



# UMKHANYAKUDE DISTRICT MUNICIPALITY

**PREPARATION AND OTHER RELATED FINANCIAL SERVICES,  
COMPILATION OF ANNUAL FINANCIAL STATEMENTS AND A  
GRAP-COMPLIANT FIXED ASSET REGISTER AND PHYSICAL  
VERIFICATION OF FIXED ASSETS.**

**BID No:**

**SCMU 009/2025/2026**

**BID DESCRIPTION:** APPOINTMENT OF A SERVICE PROVIDER FOR PREPARATION AND OTHER RELATED FINANCIAL SERVICES, COMPILATION OF ANNUAL FINANCIAL STATEMENTS AND A GRAP-COMPLIANT FIXED ASSET REGISTER AND PHYSICAL VERIFICATION OF FIXED ASSETS.

**TOTAL BID AMOUNT:** .....

**AMOUNT IN WORDS** .....

**CLOSING DATE:** 12h00, Friday, 06 MARCH 2026

**NAME OF BIDDER:** .....

**CONTACT PERSON:** .....

**STREET ADDRESS** .....

.....

**TEL:** ..... **CELL:** .....

**FAX:** ..... **E-MAIL:** .....

**PREPARED FOR:**  
UMkhanyakude District  
Municipality  
13433 Kingfisher Avenue  
Mkuze  
3965

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**NB:**

- **All forms must be completed.**
- **If any of the forms, or portion of any form, is not applicable please indicate it on the form by marking it N/A.**

## SECTION A

### INVITATION TO BID

**uMkhanyakude District Municipality** invites prospective service providers to submit bids in accordance with the Terms of Reference provided in this invitation.

BID NO.	PROJECT NAME
SCMU 009/2025/2026	PREPARATION AND OTHER RELATED FINANCIAL SERVICES, COMPILATION OF ANNUAL FINANCIAL STATEMENTS AND A GRAP-COMPLIANT FIXED ASSET REGISTER AND PHYSICAL VERIFICATION OF FIXED ASSETS.
COLLECTION OF BID DOCUMENTS:	Bid documents available on <a href="http://www.etenders.gov.za">www.etenders.gov.za</a> from 03 February 2026
COMPULSORY SITE INSPECTION AND BRIEFING MEETING:	Will be held on the 11 <sup>th</sup> of February 2026, Wednesday at 10h00am at the Municipal Council Chamber.
BID CLOSING:	12h00, Friday, 06 March 2026. Bids must be delivered at uMkhanyakude District Municipality Offices no later than the time and date indicated above. The delivery address is 13433 Kingfisher Avenue, Mkuze, KwaZulu-Natal.

#### **The Bid evaluation process will be conducted in three stages as follows:**

**Stage 1:** Administrative Compliance.

**Stage 2:** Preferential System will be applied using the 80:20 points system, where 80 points are allocated to price and 20 points are allocated to Special Goals (MBD 6.1) in terms of UKDM SCM Policy.

**Stage 3:** Award Criteria

- ✓ **See attached Evaluation Criteria**

Bids must be sealed, externally endorsed with the **Project Name: "PREPARATION AND OTHER RELATED FINANCIAL SERVICES, COMPILATION OF ANNUAL FINANCIAL STATEMENTS AND A GRAP-COMPLIANT FIXED ASSET REGISTER AND PHYSICAL VERIFICATION OF FIXED ASSETS."** Bid No: **SCMU 009/2025/2026** to be deposited in the uMkhanyakude District Municipality Tender Box, 13433 Kingfisher Avenue, Mkuze.

All technical enquiries regarding this bid must be directed **in writing** to the uMkhanyakude District Municipality Office of the Municipal Manager contact person: Mr. SB Ndabandaba or SCM Unit.

***Should you not receive communication from uMkhanyakude District Municipality within 90 days of submitting your bid; accept your submission is unsuccessful.***

## TENDER SUBMISSION CHECKLIST

The Checklist below is attached hereto to assist Tenderers with the completion of the tender document. Tenderers are required to **TICK** the relevant boxes for verification purposes. Where information is not applicable to the tender, the symbols **N/A** must be inserted in the space provided.

**\*\*\* D: Failure to comply with these Sections will prejudice the tender.**

No.	Description	Tenderer to Tick (✓)	For Official Use Only	
1	Has the Tender Document been completed in <b>BLACK INK</b> and all corrections counter-signed? ( <b>No correction fluid used</b> )		<i>D</i>	
2	Have all tendered rates been priced in <b>BLACK INK</b> and corrections counter-signed? ( <b>No correction fluid used</b> )		<i>D</i>	
3	Has all tendered amounts been arithmetically checked and the correct total amounts carried forward to the Summary Page and Tender Form?			
4	Has all information as required in terms of the Tender Document been submitted with the tender?		<i>D</i>	
5	Has the compulsory "Site Inspection/Tender Briefing" meeting been attended and has the "Site Inspection/Tender Briefing" Certificate been completed and signed at the meeting?	<b>N/A</b>	<i>D</i>	
6	Have all Declarations contained in the Tender Document been completed and signed by the Tenderer, and before a Commissioner of Oaths (if applicable)?		<i>D</i>	
7	Has the "Tender Form" been completed and signed?		<i>D</i>	
8	Has the "Special Goals Claim Form in terms of the UKDM SCM Policy" been completed in its entirety and signed?			
9	As an <b>EME</b> , is a certificate issued by an Accounting Officer or a Verification Agency accredited by SANAS or a Registered Auditor attached to the tender document?			
11	Is a valid Tax Clearance Status Verification Pin attached to the tender document?		<i>D</i>	
12	Has the CSD Supplier Number and Unique Registration Reference Number been submitted with the Tender Document? (Not older than 3 three months)		<i>D</i>	
13	Has the Proof of payment of municipal services (Not older than 3 three months) or Lease Agreement attached?			
14	Has the tenderer submitted all the required information in terms of claiming the specific goals as noted in this tender document? (ID Copy, Company Registration, Full CSD Report not older than 3 months, Medical Certificate – in case of a disabled person)			

Name of Tenderer : \_\_\_\_\_

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



## **TENDER NOTICE**

UMkhanyakude District Municipality hereby invites tenders from qualifying service providers to assist the Municipality with the **PREPARATION AND OTHER RELATED FINANCIAL SERVICES, COMPILATION OF ANNUAL FINANCIAL STATEMENTS AND A GRAP-COMPLIANT FIXED ASSET REGISTER AND PHYSICAL VERIFICATION OF FIXED ASSETS.**

Tender documents will be made available to tenderers from 03 February 2026.

Tender documents can be downloaded and printed at the tenderer's cost from the National Treasury eTender Publication Portal on [www.etenders.gov.za](http://www.etenders.gov.za)

Any enquiries relating to this tender must be forwarded to [scm@ukdm.gov.za](mailto:scm@ukdm.gov.za) (**SCM related**). **Note that no enquiries will be attended to within the last three (3) calendar days before the date of tender closing.**

Tenders must be submitted in hard copy contained in sealed envelopes and marked with “**Contract No.** and the **Contract Description**” must be placed in the Tender Box located in the Foyer, Municipal Building, not later than **12h00 on Friday 06 March 2026** when they will be publicly opened. Only tenders placed in the Tender Box shall be accepted.

