.7 "Delivery" means delivery in compliance of the conditions of the contract or order
- 1.8 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
- 1.9 "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.
- 1.10 "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.
- 1.11 "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.

- 1.12 "GCC" means the General Conditions of Contract.
- 1.13 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.14 "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
- 1.15 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.16 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.17 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.18 "Project site," where applicable, means the place indicated in bidding documents.
- 1.19 "Purchaser" means the organisation purchasing the goods.
- 1.20 "Republic" means the Republic of South Africa.
- 1.21 "SCC" means the Special Conditions of Contract.
- 1.22 "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.
- 1.23 "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.
<b>3. General</b>	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.
<b>4. Standards</b>	4.1	The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
<b>5. Use of contract documents and information; inspection.</b>	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.
<b>6. Patent rights</b>	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.
<b>7. Performance security</b>	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 supplier shall be open, at all reasonable hours, for inspection by a representative of the Department or an organisation 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 analysed 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.

<b>12. Transportation</b>	12.1	Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.
<b>13. Incidental services</b>	13.1	The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC: <ul style="list-style-type: none"><li>(a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;</li><li>(b) furnishing of tools required for assembly and/or maintenance of the supplied goods;</li><li>(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;</li><li>(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</li><li>(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.</li></ul>
	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.
<b>14. Spare parts</b>	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: <ul style="list-style-type: none"><li>(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</li><li>(b) in the event of termination of production of the spare parts: Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.</li></ul>
<b>15. Warranty</b>	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.

<b>20. Subcontracts</b>	20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under these 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.
<b>21. Delays in the supplier's performance</b>	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without cancelling 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.</p>



<b>22. Penalties</b>	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.
<b>23. Termination for default</b>	<p>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:</p> <ul style="list-style-type: none"><li>(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;</li><li>(b) if the Supplier fails to perform any other obligation(s) under the contract; or</li><li>(c) (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.</li></ul> <p>23.2 In the event the purchaser terminates the contract in whole or in part, pursuant to GCC Clause 24.1, 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.</p>
<b>24. Restriction from bidding</b>	<p>24.1 In cases of any improper conduct or non-performance by a bidder or supplier, the Accounting Officer may, in addition to any other legal remedies it may have, resolve that no offer to the public sector from the bidder or supplier concerned should be considered during a period up to a maximum of ten (10) years.</p> <p>24.2 The Accounting Officer must inform the National Treasury of any such restrictions imposed, for inclusion in the national list of restricted bidders/suppliers/persons.</p> <p>24.3 The Accounting Officer may at any time amend or rescind any restriction contemplated in clause 24.1 and must inform the National Treasury accordingly.</p> <p>24.4 For the purpose of Clauses 24.1 and 24.2 the expression "bidder or supplier", in respect of any restriction, shall also include a director, member, employee or agent of such bidder or supplier.</p>

<b>25. Force Majeure</b>	<p>25.1 Notwithstanding the provisions of GCC Clauses 22, 23, and 24, 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.</p> <p>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.</p>
<b>26. Termination for insolvency</b>	<p>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.</p>
<b>27. Settlement of Disputes</b>	<p>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.</p> <p>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.</p> <p>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.</p> <p>27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.</p> <p>27.5 Notwithstanding any reference to mediation and/or court proceedings herein,</p> <p>(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and</p> <p>(b) (b) the purchaser shall pay the supplier any monies due the supplier.</p>
<b>28. Limitation of liability</b>	<p>28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;</p>

- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

**29. Governing language**

- 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

**30. Applicable law**

- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

**31. Notices**

- 31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

**32. Taxes and duties**

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the W&RSETA 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.