

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	19/2023/2024	CLOSING DATE:	12 JANUARY 2024	CLOSING TIME:	11:00 am
DESCRIPTION	<b>APPOINTMENT OF SERVICE PROVIDERS TO PROVIDE AND COMPILE A COMPLIANT IMMOVABLE ASSET REGISTER IN ACCORDANCE WITH MODIFIED CASH STANDARD OF ACCOUNTING FOR FREE STATE DEPARTMENT OF HEALTH.</b>  <b>PERIOD: FROM DATE OF SIGNING OF CONTRACT FOR SIX (06) MONTHS.</b>				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
DEPARTMENT OF FREE STATE HEALTH.					
GROUND FLOOR, BOPHELO HOUSE, BLOCK C-WEST, OPPOSITE MAIN DOOR.					
C/O CHARLOTTE MAXEKE STREET AND HARVEY ROAD, BLOEMFONTEIN.					
DEPARTMENT OF FREE STATE HEALTH.					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	T.J Sethunya		CONTACT PERSON	Mr M. Parkies	
TELEPHONE NUMBER	051 408 1487/1457		TELEPHONE NUMBER	051 408 1224	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	SethunyaTJ@fshealth.gov.za		E-MAIL ADDRESS	ParkiesM@fshealth.gov.za	
<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					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX]		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX]	
	<input type="checkbox"/> Yes <input type="checkbox"/> No			<input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES &amp; QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]</b>					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW ]	
<b>QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS</b>					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

## PART B TERMS AND CONDITIONS FOR BIDDING

### 1. BID SUBMISSION:

- 1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
- 1.2. **ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED–(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.**
- 1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
- 1.4. **THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7.1).**

### 2. TAX COMPLIANCE REQUIREMENTS

- 2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
- 2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE [WWW.SARS.GOV.ZA](http://WWW.SARS.GOV.ZA).
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
- 2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

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

.....

DATE:

.....

## **EXPLANATORY MEETING CERTIFICATE**

BID NUMBER: DOH (FS)19/2023/2024

Attendance list number: \_\_\_\_\_

**DOH(FS)19/2023/2024: APPOINTMENT OF SERVICE PROVIDERS TO PROVIDE AND COMPILE A COMPLIANT IMMOVABLE ASSET REGISTER IN ACCORDANCE WITH MODIFIED CASH STANDARD OF ACCOUNTING FOR FREE STATE DEPARTMENT OF HEALTH.**

**PERIOD: : FROM DATE OF SIGNING OF CONTRACT FOR SIX (06) MONTHS.**

**Attendance of the explanatory meeting is NON-COMPULSORY**

An official of the Department must sign this certificate at the explanatory meeting. No certificate will be signed outside the meeting. The original certificate must be included in the bid document and will not be accepted after the closing time and date of the bid.

**NON-COMPULSORY EXPLANATORY MEETING DATE: 19 DECEMBER 2023**

**TIME: 10H00**

**VENUE:** Auditorium, First Floor  
Bophelo House, C/O Charlotte  
Maxeke Street and Harvey Road  
Bloemfontein  
9301

**CONTACT PERSON/S:** Mr M. Parkies : 051 408 1224

This is to certify that \_\_\_\_\_ in his/her capacity as  
\_\_\_\_\_ of the company \_\_\_\_\_ has attended the Non-  
Compulsory Explanatory meeting on the \_\_\_\_\_ day of \_\_\_\_\_ 2023 and is  
therefore familiar with circumstances and the scope of the items to be supplied.

\_\_\_\_\_  
**SIGNATURE /DEPARTMENTAL  
OFFICIAL**

\_\_\_\_\_  
**RANK**

\_\_\_\_\_  
**SIGNATURE OF REPRESENTATIVE  
OF COMPANY**

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

OFFICIAL DATE  
STAMP

**\* Note: Only one certificate per company**



health

Department of  
Health  
FREE STATE PROVINCE

**APPOINTMENT OF A SERVICE PROVIDER TO  
ASSIST FREE STATE DEPARTMENT OF HEALTH TO  
COMPILE A COMPLETE COMPLIANT IMMOVABLE  
ASSET REGISTER IN ACCORDANCE WITH  
MODIFIED CASH STANDARDS OF ACCOUNTING**

**PERIOD : DATE OF SIGNING OF CONTRACT FOR SIX (6) MONTHS.**

**Contact Person**

Mr M. Parkies

Tel : 051 – 408 1224

Email : MolefeLJ@fshealth.gov.za

# **APPOINTMENT OF A SERVICE PROVIDER TO ASSIST FREE STATE DEPARTMENT OF HEALTH TO COMPILE A COMPLETE COMPLIANT IMMOVABLE ASSET REGISTER IN ACCORDANCE WITH MODIFIED CASH STANDARDS OF ACCOUNTING**

## **1. PROJECT BACKGROUND**

Free State Department of Health requires the Services of a competent Service Provider to assist with compiling a complete compliant Immovable Asset register in terms of Modified Cash Standards of accounting and ensure accurate disclosure note for 2023/24 Financial Statements.