**Tender Validity Period:** Three (3) months commencing from the closing date of tender.

**Tender Adjudication/Evaluation Criteria:** The tender shall be evaluated on a Three Stage Evaluation System – Stage One: Compulsory returnable documents, Stage Two: Functionality and Stage Three: 80/20 Special Goals System in accordance with the UKDM SCM Policy. The Functionality for Stage One shall be evaluated on the following criteria:

<b>Criteria</b>	<b>Maximum Points</b>
<b>BIDDER'S PREVIOUS EXPERIENCE</b>	<b>30</b>
<b>KEY PERSONNEL (Required expertise)</b>	<b>40</b>
<b>PLANT AND EQUIPMENT/ TOOLS OF TRADE</b>	<b>10</b>
<b>METHODOLOGY / APPROACH PAPER</b>	<b>10</b>
<b>TOTAL</b>	<b>90</b>

***Note: the bidder must achieve minimum of 60 % (54 Points) in functionality.***

## Stage 2: 80/20 Specific Goals System

<b>SPECIFIC GOAL</b>	<b>NUMBER OF POINTS (80/20) PREFERENCE SYSTEM</b>	<b>REQUIREMENTS TO CLAM</b>
1. Enterprise owned by Black people ≥ 51%	4	Certified ID Copies / CSD Full Report / Shareholder certificate
2. Enterprise owned by Women ≥ 51%	4	Certified ID Copies / CSD Full Report / Shareholder certificate
3. Enterprise owned by Youth	4	Certified ID Copies / CSD Full Report / Shareholder certificate
4. Enterprise owned by Disabled Persons	4	Medical Certificate
5. Enterprise owned by SMME`S – QSE and EME	4	CSD Full report / Proof of municipal accounts / affidavit / proof of residence signed by ward councilor (for those residing in rural areas) / lease agreement

The UMkhanyakude District Municipality does not bind itself to accept the lowest or any tender and reserves the right to accept the whole or any part of a tender. Each tenderer will be informed of the tender result.

**DR SR NTULI**  
**ACTING MUNICIPAL MANAGER**

**PART A  
INVITATION TO BID**

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE UMKHANYAKUDE DISTRICT MUNICIPALITY</b>					
BID NUMBER:	SCMU 009/2025/2026	CLOSING DATE:	<b>06 MARCH 2026</b>	CLOSING TIME:	12.00
DESCRIPTION	<b>PREPARATION AND OTHER RELATED FINANCIAL SERVICES, COMPILATION OF ANNUAL FINANCIAL STATEMENTS AND A GRAP-COMPLIANT FIXED ASSET REGISTER AND PHYSICAL VERIFICATION OF FIXED ASSETS.</b>				
<b>THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (MBD7).</b>					
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
<b>UMkhanyakude District Municipality</b>					
<b>HarlingenNo.13433,</b>					
<b>Kingfisher Road</b>					
<b>Mkuze</b>					
<b>3965</b>					
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
TAX COMPLIANCE STATUS	TCS PIN:		OR	CSD No:	
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes <input type="checkbox"/> No	B-BBEE STATUS LEVEL SWORN AFFIDAVIT		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<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>					
<i>ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ENCLOSE PROOF]	<i>ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?</i>		<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES, ANSWER PART B:3 ]	
<i>TOTAL NUMBER OF ITEMS OFFERED</i>		<i>TOTAL BID PRICE</i>		<b>R</b>	
<i>SIGNATURE OF BIDDER</i>	.....	<i>DATE</i>			
<i>CAPACITY UNDER WHICH THIS BID IS SIGNED</i>					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:</b>			<b>TECHNICAL INFORMATION MAY BE DIRECTED TO:</b>		
DEPARTMENT	FINANCE		CONTACT PERSON	Mr. S. Ndabandaba	
CONTACT PERSON	Mr. K.S Ntshangase		TELEPHONE NUMBER	035 573 8600	
TELEPHONE NUMBER	035 573 8600		FACSIMILE NUMBER		
FACSIMILE NUMBER			E-MAIL ADDRESS		
E-MAIL ADDRESS	<a href="mailto:scm@ukdm.gov.za">scm@ukdm.gov.za</a>				

**PART B**

**TERMS AND CONDITIONS FOR BIDDING**

<b>1. BID SUBMISSION:</b>	
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.	
1.2. <b>ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED-(NOT TO BE RE-TYPED) OR ONLINE</b>	
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.	
<b>2. TAX COMPLIANCE REQUIREMENTS</b>	
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 VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.	
2.3 APPLICATION FOR THE TAX COMPLIANCE STATUS (TCS) CERTIFICATE OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.	
2.4 FOREIGN SUPPLIERS MUST COMPLETE THE PRE-AWARD QUESTIONNAIRE IN PART B:3.	
2.5 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.	
2.6 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.	
2.7 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.	
<b>3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>	
3.1. IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.2. DOES THE ENTITY HAVE A BRANCH IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.3. DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.4. DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	<input type="checkbox"/> YES <input type="checkbox"/> NO
3.5. 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 ABOVE.</b>	

**NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID. NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE**

SIGNATURE OF BIDDER: .....

CAPACITY UNDER WHICH THIS BID IS SIGNED: .....

DATE: .....

TELEPHONE NUMBER: .....

## SECTION B

### STANDARD CONDITIONS OF TENDER

#### 1. DOCUMENTS

This document comprises of the Standard Conditions of Tender, Standard Conditions of Contract, Special Conditions of Contract (if any), Legislation, Definitions, Specifications, Pricing Schedule, Tender Form, Drawings (if any), Data Sheets and Annexures thereto.

#### 2. COMPULSORY SITE INSPECTION/TENDER BRIEFING MEETING

Will be held on the **11<sup>th</sup> of February 2026**, Thursday at **10h00am** at the Municipal Council Chamber.

#### 3. SUBMISSION OF TENDERS

Tenders must be made out on the Tender Form annexed hereto. Tenderers are advised that this document must be completed in ink and submitted in its entirety. Failure to comply with this condition shall result in the tender being disqualified.

Only original hand written priced tender documents will be considered. Tenders submitted by electronic mail, telex or facsimile shall not be considered. ***The use of correction fluid is strictly prohibited.*** All corrections are to be countersigned.

Tenderers using Courier Companies or any other mode of transport to deliver their tender documents must ensure that the tender documents are delivered to the District Municipal Offices by the close of tenders. The Council shall not be held liable for any tender document which is not timeously delivered, mislaid or incorrectly delivered due to the negligence of the Courier Company or any other party involved in the delivery of the tender documents, including any employee of the Council.

Sealed tenders endorsed with the appropriate contract number, must reach the District Municipal Offices, no later than the closing date and time stated in the public advertisement inviting tenders, when they will be opened in public. Under no circumstances will any extension of time be allowed for the submission of tenders. Tenders shall remain valid for four (4) calendar months from the date of opening, except for the initial five (5) working days grace period after the close of tenders within which period a tenderer may be permitted to withdraw its tender subject to an application with good and sufficient reasons being submitted in writing to obtain approval of such withdrawal, at the sole discretion of the Head: Supply Chain Management.

All literature submitted must be securely attached to the tender. The Council shall not be held liable for any loss or damages sustained due to the Tenderer's failure to comply with this condition.

In the case of a Tenderer withdrawing its tender after the expiry of the grace period, the Council may refuse to receive or consider, for such period as it may think fit, any further tenders from that Tenderer.

#### 4. COMMUNICATION WITH MEMBERS OF THE COUNCIL OR COUNCIL EMPLOYEES

Without detracting from any prevailing law, no Tenderer shall offer, promise or give any person or persons connected with the adjudication, or awarding of the tender, any gratuity, bonus, discount or consideration of any kind in connection with the obtaining of a contract. Nor shall any Tenderer communicate with any member of the Council or a Council

employee on a question affecting the awarding of a contract which is the subject of a tender, during the period between the closing date of tenders and the date of notification of the successful Tenderer; provided always that the Head: Supply Chain Management may, in exceptional circumstances, obtain additional information from a Tenderer to enable her to formulate her recommendation to Council.

Any attempt to contravene this condition which is brought to the notice of the Head: Supply Chain Management shall result in the disqualification of the Tenderer.

Prospective Tenderers are further advised that s118 of the Municipal Finance Management Act prohibits the interference, by any person, with the supply chain management system of the Municipality and the amendment of or tampering with any tender, quotation, contract or bid after its submission.

**5. IMPORT PERMITS**

The Council will not undertake to secure any import permits or currency for the import of any goods or materials required for the execution of this contract. The Tenderer must apply directly for any import permits or currency needed. However, the Council will furnish the successful Tenderer with a supporting statement, if required.

**6. REGISTRATION WITH THE CENTRAL SUPPLIER DATABASE (CSD)**

The National Treasury's Central Supplier Database (CSD) has been open for registration from 01 September 2015. The CSD serves as one single source of supplier information to all spheres of government.

Within this system, suppliers are required to register once when they do business with the state. This will significantly reduce the administrative burden for businesses, especially small and medium sized enterprises. The database interfaces with the South African Revenue Service (SARS), the Companies and Intellectual Property Commission (CIPC) and the payroll system. It will electronically verify a supplier's tax status and enable public sector officials doing business with the state to be identified.

All prospective suppliers can register any time on the CSD website [www.csd.gov.za](http://www.csd.gov.za)

**uMkhanyakude District Municipality will not award any tender to a supplier not registered as a prospective supplier on the CSD.** Accordingly, negotiations for the tender award will only be concluded with the qualify tenderer(s) who is/are registered on the CSD.

In order for Council to verify your Company's registration with CSD, please provide the following information for verification purposes:

<b>CSD Supplier Number</b>	
<b>Unique Registration Reference Number</b>	

**Failure to provide the above information shall render the tender to be disqualified.**

**7. TAX CLEARANCE CERTIFICATE REQUIREMENTS**

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

Tenderers shall be required to submit, together with the tender document, a valid Tax Clearance Certificate and a Tax Compliance Status Verification Pin issued by SARS. Failure to submit a valid Tax Clearance Certificate and a Tax Compliance Status Verification Pin will result in the invalidation and disqualification of the tender.

Further to the above, Tenderers are to note that the Tax Clearance Certificate must be valid for the full duration of the tender validity period i.e., three (3) months commencing from the closing date of the tender.

Should the validity of the Tax Clearance Certificate expire prior to the final award of the contract being made, the Council reserves the right to request the Tenderer to submit a further valid Tax Clearance Certificate. In this instance, the Tenderer shall be given seven (7) working days' written notice in which to comply. Should the Tenderer fail to comply with this request, the Council further reserves the right to make no award to the Tenderer and the Council shall not be held liable for any loss or damages sustained by the Tenderer.

If a tenderer has already submitted a Tax Clearance Certificate when registering on the Central Supplier Database (CSD), then there is no need to submit a hardcopy of another Tax Clearance Certificate provided that the Tax Clearance Certificate is still valid for the full duration of the validity period for this tender. In this instance, the Tenderer will be required to indicate below the CSD Supplier Number and Unique Registration Reference Number for verification purposes:

<b>CSD Supplier Number</b>	
<b>Unique Registration Reference Number</b>	

**8. RATES**

The prices, rates or percentages quoted in the proposal shall be deemed to include all costs, including but not limited to materials, plant, labour, patent rights and royalties, freight, insurance, customs, railage, delivery, etc, unless the Service Provider states otherwise in the proposal.

**9. INCOMPLETE TENDERING**

Tenders may be rejected if they show any additional, conditional or incomplete offers or irregularities of any kind in either the Tender Form or the Pricing Schedule, or if the prices tendered in the Schedule are not market related i.e., the tendered rates do not conform to current day prices.

Partial awards **may** be made where this is perceived by the Accounting Officer to be in the best interests of the Council. Council reserves the right to take into account the principle of the distribution of works in order to empower SMME's and BEE's.

Should there be any difference or discrepancy between the prices and particulars contained in the Tender Form and those contained in any covering letter submitted by the Tenderer, the prices and particulars contained in the Tender Form shall prevail.

**10. ACCEPTANCE OF ANY TENDER**

The Council does not bind itself to accept the lowest or any tender and reserves the right to accept the whole or any part of a tender.

Where less than three (3) tenders are received, the Head: Supply Chain Management reserves the right to purchase such items on the open market notwithstanding the acceptance of an offer.

The procedure which will be followed with the acceptance of a tender is as follows:

**Formal agreement will be signed.**

A Service Level Agreement will be entered into with the successful Service Provider. A letter of acceptance stipulating which rate/s has been accepted will be sent by the Head: Supply Chain Management to the Tenderer. The tender documents, together with the letter of acceptance, shall constitute a binding agreement between the Tenderer and the Council.

Unless otherwise stipulated in the covering letter submitted with the tender, the Tenderer shall have waived, renounced and abandoned any conditions printed or written upon any stationery used for the purpose of, or in connection with, the submission of the tender which are in conflict with the Council's Conditions of Tender and the Standard Conditions of Contract. The Tenderer is warned that any material divergence from the official conditions or specification may render the tender liable to disqualification.

**11. DOMICILIUM CITANDI ET EXECUTANDI**

For the purpose of the service of all documents and the giving of notice as may be required in terms of this contract, or as a result of any action arising in conjunction with it, the Council chooses Stand 13433 King Fisher Road, Remainder of Harlingen Farm Mkuze 3965 as its *domicilium citandi et executandi*.

The Tenderer's *domicilium citandi et executandi* shall be whatever street address is given in the Tender Form attached hereto.

Either party may, at any time, give one (1) month notice, in writing, of a change of its *domicilium citandi et executandi* provided that such address shall be within the Republic of South Africa.

**12. DATA SHEETS**

Tenderers shall be required to complete all Data Sheets and the Tender Form attached hereto in their entirety for adjudication purposes. Where Data Sheets and/or any other documentation as contained herein are required to be commissioned, such Data Sheets and/or documentation must be stamped and signed by a Commissioner of Oaths (where applicable). ***Failure to comply with these provisions will render the offer unresponsive (invalid).***

**13. PROHIBITION ON AWARDS TO PERSONS IN THE SERVICE OF THE STATE**

The Supply Chain Management Regulations states that the Council may not make any award to a person:

- (a) Who is in the service of the state;
- (b) If that person is not a natural person, of which and director, manager, principal shareholder or stakeholder is a person in the service of the state; or
- (c) Who is an advisor or consultant contracted with the municipality or municipal entity.

**14. MUNICIPAL FEES**

All Tenderers are to sign the Declaration herein declaring that their Municipal Fees are in order, or that proper arrangements have been made with the Council. Tenderers must include the relevant account numbers in the declaration.

**15. APPEALS AND/OR OBJECTIONS**

Any Tenderer aggrieved by decisions or actions taken by the Municipality may lodge within fourteen (14) calendar days of the date of the decision or action, a written objection or complaint to the Municipal Manager Tribunal. In the event that an appeal and/or objection is lodged, the above procedure shall apply.

**16. JOINT VENTURE AGREEMENTS AND CONSORTIUMS**

Tenderers intending to tender in the form of Joint Ventures/Consortiums **must submit** the following documentation together with the tender:

- 1) Original valid Tax Clearance Certificates or a Tax Compliance Status Verification Pins issued by SARS of all parties of the Joint Venture/Consortium;
- 2) All parties of the Joint Venture/Consortium must submit signed copies of:
  - a) The Declaration of Interest Form;
  - b) The Declaration of Bidder's Past Supply Chain Management Practices Form, and
  - c) The Certificate of Independent Bid Determination Form.
- 3) An undertaking duly signed by all parties of the Joint Venture/Consortium indicating their intention to enter into an agreement for the purposes of this contract, and,

Further to the above, the name of the Joint Venture/Consortium must appear on the relevant pages of the document. Failure to comply with these requirements shall lead to disqualification.