## **2. OBJECTIVE**

To ensure that the Department maintains accurate, complete and compliant immovable asset register as well as ensure compliant Financial Statements disclosure note in accordance with the Modified Cash Standards for 2023/24 Annual Financial Statements.

## **3. SCOPE OF WORK**

Scope of work includes among other the following:

- a. Address misclassifications between immovable capital asset and goods and services raised by the Auditor General in the prior year.
- b. Ensure that Immovable Asset are classified and categorized correctly.
- c. Provide and apply valuation/ measurement methodology where the value or cost of the immovable asset cannot be determined reliably.
- d. Review all infrastructure accruals to ensure the correct accounting treatment and disclosure of immovable asset,
- e. Ensure complete and accurate opening/closing balances of immovables asset.
- f. Ensure that the department maintains compliant immovable asset register that will form a formal source for Financial and Non-Financial Reporting.
- g. Provide accurate, complete and compliant immovable asset disclosure note for the 2023/24 Annual Financial Statements.
- h. Provide audit support to the department by responding to audit requests and resolving audit queries relating to the immovable asset disclosure note.
- i. Transfer of skills to departmental officials in terms of the above tasks.
- j. Assist with immovable assets surrender plan to the Free State Department of Public Works.

#### **4.- SERVICE PROVIDERS REQUIREMENTS**

The prospective service providers must be results-driven and should be able to handle the pressures of the assignment. Furthermore, the prospective service providers must provide the resource requirements as follows:

4.1. The assignment Project Leader with the following:

- a. At least a recognized NQF Level 8 Degree in Accounting, Audit, equivalent and/or relevant post graduate qualification.
- b. At least 5 years' relevant working experience related to the category of service.
- c. Knowledge of the Public Sector prescript, particularly knowledge of the PFMA, Treasury Regulations, Public Service Regulations, Modified Cash Standards for departments, Accounting Manual for Departments, internal control systems, National and Provincial prescripts, norms and standards – Annual Financial Statements.
- d. Accredited qualification and member of the relevant professional body; and
- e. Must be fluent in written and oral English and must be computer literate and have excellent technical and report writing skills.

4.2. The assignment Technical Staff must have the following:

- a. At least a recognized NQF Level 7 Degree in Accounting, Audit, equivalent and/or relevant post graduate qualification.
- b. At least 5 years' relevant working experience related to the category of service.
- c. Knowledge of the Public Sector prescript, particularly knowledge of the PFMA, Treasury Regulations, Public Service Regulations, Modified Cash Standards for departments, Accounting Manual for Departments, internal control systems, National and Provincial prescripts, norms and standards – Annual Financial Statements; and
- d. Must be fluent in written and oral English and must be computer literate and have good technical and report writing skills.

4.3. The prospective service providers must have access to the following technical expert(s):

- a. A Certified Professional Valuer.

**N.B: It is compulsory to attach a completed and signed Annexure A together with comprehensive CVs, certified copies of qualifications and certified copies of affiliation certificate/s of the relevant professional bodies of the above-mentioned technical experts.**

## 5. MANDATORY DOCUMENTS

- The following mandatory documents must be submitted with the bid:
- SBD 1: Invitation to bid
- SBD 4: Bidder's disclosure.
- SBD 6.1: Preference points claim form in terms of the preferential procurement regulations of 2022
- Company profile;
- A copy of the companies and intellectual property commission - COR14.3: Registration Certificate;
- Company's registration, CK document (With list of Director(s) and/or Member(s), certified Identification copy/ies of Members, Directors and Shareholder (Not older than 6 months) must be attached

**NB: Bidders who do not submit the above mandatory documents will be disqualified.**

## 6. DURATION OF THE PROJECT AND LOCATION

The contract will be for a duration of six months covering 2023/24 Annual Financial Year and Audit cycle. The service providers will be accommodated at the Department of Health.