**17. COMBATIVE TENDERING**

The Supply Chain Management Regulations states that Combative tendering practices are unethical and illegal. These include but are not limited to:

- (i) Suggestions to fictitious lower quotations;
- (ii) Reference to non-existent competition;
- (iii) Exploiting errors in tenders;
- (iv) Soliciting tenders from Tenderers whose names appear on the list of restricted tenderers/suppliers/persons, and,
- (v) Submission of two tenders by a Tenderer.

Any attempt by a Tenderer to contravene this condition which is brought to the notice of the Municipal Manager or the Head: Supply Chain Management shall result in the disqualification of the tender. The Council further reserves the right to take any other action as it may deem necessary.

**18. ADJUDICATION CRITERIA**

The tender shall be evaluated on a Three Stage Evaluation System – Stage One: Compulsory Returnable Documents; Stage Two: Functionality and Stage Three: 80/20 Special Goals Point System in accordance with the UKDM SCM Policy

## UMKHANYAKUDE DISTRICT MUNICIPALITY

### DEFINITIONS

- 1) The following definitions apply: -
- 2) "**Council**" means Umkhanyakude District Municipality (UKDM).
- 3) "**Head: Supply Chain Management**" means the Head: Supply Chain Management of the day of the Umkhanyakude District Municipality or the Manager's duly appointed Representative.
- 4) "**Accounting Officer**" means the: Office of the Municipal Manager of uMkhanyakude District Municipality or the said Manager's duly appointed Representative.
- 5) "**Service Provider/Contractor**" means the person, firm, Service Provider or company whose tender has been accepted by the District Municipality and includes the Service Provider's heirs, executors, administrators, trustees, judicial managers or liquidators, as the case may be, but not, except with the written consent of the Council, any assignee of the Service Provider.
- 6) "**Special Conditions**" means any addition to or departure from or amendment of these Standard Conditions as set out in Annexure "A" hereof.
- 7) "**Drawings**" means the drawings referred to in the Specification and any modification of such drawings approved in writing by the Engineer and such other drawings as may from time to time be furnished or approved in writing by the Engineer.
- 8) "**Contract Document**" means the Conditions of Tender, Scope of Contract, Terms of Reference, these Definitions, Special Conditions (if any), Equipment Specifications, Rates, Percentages and Prices, Tender Form and Annexures thereto. Any amendments to the contract document agreed to by the Council and the Service Provider, Provisional Letter of Acceptance and the final Letter of Final Acceptance.
- 9) "**Goods**" means the equipment, plant, vehicles, service or materials to be supplied in accordance with the Contract.
- 10) "**The Tender**" means the written offer made by the Service Provider to the Council.
- 11) "**Preferential Procurement Policy**" means the Preferential Procurement Policy Framework Act, 2000 (Act No 5 of 2000).
- 12) "**SARS**" means the South African Revenue Services.

**LIST OF COMPULSORY RETURNABLE DOCUMENTS TO BE SUBMITTED BY TENDERER**

<b>ITEM</b>	<b>DESCRIPTION</b>
<b>1.</b>	Valid tax clearance certificate Or Tax Pin
<b>2.</b>	Company / CC /Trust / Partnership / Registration certificates and Certified copies of identity document of Directors / Owners / Members / Shareholders, Joint Venture Agreement and Power of Attorney in case of Joint Ventures
<b>3.</b>	CSD Full report (not older than 3 months)
<b>4.</b>	Compulsory briefing Certificate
<b>5.</b>	Audited annual financial statements for 3 years
<b>6.</b>	Proof of payment of municipal services (Not older than 3 three months) or Lease Agreement attached
<b>7.</b>	Certificate of authority to sign documents
<b>8.</b>	Proof of a registered CA and Engineer
<b>9.</b>	Agreement in terms of section 37(2) of the occupational health and safety act no 85 of 1993
<b>10.</b>	Proof of ownership of vehicle ( log book registered under the company name or lease agreement)

## **SECTION C SPECIFICATIONS**

### **BACKGROUND**

The municipality intends entering into an agreement with a credible service provider for the **PREPARATION AND OTHER RELATED FINANCIAL SERVICES, COMPILATION OF ANNUAL FINANCIAL STATEMENTS AND A GRAP-COMPLIANT FIXED ASSET REGISTER AND PHYSICAL VERIFICATION OF FIXED ASSETS.**

The contract period shall be thirty-six (36) months, reads together with the other relevant clauses in the service level agreement.

### **SCOPE OF WORK**

The successful service provider will be expected to perform the following:

a) **Preparation of Annual Financial Statements and Fixed Asset Register (FAR)**

Provide the GRAP Compliant AFS and FAR by:

- Assisting with monthly management accounts, reconciliations and updating of registers
- Reviewing of all the year-end reconciliations and make corrections if not accurately prepared.
- Performing provision for debt impairment based on council policy and summarize age analysis for disclosure.
- Assisting with monthly calculations of water inventory and water losses.
- Assisting with monthly reconciliation of revenue billing
- Performing year end journals.
- Mapping from Pastel to Caseware application
- Compilation of GRAP compliant Annual Financial Statement by using Caseware application in terms of GRAP and other applicable standards.
- Preparation of the Audit file in line with the applicable legislation.
- Adhere to all required legislation.
- Transfer skills to the finance staff
- Assist with the Audit queries.
- Assist in compilation of a GRAP compliant asset register.
- Physical verification of the full population immovable assets and offering of professional guidance in the verification of movable assets.
- Verification of work in progress as at 30 June each of the three financial years.
- Allocation/ update of GPS coordinates to all immovable assets.
- Reconciliation of Valuation Roll and Fixed Assets Register.
- Conditional assessment of all assets verified (Review of Useful Life and methodology of impairment assessment).

- Detailed verifications reports.
- Physical verification of Donated assets and fair value for each component of the asset.
- Provide recommendations based on the physical verification.
- Review of the Asset Management Policy to ensure compliance with GRAP and other asset management prescripts.
- Reconciliation of Fixed Asset Register and General Ledger.
- Produce the Property Plant and Equipment note for Annual Financial Statements.
- Produce appendix B for Annual Financial Statements.
- Ensure transfer of skills to relevant employees.
- Assist with audit enquiries that may be raised on the work performed.

***NB: The Fixed Asset Register and the Annual Financial Statement Preparation plan is attached.***

**b) Financial support and audit facilitation**

- Prepare audit readiness plan
- Review and monitor finance operational plans
- Review of all financial related policies and standard operating procedures
- Provide support to the audit steering committee
- Collate and review of information before submission to the Auditor General (AGSA)
- Assist with audit adjustments
- Identify skills gap within the finance department

**TERMS AND CONDITIONS**

- (i) If a long-term agreement is entered into, it should be possible for either of the parties to cancel it with the appropriate penalties.
- (ii) (ii) Successful bidder must disclose upon inception of the contract any condition related or applicable to claims.

**TRANSFER OF SKILLS**

1. Skills transfer must be provided to IT officials during execution of the project where it is practically possible. The officials to whom skills must be transferred to are limited to number of officials nominated by employer on the commencement meeting.
2. Successful Consultant to submit proposed skills transfer strategy on the project as requirement of this tender.

3. This schedules shall be read together with skill transfer clause of this contract. The UMkhanyakude District Municipality is striving to capacitate its technical personnel in relation to provision of this service.
4. The consultant must ensure that skills are transferred during execution of the project or provision of work and the skill transfer shall be offered within the tendered price.

**5. Skills transfer aspects:**

5.1 The following conditions also apply:

- a. Failure to transfer skills shall constitute breach of this contract.
- b. Skill transfer to take place at municipal office.
- c. Only competent personnel be used to transfer skills as approved by the municipality.
- d. Prior arrangements will be made by municipal nominated personnel to ensure availability

**6. MONITORING, REPORTING REQUIREMENTS AND PERFORMANCE MANAGEMENT**

6.1 Monitoring, reporting requirements and performance includes but not limited to:

- (a) Hold monthly progress meetings.
- (b) The service provider should be available to present progress reports during the contract.

6.2 **Format of communication** - All requests for formal approval from the Employer, or any other body, shall be submitted in writing in hardcopy format. Interim payment claims shall be submitted in the same format, accompanied by an original tax invoice. Ad-hoc communication between the Employer and the Service Provider may be conducted per facsimile or in electronic format (e-mail)

## SECTION D FUNCTIONALITY

Note: the bidder must achieve minimum of 58,8 % (53 Points) in functionality. The Table below reflects evaluation functionality components and the overall weighting on each Criteria component of the functionality are as follows:

<b>1. BIDDER'S PREVIOUS EXPERIENCE</b>			
The bidder to demonstrate comprehensive proven experience on previously completed similar projects in the past 5 years, proven experience in preparation and other related financial services, compilation of Annual Financial Statements and a GRAP-compliant fixed asset register and physical verification of fixed assets.			
Rating for Criteria	Guidelines For Criteria Application	Max Points	Verification Method
Excellent (Points = 30)	Six (6) or more completed similar projects in the past 5 years.	<b>30</b>	Attach appointment letters and positive assessment of bidder's previous performance by independent referee ( included in this tender document)
Good (Points = 20)	Four (4) – Five (5) completed similar projects in the past 5 years.		
Satisfactory (Points = 10)	Two (2) – Three (3) completed similar projects in the past 5 years.		
Marginal (Points = 05)	Bidder has relevant experience in relation to the project or completed only One (1) project of similar nature in the past 5 years.		
Poor (Points = 0)	Bidder has no experience		
<b>2. KEY PERSONNEL (Required expertise)</b>			
Experience of the key staff (assigned personnel) in relation to the scope of work must reflect the following: 1) General experience (total duration of professional activity), level of education and training and positions held of each key staff member/expert member; 2) The education, training and experience of the key staff member/experts in the specific sector, field, subject, etc. which is directly linked to the scope of work; 3) The key staff members'/experts' knowledge of issues which the tenderer considers pertinent to the assignment e.g. Dealing with government sphere, Local conditions, affected communities, legislation, techniques etc.			
The CV should be structured under the following headings: (i) Personal Particulars (ii) Name of institutions for tertiary education and dates associated therewith; (iii) Qualifications (e.g. diploma; degrees etc., grades of membership of professional societies and professional registrations); (iv) Name of current employer and position in enterprise; (v) Overview of post graduate experience (year, organization and position); and outline of recent assignments / experience that has a bearing on the scope of work.			
<b>2.1.CHARTED ACCOUNTANT</b>			
Rating for Criteria	Guidelines For Criteria Application	Max Points	Verification Method
Very Good (Points = 20)	Minimum Degree in relevant field and 10 or more years of experience.	<b>20</b>	Attach curriculum Vitae (C.V) with traceable reference, certified Copies of Qualifications, professional registration certificates and identity document. NB: No point will be awarded if the current employer is not the bidding company
Good (Points = 15)	Minimum Degree in relevant field and 8 -9 years of experience.		
Satisfactory (Points = 10)	Minimum Degree in relevant field and 5 -7 years of experience.		
Marginal (Points = 5)	Minimum Degree in relevant field and 3-4 years of experience.		
Poor (Points = 0)	Minimum Degree in relevant field and 0- 2 years of experience.		
<b>2.2. PROJECT ENGINEER ( registered with ECSA)</b>			
Very Good (Points = 20)	Minimum B Tech in relevant field and 10 years of experience.		Attach curriculum Vitae (C.V) with traceable

Good (Points = 15)	Minimum B Tech in relevant field and 8 - 9 years of experience.	<b>20</b>	reference, certified Copies of Qualifications, professional registration certificates and identity document.
Satisfactory (Points = 10)	Minimum B Tech in relevant field and 5 - 7 years of experience.		
Marginal (Points = 5)	Minimum B Tech in relevant field and 3 - 4 years of experience.		
Poor (Points = 0)	Minimum B Tech in relevant field and 0 – 2 years of experience.		
<b>3. PLANT AND EQUIPMENT/ TOOLS OF TRADE</b>			
<b>Rating for Criteria</b>	<b>Guidelines For Criteria Application</b>	<b>Max Points</b>	<b>Verification Method</b>
The bidder must have the following listed critical resources that are required to provide the services, together with all required documentation as supporting documents showing the status of ownership and availability of resources: 1. Double Cab Vehicle 2. Smart Devices to be used for verification ( e.g smart scanners or phones)			
<b>Good</b> (Points = 10)	Bidder have all listed resources and who directly own of plant and equipment (not hired/ leased or outsourced).	<b>10</b>	Logbook or Lease Agreement a double cab bakkie and, proof of ownership of smart Satisfactory devices.
<b>Satisfactory devices.</b> (Points = 05)	Bidder have all listed resources and who directly own of plant and equipment (not hired/ leased or outsourced).		
<b>4. METHODOLOGY / APPROACH PAPER</b>			
<b>Rating for Criteria</b>	<b>Guidelines For Criteria Application</b>	<b>Max Points</b>	<b>Verification Method</b>
The approach paper must respond to the scope of work with specific reference to sourcing of grant funding for municipal infrastructure projects. The approach paper should articulate and demonstrate bidder's understanding of undertaking projects series of activities (as per scope of work) in sequence order.  The Tenderer must as such explain his/her understanding of the objectives and deliverables of the assignment and the Employer's stated and implied requirements, highlight the issues of importance, and explain the approach they would adopt to address them. The approach paper should explain the methodologies which are to be adopted, demonstrate the compatibility of those methodologies with the proposed approach. The approach should also include a quality plan which outlines processes, procedures and associated resources to meet the requirements.			
Excellent (Points = 10)	Besides meeting the "good"rating, important issues are approached in an innovative and efficient way, indicating that the tenderer has a clear understanding and knowledge of state- of-the-art approaches. The methodology / approach paper details ways to improve the assignment's deliverables	<b>10</b>	Attach proposed methodologies aligned with the scope of works as outlined in the bid description and scope
Good (Points = 8)	The methodology and approach are specifically tailored to address the specific assignment's objectives, deliverables and requirements and is sufficiently flexible to accommodate changes that may occur during execution. The quality plan is specifically tailored to the critical characteristics of the assignment.		
Satisfactory (Points = 5).	The methodology and approach are reasonably aligned with the assignment's objectives and deliverables. The approach deals somewhat with the characteristics of the assignment.		
Marginal (Points = 3)	The methodology and approach are generic and not tailored to address the specific assignment's objectives, deliverables and requirements. The approach does not adequately deal with the critical characteristics of the assignment. The quality plan is too generic.		
Poor (Points = 0)	The methodology and approach are poor/are unlikely to satisfy project objectives, deliverables or requirements. The tenderer has misunderstood certain aspects of the scope of work and does not deal with the critical aspects of the assignment.		
<b>OVERALL TOTAL</b>		<b>90</b>	

**SECTION E  
PRICE SCHEDULE**

For costing per item

<b>DESCRIPTION</b>	<b>Amount excl VAT</b>	<b>VAT</b>	<b>Amount incl VAT</b>
<b>Fees breakdown</b>			
Year one (1)			
Year two (2)			
Year three (3)			
<b>TOTAL AMOUNT (Inclusive of VAT)</b>			

**SECTION F  
FORM OF OFFER  
SCMU 009/2025/2026**

The Municipal Manager  
Harlingen 13433  
Mkuze  
3965

Dear Sir

I/We \_\_\_\_\_ do hereby tender for the **PREPARATION AND OTHER RELATED FINANCIAL SERVICES, COMPILATION OF ANNUAL FINANCIAL STATEMENTS AND A GRAP-COMPLIANT FIXED ASSET REGISTER AND PHYSICAL VERIFICATION OF FIXED ASSETS FOR A PERIOD OF 3 YEARS** per specifications and scope of work in the tender document for an amount of:-

Total amount carried from pricing schedule (Excl VAT)

R \_\_\_\_\_

VAT (Only VAT Vendors)

R \_\_\_\_\_

**TOTAL PRICE (Rand value inclusive of VAT):**

R \_\_\_\_\_

Total amount in words:

---

---

The above fees include all required information or resources to complete the tender as per the specifications.