## 7. PROJECT MANAGEMENT ISSUES

- a. Project Management support will be provided by the Departmental Accountant of Free State Department of Health who will be the Project Coordinator.
- b. The project will be facilitated by a Steering Committee consisting of:  
Finance, Internal Control, Supply Chain Management, Legal as well as Infrastructure officials as appointed by the Department.
- c. The Steering Committee will require bi-weekly progress reporting in a format suitable for extracting information as required. However, ad-hoc reports may also be required on a need basis.
- d. The service provider will prepare and agree with the Steering Committee on a detailed work plan for the duration of the contract. This shall be the basis for the monitoring of performance and achievements.
- e. Monthly reports are to be submitted for specific number or nature of completed project milestones as agreed with the client prior to the completion date of the contract in order for the departments to act on these reports as soon as possible.

- f. Draft closure reports will be submitted prior to the completion date of the contract to allow comprehensive inputs to support the finalization and actual closure of the project.
- g. A final closure report to be submitted on completion of the project.
- h. All reports should be provided in soft and hard copy.
- i. All electronic and hard copy information captured/utilized to provide the output of the project remains the property of the Free State Department of Health and it cannot be used or shared, whether for profit or otherwise with any other party, without written permission from the Department.
- j. Free State Department of Health will retain copyright and all associated intellectual rights.
- k. The Department is responsible to ensure that all the relevant documentation to be handed over are available and ready by the time that they are requested by the appointed Service Provider.
- l. Furthermore, the Department is responsible to provide all outstanding information identified with the initial assessment by the service provider within 3 working days from request by the service provider.

**NB: Free State Department of Health reserves the right to terminate the services if performance is judged to be unsatisfactory at the end of these review.**

## **8. STEERING COMMITTEE**

- a. A dedicated Steering Committee will provide strategic guidance, support, monitor and evaluate progress, outputs, target on key deliverables, compliance to reporting guidelines and provide oversight as specified
- b. The Committee will comprise Finance Internal Control, Supply Chain Management, Legal as well as Infrastructure officials

## **9. DELIVERABLES**

The outputs required will be specified for each category(ies) service when the work is allocated as scope of work.



## 10. REPORTING REQUIREMENTS

The successful bidders will report to the Project Co-ordinator of the Department in accordance with the terms and conditions documented in Service Level Agreement, letter of engagement or contract.

The Project will be initiated by means of Service Level Agreement and a letter of engagement and verbal briefing (where considered appropriate and necessary).

The service provider will be expected to provide the following reports:

Name of the Report	Content
Inception	Work plan for the project
Weekly report	Weekly progress report with movement of work done
Monthly report with the updated immovable assets register	Monthly status report and immovable assets register
Annual Financial Statements Disclosure note	Complete Immoveable Assets Disclosure note together with a reconciled Immoveable Assets Register for 2023/24 Financial Year.
Closeout Report	To be submitted at the end of the assignment

## 11. BRIEFING SESSION

There will be a non-compulsory briefing session to provide clarity to the prospective service providers prior to the submission of the bids.

Details of the briefing session are as follows:

**Date: 19 December 2023**

**Time: 10h00**

**Venue: Auditorium First Floor**

**Bophelo House**

**C/O 2 Charlotte Maxeke & Harvey Road**

**Bloemfontein**

## **12. THE CONTRACT (AGREEMENT)**

A contract/Service Level Agreement or Service Charter will be concluded with the successful bidder after the award.

## **13. NON-COMMITMENT**

- a. The Free State Department of Health is not bound to accept any of the bids submitted.
- b. The Free State Department of Health reserves the right to withdraw or amend these terms of reference/ specification by notice in writing to all parties who have received the terms of reference/specification prior to the closing date.
- c. The cost of preparing bids will not be reimbursed.
- d. Non-responsive bids will not be considered for evaluation.

## **14. REVIEW PROCESS**

- a. Documents submitted on time by bidders shall not be returned and shall remain the property of Free State Department of Health.
- b. All bids duly lodged will be evaluated in accordance with the evaluation criteria.
- c. Free State Department of Health will require presentations from short-listed bidders as part of the bid evaluation process.