Until such time that a formal agreement is compiled and accepted, these tenders will be in conjunction with your acceptance or the persons acting on your behalf and will be a binding contract between both parties.

Upon the terms set out in the conditions of tender, I/We hereby acknowledge that:-

1. I/We have read and acquainted myself/ourselves with the terms and conditions of tender and understand the purpose thereof and agree that all such conditions shall form part of this tender;

1. This Offer may be accepted by uMkhanyakude District Municipality by signing the Form of Acceptance within the period of validity stated in this Tender document, whereupon the Tenderer becomes the **Service Provider** in terms of this this contract.

**THE CONDITIONS OF TENDER I/WE READ AND ACCEPT**

**Signature (of person authorized to sign the tender):**

**Signature** :( of person authorized to sign the tender):.....

**Name:** (of signatory in capitals):.....

**Capacity:** (of Signatory):.....

**Name of Tenderer:** (organisation):.....

**Address:**

.....

**Telephone number:** ..... **Fax number:** .....

**Witness Signature:** .....

**Name:** (in capitals):.....

**Date:**.....

**[Failure of a Tender's to sign this form will invalidate the tender]**

**SECTION G  
FORM OF ACCEPTANCE  
SCMU 009/2025/2026**

By signing this part of the Form of Offer and Acceptance, the Employer identified below accepts the Tenderers Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the Conditions of Contract identified in the Contract data. Acceptance of the Tender's Offer shall form an agreement between the Employer and the Tenderer upon the terms and conditions contained in this Agreement and in the Contract that is the subject of this Agreement.

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

**Name (in capitals) : DR SR NTULI**

**Capacity : ACTING MUNICIPAL MANAGER**

**Name of Employer : UMKHANYAKUDE DISTRICT MUNICIPALITY**

**Address : P.O BOX 449**

**MKUZE**

**3965**

**Witness Signature :** \_\_\_\_\_

**Name (in capitals) :** \_\_\_\_\_

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

## **SECTION H TAX CLEARANCE CERTIFICATE REQUIREMENTS**

It is a condition of a 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 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. Copies of 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](http://www.sars.gov.za).
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. 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](http://www.sars.gov.za).

**SECTION I  
AUTHORITY TO SIGN BID**

**Authority for Signatory**

Indicate the status of the tenderer by ticking the appropriate box hereunder. The tenderer must complete the certificate set out below for the relevant category.

A Company	B Partnership	C Joint Venture	D Sole Proprietor	E Close Corporation

**A. Certificate for Company**

I, ..... , chairperson

of the board of .....,

hereby confirm that by resolution of the board (copy attached) taken on

..... 20..... , Mr/Ms .....

acting in the capacity of....., was authorised to sign all documents in connection with this tender for

Contract No SCMU009/2025/2026 and any contract resulting from it on behalf of the company.

**As witnesses:**

1. .... Chairman:.....

2. .... Date:.....

**B. Certificate for Partnership**

We, the undersigned, being the key partners in the business trading as .....

....., hereby authorise

Mr/Ms ....., acting in the capacity of .....

....., to sign all documents in connection with this tender for

Contract No SCMU 009/2025/2026 and any contract resulting from it on our behalf.

Name	Address	Signature	Date

**C. Certificate for Joint Venture**

We, the undersigned, are submitting this tender offer in

Joint Venture and hereby authorise Mr/Ms , authorised

signatory of the company

..... , acting in the capacity of lead

Partner, to sign all documents in connection with this tender for Contract No. SCMU 009/2025/2026 and any contract resulting from it on our behalf.

This authorisation is evidenced by the attached power of attorney signed by legally authorised signatories of all the partners to the Joint Venture.

Name of Firm	Address	Authorising Name and Capacity	Authorising Signature
Lead Partner:			

**D. Certificate for Sole Proprietor**

I,..... , hereby confirm that I am

the sole owner of the business trading as .....

**As witnesses:**

1. .... Sole Owner: .....

2. .... Date: .....

**E. Certificate for Close Corporation**

We, the undersigned, being the key members in the business trading as .....  
 ....., hereby authorise Mr/Ms .....

acting in the capacity of..... , to sign all to sign all documents in connection with this tender for Contract

No SCMU 009/2025/2026 and any contract resulting from it on our behalf.

Name	Address	Signature	Date

**SECTION J  
DECLARATION OF INTEREST**

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
1. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

**3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

3.1 Full Name of bidder or his or her representative: .....

3.2 Identity Number: .....

3.3 Position occupied in the Company (director, trustee shareholder<sup>2</sup>):  
.....

3.4 Company Registration Number: .....

3.5 Tax Reference Number: .....

3.6 VAT Registration Number: .....

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? **YES / NO**

3.8.1 If yes, furnish particulars. ....  
.....

<sup>1</sup>MSCM Regulations: "in the service of the state" means to be –  
(a) a member of –

- (i) any municipal council;
- (ii) any provincial legislature; or
- (iii) the national Assembly or the national Council of provinces;

(b) a member of the board of directors of any municipal entity;

(c) an official of any municipality or municipal entity;

(d) an employee of 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);

- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature.

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

3.9 Have you been in the service of the state for the past twelve months? **YES / NO**

3.9.1 If yes, furnish particulars .....

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid?

**YES / NO**

3.10.1 If yes, furnish particulars .....

.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? **YES**

**/ NO**

3.11.1 If yes, furnish particulars .....

.....

3.12 Are any of the company's directors, trustees, managers, principal shareholders or stakeholders in service of the state? **YES**

**/ NO**

3.12.1 If yes, furnish particulars .....

.....

3.13 Are any spouse, child or parent of the company's director's trustees, managers, principal shareholders or stakeholders in service of the state? **YES / NO**

3.13.1 If yes, furnish particulars .....

.....

3.14 Do you or any of the directors, trustees, managers, principal shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract? **YES / NO**

3.14.1 If yes, furnish particulars:

.....

4. Full details of Directors / Trustees / Members / Shareholders.

Full Name	Identity Number	State Employee Number

**CERTIFICATION**

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

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

**SECTION K**

**MBD. 5**

**THE UMKHANYAKUDE DISTRICT MUNICIPALITY**

**SCMU 009/2025/2026**

**DECLARATION FOR PROCUREMENT ABOVE R10 MILLION**  
**(ALL APPLICABLE TAXES INCLUDED)**

**For all procurement expected to exceed R10 million (all applicable taxes included), bidders must complete the following questionnaire:**

\* Delete if not applicable

1. Are you by law required to prepare annual financial statements for auditing?

**\*YES / NO**

1.1 If yes, submit audited annual financial statements for the past three years or since the date of establishment if established during the past three years.

.....  
.....

2. Do you have any outstanding undisputed commitments for municipal services towards any municipality for more than three months or any other service provider in respect of which payment is overdue for more than 30 days?

**\*YES / NO**

2.1 If no, this serves to certify that the bidder has no undisputed commitments for municipal services towards any municipality for more than three months or other service provider in respect of which payment is overdue for more than 30 days.

2.2 If yes, provide particulars.

.....  
.....

3. Has any contract been awarded to you by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract?

**\*YES / NO**

3.1 If yes, furnish particulars

.....  
.....

4. Will any portion of goods or services be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the municipality / municipal entity is expected to be transferred out of the Republic?

**\*YES / NO**

4.1 If yes, furnish particulars

.....  
.....

**CERTIFICATION**

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

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## THE UMKHANYAKUDE DISTRICT MUNICIPALITY

## SCMU 009/2025/2026

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

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF SPECIFIC GOALS, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022.**

## 1. GENERAL CONDITIONS

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

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

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

1.3 Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) Specific goals

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

	POINTS
<b>PRICE</b>	80
<b>SPECIFIC GOALS OF CONTRIBUTION</b>	20
<b>Total points for Price and Specific Goals must not exceed</b>	<b>100</b>

1.5 Failure of a bidder to submit proof of specific goals claimed will be interpreted to mean that preference points for specific goals are not claimed.

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

## 2. DEFINITIONS

- (a) **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- (b) **“bid”** 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 and “bid” has a corresponding meaning
- (c) **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- (d) **“consortium or joint venture”** 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;
- (e) **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- (f) **“EME”** means an Exempted Micro Enterprise as defined by Codes of Good Practice issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (g) **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;

- (h) **“non-firm prices”** means all prices other than “firm” prices;
- (i) **“person”** includes a juristic person;
- (j) **“QSE”** means a Qualifying Small Enterprise as defines by Codes of Good Practice issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 ( Act No. 53 of 2003);
- (k) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of the tender invitation;
- (l) **“Reconstruction and Development Programme”** the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994;  
  
**“specific goals”** means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994;
- (m) **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice;
- (n) **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- (o) **“trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.
- (p) **“Disability”** means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.
- (q) **“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.

### 3. **DJUDICATION USING A POINT SYSTEM**

3.1 If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for specific goals.

3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;

3.3 Points scored must be rounded off to the nearest 2 decimal places.

3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for specific goals.

3.5 If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

### 4. **POINTS AWARDED FOR PRICE**

#### 4.1 **THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS**

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

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

Where

		$P_{\min}$		$P_{\min}$
$P_s$	=		Points scored for comparative price of bid under consideration	
$P_t$	=		Comparative price of bid under consideration	
$P_{\min}$	=		Comparative price of lowest acceptable bid	

### 5. **POINTS AWARDED FOR LEVEL OF CONTRIBUTION TOWARDS SPECIFIC GOALS**

5.1 In terms of s2(b)(i) and (ii) of the Preferential Procurement Regulations Policy Framework Act, a preference points system must be followed for

contracts with a Rand value above a prescribed amount a maximum of 10 or 20 points may be allocated for specific goals as contemplated in s2(d) of the Act provided that the lowest acceptable tender scores 90 or 80 points for price, respectively, in accordance with the table below:

**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.)***

<b>80/20 preference point system</b>			
<b>The specific goals allocated points in terms of this tender</b>	<b>Number of points allocated (20 points) (To be completed by the Municipality)</b>	<b>Proof required to Claim (20 points) (To be completed by the Municipality)</b>	<b>Number of points Claimed (20 points) (To be completed by the tenderer)</b>
Refer to the table below	20	Fully completed and signed MBD 6.1; and full Central Suppliers Data Base report (CSD) not older than one month	20

<b>PREFERENCE POINT SYSTEM</b>		
<b>PRICE SPECIFIC GOALS</b>	<b>80 20</b>	<b>Requirements to claim points</b>
Enterprise owned by Black People ≥ 51%	4	Certified ID Copies (Directors)/ CSD Report/ Shareholders Certificate
Enterprise owned by Women ≥ 51%	4	Certified ID Copies (Directors)/ CSD Report/ Shareholders Certificate
Enterprise owned by Youth	4	Certified ID Copies (Directors)/ CSD Report/ Shareholders Certificate
Enterprise owned by Disabled Persons	4	Medical Certificate
Enterprise owned by SMMEs- QSE and EME	4	CSD report/ Proof of municipal accounts/ affidavit/ proof of residence signed by Ward Councillor (for those residing in rural areas/ lease agreement

**NB: No points will be claimed by the bidder if it fails to submit proof required to score points for specific goals**

<b>90/10 preference point system</b>			
<b>The specific goals allocated points in terms of this tender</b>	<b>Number of points allocated (10 points) (To be completed by the Municipality)</b>	<b>Proof required to Claim (10 points) (To be completed by the Municipality)</b>	<b>Number of points Claimed (10 points) (To be completed by the Tenderer)</b>

5.2 Bidders must submit valid proof for specific goals

5.3 If the municipality is of the view that a tenderer submitted false information regarding a specific goal, will —

- (a) inform the tenderer accordingly; and
- (b) give the tenderer an opportunity to make representations within 14 days as to why the tender may not be disqualified or, if the tender has already been awarded to the tenderer, the contract should not be terminated in whole or in part.

5.4 After considering the representations referred to in sub regulation (1)(b), the municipality may, if concludes that such information is false—

- (a) disqualify the tenderer or terminate the contract in whole or in part; and
- (b) if applicable, claim damages from the tenderer.

## **6. SPECIFIC GOALS CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 5.1**

Specific goals: = (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of the required proof of specific goals.

## **7. SUB-CONTRACTING**

7.1 Will any portion of the contract be sub-contracted? (***Tick applicable box***)

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

7.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted..... %
- ii) The name of the sub-contractor.....
- iii) Whether the sub-contractor is an EME.

**(Tick applicable box)**

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

## 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

- Manufa  
cturer
- supplier
- Professional service provider
- Other service providers, e.g.  
transporter, etc. [TICK APPLICABLE BOX]

8.7 **MUNICIPAL INFORMATION**

**Municipality where business is situated:** .....

**Registered Account Number:** .....

**Stand Number:** .....

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

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 specific goal declared in paragraph 6 , indicated in paragraph 7, 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 paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser 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 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) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and

(e) Forward the matter for criminal prosecution.

WITNESSES

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE.....

ADDRESS.....

.....

.....

THE UMKHANYAKUDE DISTRICT MUNICIPALITY

SCMU 009/2025/2026

**BID DECLARATION**  
**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 remains 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;
    - Tax clearance certificate;
    - Pricing schedule(s);
    - Filled in task directive/proposal;
    - Declaration of interest;
    - Declaration of bidder's past SCM practices;
    - Certificate of Independent Bid Determination;
    - 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 fulfilment 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 .....

**CONTRACT FORM - RENDERING OF SERVICES**

**PART 2**

1. I..... in my capacity  
as..... Accept your bid under reference  
number ..... dated.....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

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

**SIGNED AT** ..... **ON**.....

**NAME (PRINT)** .....

**SIGNATURE** .....

**OFFICIAL STAMP:**

<b>WITNESSES</b>
<b>1</b> .....
.....
<b>2</b> .....
.....
<b>DATE:</b>

## THE UMKHANYAKUDE DISTRICT MUNICIPALITY

SCMU 009/2025/2026

**DECLARATION OF BIDDER'S PAST SUPPLY CHAIN  
MANAGEMENT PRACTICES**

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities 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 rejected if that bidder, or any of its directors have:
  - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 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 Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>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.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		

4.2	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)? <b>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.</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other 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"/>
4.7.1	If so, furnish particulars:		

### CERTIFICATION

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

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

.....  
Signature

.....  
Date

.....  
Position

.....  
Name of Bidder

## SECTION O

MBD. 9

### THE UMKHANYAKUDE DISTRICT MUNICIPALITY

SCMU 009/2025/2026

#### **CERTIFICATE OF INDEPENDENT BID DETERMINATION**

1. This Municipal Bidding Document (MBD) 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 *per se* prohibited meaning that it cannot be justified under any grounds.
3. Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. Take all reasonable steps to prevent such abuse;
  - b. Reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. Cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
4. This MBD 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 (MBD 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.

## CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

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

in response to the invitation for the bid made by:

\_\_\_\_\_  
(Name of Municipality / Municipal Entity)

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

.....  
Date

.....  
Position

.....  
Name of Bidder

**SECTION P**

**THE UMKHANYAKUDE DISTRICT MUNICIPALITY**

**SCMU 009/2025/2026**

**TENDER FORM**

The Municipal Manager  
Harlingen 13433  
MKUZE  
3965

Dear Sir,

Having examined the Conditions of Contract, Specifications, Tender and Legislation of the above contract, I/we offer to supply and deliver the whole of the said Works in conformity with the Conditions of Contract, Specification, Tender and Legislation, save as amended by any modifications under Annexure "A", for the rates as stipulated in the Pricing Schedule herein.

I/We are registered VAT vendors. I/We undertake to deliver the goods comprised in the contract within the time frames stated in this contract document.

I/We certify that I/we have satisfied myself/ourselves that the particulars inserted on all required Affidavits (if applicable) are complete and correct.

I/We confirm that I am/we are fully acquainted with the current South African laws and regulations applicable to this contract including inter alia those laws to which my/our attention has been drawn in the Legislation section of this document.

I/We are registered VAT vendors and my/our VAT vendor registration number is:

---

I/We are formally associated by written agreement with the following firms, corporations or companies:

---

---

(Enter Nil if no affiliations)

I/We are fully paid-up members in good standing of the following organisation(s):

---

---

(Enter Nil if no affiliations)

My/Our Tender Deposit receipt number as issued by the Council is \_\_\_\_\_  
(Include a copy of the Tender Deposit Receipt only if purchased at the Umkhanyakude Municipality)

I/We bank at the \_\_\_\_\_

Branch of \_\_\_\_\_

Where I/we have a \_\_\_\_\_ account.

It is agreed and understood that should there be any changes on the banking details provided for the entity, a duly signed resolution by all its directors and minutes whereby a resolution for changing the banking details was passed will be submitted to Council including the original letter from the bank confirming the details.

It is agreed and understood that this tender is valid for four (4) months from the date hereof and that it, together with your final letter of acceptance, shall constitute a binding Contract between us.

I/We understand that the Council is not bound to accept the lowest or any tender and acknowledge that the Head: Supply Chain Management may, in her absolute discretion if good and sufficient grounds are brought to her attention in writing within five (5) working days from the date of closing of tenders, decline to consider my/our offer.

I/We the undersigned, warrants that I am/we are duly authorised to do so on behalf of the enterprise, certifies that the enterprise complies with all statutory and municipal requirements and that the information supplied in terms of this documents with additional information is correct and accurate and acknowledges that if the information supplied is found to be incorrect then the Umkhanyakude Municipality in addition to any remedies, it may have: may

- i Recover from the Enterprise all costs, losses or damages incurred or sustained by the Municipality as result of the award of the contract, and /or
- ii Cancel the contract and claim any damages which the Municipality may suffer by having to make less favourable arrangements after such cancellations, and/or
- iii Impose a penalty on the Enterprise as provided in the Tender Document, and/or
- iv Take any other action as may be deemed necessary.

I/we further undertake to submit documentary proof regarding any tendering issue to the Council when so required.

Full Name of Signatory.....

Capacity of Signatory.....

Identity Number.....

Duly authorised to sign on behalf of.....

Physical Address.....

.....

SIGNATURE..... DATE.....

THE UMKHANYAKUDE DISTRICT MUNICIPALITY

SCMU 009/2025/2026

ALTERATIONS BY TENDERER

PAGE	SECTION OR ITEM	PROPOSED DEPARTURE/MODIFICATION

SIGNATURE..... DATE.....

## SECTION Q

### GENERAL CONDITIONS OF CONTRACT 2010

#### 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 anything 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.
- 1.13. 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.
- 1.14. "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.
- 1.15. "GCC" means the General Conditions of Contract.
- 1.16. "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.17. "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.
- 1.18. "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
  - 1.19. "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
  - 1.20. "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
  - 1.21. "Project site" where applicable, means the place indicated in bidding documents.
  - 1.22. "Purchaser" means the organization purchasing the goods.
  - 1.23. "Republic" means the Republic of South Africa.
  - 1.24. "SCC" means the Special Conditions of Contract.
  - 1.25. "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.
  - 1.26. "Supplier" means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
  - 1.27. "Tort" means in breach of contract.
  - 1.28. "Turnkey" means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
  - 1.29. "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. Invitations to bid are usually published in locally distributed news media and on the municipality / municipal entity website.

## **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 as 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.
- 6.2. When a supplier developed documentation / projects for the municipality / municipal entity, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the municipality / municipal entity.

## **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:
  - 7.3.1. 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
  - 7.3.2. 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.

## **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 inspections tests and analysis, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or an organization acting on behalf of the purchaser.
- 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 goods 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 goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods 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 goods 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 goods 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 goods which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods 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 22 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, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery**

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

## **11. Insurance**

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.

## **12. Transportation**

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

## **13. Incidental**

- 13.1. The supplier may be required to provide any or all of the following services, including additional services, if any:

- 13.1.1. performance or supervision of on-site assembly and/or commissioning of the supplied goods;
  - 13.1.2. furnishing of tools required for assembly and/or maintenance of the supplied goods;
  - 13.1.3. furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
  - 13.1.4. 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
  - 13.1.5. 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, 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:
  - 14.1.1. 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;
  - 14.1.2. in the event of termination of production of the spare parts:
    - 14.1.2.1. advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
    - 14.1.2.2. 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, 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.
- 16.2. The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment 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.

## **17. Prices**

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 or in the purchaser's request for bid validity extension, as the case may be.

## **18. Variation Orders**

- 18.1.1. In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price and such offers, may be accepted provided that there is no escalation in price.

## **19. Assignment**

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**

The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract, 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. 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.
- 21.4. 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 22 without the application of penalties.
- 21.5. 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.

## 22. Penalties

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:
  - 23.1.1. 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
  - 23.1.2. if the Supplier fails to perform any other obligation(s) under the contract; or
  - 23.1.3. 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 supplier as having no objection and proceed with the restriction.
- 23.5. Any restriction imposed on any person by the purchaser will, at the discretion of the purchaser, 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 purchase 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:
  - 23.6.1. the name and address of the supplier and / or person restricted by the purchaser;
  - 23.6.2. the date of commencement of the restriction
  - 23.6.3. the period of restriction; and
  - 23.6.4. 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**

When, after the date of bid, provisional payments are required, or antidumping 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**

25.1.1. 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**

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. Notwithstanding any reference to mediation and/or court proceedings herein,

27.4.1. the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

27.4.2. the purchaser shall pay the supplier any monies due for goods delivered and / or services rendered according to the prescripts of the contract.

## **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;

28.1.1. 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

28.1.2. 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**

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**

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

## **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 SARS must have certified that the tax matters of the preferred bidder are in order.

32.4. No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

## **33. Transfer of contracts**

The contractor shall not abandon, transfer, cede, assign or sublet a contract or part thereof without the written permission of the purchaser.

## **34. Amendment of contracts**

No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

### **35. Prohibition of restrictive practices.**

- 35.1. 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.
- 35.2. 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 section 59 of the Competition Act No 89 Of 1998.
- 35.3. 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.