## **15. REASONS FOR REJECTION OF THE BID**

- Free State Department of Health shall reject bids that are not in accordance to specification / Terms of Reference.
- Bidders will not contact Free State Department of Health on any matter pertaining to their bids from the closing date to the time the bid has been adjudicated.
- Any effort by a bidder to influence the bid evaluation or adjudication may result in rejection of the bid concerned.
- Free State Department of Health shall reject a submission if the bidder has committed a proven corrupt or fraudulent act in competing for a particular contract.
- Free State Department of Health may disregard any submission if that bidder or any of its directors are guilty of the following transgressions:
  - a. Have abused the Supply Chain Management (SCM) system of government.
  - b. Have committed proven fraud or any other improper conduct in relation to such system.
  - c. Have failed to perform on any previous contract and the proof thereof exists.
  - d. Is restricted from doing business with the public sector; and
  - e. If such a supplier obtained preferences fraudulently or if such supplier failed to perform on a contract based on the specific goals.

## 16. FUNCTIONALITY CRITERIA

- a. The bid will be evaluated in to two stage bidding process whereby:
- The first stage of evaluation will be on technical requirements.
  - Second stage of evaluation will be on price and specific goals.
  - Proposals must be submitted in two separate envelopes (i.e. envelope 1 for technical requirements, envelope 2 for price and supporting documents).

The evaluation criteria on functionality will be as follows:

NO.	CRITERION	DESCRIPTION	DOCUMENTS/PROOF TO BE ATTACHED	SCORE
1.	Previous similar projects successfully completed	Number of similar projects that were successfully completed by the Bidder. <ul style="list-style-type: none"><li>•Completed 5 or more similar projects = 10 points.</li><li>•Completed 4 similar projects = 8 points</li><li>•Completed 3 similar projects = 7 points</li><li>• Completed 1 - 2 similar projects = 5 points</li><li>• Completed 0 similar projects = 0 points</li></ul>	Number of similar projects that were successfully completed by the Bidder	<b>10 points</b>
2.	Qualifications of the Project Leader	The bidder must have a qualified Project Leader with a qualification from an accredited institution.  Verifiable qualification in the following field of study related to the categories listed from below will be acceptable: <ul style="list-style-type: none"><li>• Accounting and Audit post graduate qualification.</li></ul> Foreign acquired qualifications should be endorsed by the South African Qualification Authority (SAQA) before they can be considered by the Free State Department of Health. NQF Level 8 Degree or above = 10 points Below NQF Level 8 = 0 points	Certified copies of qualifications.	<b>10 Points</b>
3.	Working Experienced - Project Leader	The bidder must have an experienced Project Leader available on site to supervise the team. The Project Leader must have relevant working experience related to the category(ies) of service:	Comprehensive CV and Annexure A	<b>10 Points</b>

NO.	CRITERION	DESCRIPTION	DOCUMENTS/PROOF TO BE ATTACHED	SCORE
		<ul style="list-style-type: none"> <li>▪ 5 years or more working experience = 10 points</li> <li>▪ 4 years working experience = 8 points</li> <li>▪ 3 years working experience = 7 points</li> <li>▪ 1 - 2 years working experience = 5 points</li> <li>▪ Less than 1 year = 0 points</li> </ul>		
4.	Knowledge of the public sector prescripts – Project Leader	<p>The Project Leader must have knowledge of the Public Sector prescripts, particularly knowledge of the PFMA, Treasury Regulations, Public Service Regulations, Public sector reforms specifically in the field, Modified Cash Standards for department, Internal control systems, National and Provincial prescripts, norms, and standards.</p> <ul style="list-style-type: none"> <li>▪ 5 years or more of knowledge = 10 points</li> <li>▪ 4 years' knowledge = 7 points</li> <li>▪ 3 years' knowledge = 5 points</li> <li>▪ 1 – 2 years' knowledge = 3 points</li> <li>▪ Less than 1 year = 0 points</li> </ul>	Comprehensive CV and Annexure A	10 Points
5.	Qualifications of Technical Staff	<p>The bidder must have qualified technical staff with relevant qualifications from accredited institutions.</p> <p>Verifiable qualification in the following field of study related to the categories listed from below will be acceptable:</p> <ul style="list-style-type: none"> <li>• Accounting/Audit/ equivalent and/or relevant post graduate qualification:</li> </ul> <p>Foreign acquired qualifications should be endorsed by the South African Qualification Authority (SAQA) before they can be considered by the Free State Department of Health</p> <p>NQF Level 7 Degree or above = 10 points Below NQF Level 7 = 0 points (e.g., If the bidder has 5 technical staff, and only 3 meet the requirement, the calculation will be as follows: <math>3/5 = 60\% \times 10 \text{ points} = 6 \text{ points}</math></p>	Comprehensive CV and Annexure A	10 Points

NO.	CRITERION	DESCRIPTION	DOCUMENTS/PROOF TO BE ATTACHED	SCORE
6.	Working Experience - Technical staff	<p>The bidder must have a team of experienced technical staff who will be available on site to perform the work.</p> <p>The team must at least have 5 years' relevant working experience related to the category(ies) of service:</p> <p>5 years or more working experience = 10 points  4 years working experience = 6 points  3 years working experience = 3 points  1 - 2 years working experience = 1 points  Less than 1 year working experience = 0 points</p> <p>(Scenario for a bidder who has 5 technical staff members who have the relevant working experience, the following calculation of points will apply:</p> <p>5/5 technical staff have 5 years or more working experience = 10 points.</p> <p><b>Scenario:</b></p> <p>If the technical staff have different years of working experience, the following calculation of points will apply:</p> <p>3/5 of technical staff have 4 years working experience: <math>3/5 = 60\% \times 6 \text{ points} = 3.6 \text{ points}</math></p> <p>2/5 of technical staff have 3 years working experience: <math>2/5 = 40\% \times 3 \text{ points} = 1.2 \text{ points.}</math></p> <p>Total points will be <math>3.6+1.2= 4.8</math> points.  (Excluding technical expertise as mentioned on criteria 8)</p>	Comprehensive CV and Annexure A	10 Points
7.	Knowledge of the public sector prescripts – Technical Staff	<p>The technical staff have 5 years' working knowledge of the Public Sector prescripts, particularly knowledge of the PFMA, Treasury Regulations, Public Service Regulations, Modified Cash Standards for departments/ Accounting Manual for Departments, internal control systems, National and Provincial</p>	Comprehensive CV and Annexure A	10 Points

NO.	CRITERION	DESCRIPTION	DOCUMENTS/PROOF TO BE ATTACHED	SCORE
		<p>prescripts, norms and standards – Annual Financial Statements:</p> <ul style="list-style-type: none"> <li>▪ 100% of the team meet the requirement = 10 points</li> <li>▪ 80-99% of the team meet the requirement = 7 points</li> <li>▪ 70-79% of the team meet the requirement = 5 points</li> <li>▪ Less than 70% of the team meet the requirement = 0 points</li> </ul>		
8.	Access to technical expertise	<p>The bidder must have access to the following technical experts:</p> <p>Professional Valuer = 10 No access to any of the above = 0</p> <p><b>(Excluding technical staff as mentioned on criteria 7)</b></p>	Comprehensive CV, Annexure A and certified copies of affiliation certificate/s.	<b>10 Points</b>
9.	Methodology and presentation	<p>A clear and concise methodology approach covering the scope of work as per paragraph 3 of the bid document (With specific reference to Annual Financial Statements)</p> <p>Methodology Approach = 10 A Project Plan = 10</p> <p>(Include how the skills will be transferred to relevant officials at the department)</p>	Proposed Methodology and Process Plan.	<b>20 Points</b>
<b>Total</b>		<b>100 Points</b>		

**Minimum score of 70 out of 100 points.**

**NB! Only the bidder who score the minimum points 70 out of 100 on the function will be considered on price and specific goals.**

**All the shortlisted bidders will be required to prepare a presentation within a short period as communicated the Department.**

### **SPECIFIC GOALS**

## SPECIFIC GOALS

Specific goal	Applicable weight	Evidence to be submitted by the supplier to substantiate the points claimed/allocated per specific goal (NB: Any of the evidence indicated below per specific goal should be regarded as sufficient). Original documents and or certified copies must be submitted.
People with disability	100% - 51% - disability ownership = <b>2 points</b> 0-50% disability ownership = 0 points	<ul style="list-style-type: none"> <li>Sworn affidavit signed by the company representative and attested by</li> <li>the Commission of oaths</li> </ul>
Youth	100% - Youth ownership = <b>6 points</b> 75%-99% Youth ownership = <b>4 points</b> 51%-74% Youth ownership= <b>2 points</b> 0 - 50% Youth ownership = <b>0 points</b>	<ul style="list-style-type: none"> <li>RSA identity document <b>Or</b></li> <li>Valid RSA driver's license issued by the relevant authority</li> </ul> <p>NB: together with the company registration documentations which contained the % of ownership or shareholding certificates with the percentage of shares owned by the individual Director/s.</p> <p>(Youth is defined as any south African citizen with the age between 18 and 35 years).</p>
Women	100% Woman ownership = <b>6 points</b> 75%-99% Woman ownership = <b>4 points</b> 51%-74% Woman ownership= <b>2 points</b> 0-50% Woman ownership = <b>0 points</b>	<ul style="list-style-type: none"> <li>RSA identity document</li> <li>Valid RSA driver's license issued by the relevant authority</li> </ul> <p>NB: together with the company registration documentations which contained the % of ownership or shareholding certificates with the percentage of shares owned by the individual Director/s.</p>
Free State based company	<b>6</b>	<ul style="list-style-type: none"> <li>Municipal Account</li> <li>Lease agreement</li> <li>Title deeds</li> <li>Permission to occupy land signed by the traditional authority</li> </ul> <p>A letter of confirmation of the address signed by the ward councillor</p>

## PRICING SCHEDULE – NON-FIRM PRICES (PURCHASES)

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

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

Name of Bidder: .....	Bid number: DOH(FS)19/2023/2024
Closing Time: 11:00	Closing date: 12 January 2024

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
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1.	As required	Appointment of service provider to assist Free State Department of Health to compile a complete compliant Immovable asset register in accordance with modified cash Standards of accounting	<u>(Financial proposal must be separately submitted in envelope 2)</u>
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**(See attached TOR)**

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

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

\*Delete if not applicable



### PRICE ADJUSTMENTS

#### A NON-FIRM PRICES SUBJECT TO ESCALATION

1. IN CASES OF PERIOD CONTRACTS, NON FIRM PRICES WILL BE ADJUSTED (LOADED) WITH THE ASSESSED CONTRACT PRICE ADJUSTMENTS IMPLICIT IN NON FIRM PRICES WHEN CALCULATING THE COMPARATIVE PRICES
2. IN THIS CATEGORY PRICE ESCALATIONS WILL ONLY BE CONSIDERED IN TERMS OF THE FOLLOWING FORMULA:

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

Where:

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

3. The following index/indices must be used to calculate your bid price:

#### **Index: CPI Dated: DECEMBER 2023**

4. FURNISH A BREAKDOWN OF YOUR PRICE IN TERMS OF ABOVE-MENTIONED FORMULA. THE TOTAL OF THE VARIOUS FACTORS MUST ADD UP TO 100%.

FACTOR (D1, D2 etc. eg. Labour, transport etc.)	PERCENTAGE OF BID PRICE

**SBD 3.2****B PRICES SUBJECT TO RATE OF EXCHANGE VARIATIONS**

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

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

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

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

## BIDDER'S DISCLOSURE

### 1. PURPOSE OF THE FORM

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

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

### 2. Bidder's declaration

2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest<sup>1</sup> in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....  
 .....

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

2.3.1 If so, furnish particulars:

.....  
 .....

### 3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.
- 3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.
- 3.4 The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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

institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

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

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

.....	.....
Signature	Date
.....	.....
Position	Name of bidder

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

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

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

### 1. GENERAL CONDITIONS

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

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

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

*(delete whichever is not applicable for this tender).*

- a) The applicable preference point system for this tender is the 80/20 preference point system.
- b) The applicable preference point system for this tender is the 80/20 preference point system.
- c) Either the 90/10 or 80/20 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

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

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

The maximum points for this tender are allocated as follows:

	POINTS
<b>PRICE</b>	80
<b>SPECIFIC GOALS</b>	20
<b>Total points for Price and SPECIFIC GOALS</b>	100

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this

tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

## 2. DEFINITIONS

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

## 3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

### 3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

- Ps = Points scored for price of tender under consideration
- Pt = Price of tender under consideration
- Pmin = Price of lowest acceptable tender

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

### 3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

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

### 4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table 1 below as may be supported by proof/ documentation stated in the conditions of this tender:
- 4.2. In cases where organs of state intend to use Regulation 3(2) of the Regulations, which states that, if it is unclear whether the 80/20 or 90/10 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or
  - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system,
- then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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



Specific goal	Applicable weight	Evidence to be submitted by the supplier to substantiate the points claimed/allocated per specific goal (NB: Any of the evidence indicated below per specific goal should be regarded as sufficient). Original documents and or certified copies must be submitted.	Number of points allocated ( 80/20)	Points Claimed
People with disability	<p><b>2</b></p> <p>100% - 51% - disability ownership = <b>2 points</b></p> <p>0-50% disability ownership = <b>0 points</b></p>	Sworn affidavit signed by the company representative and attested by the Commission of oaths	<b>2</b>	
Youth	<p><b>6</b></p> <p>100% - Youth ownership = <b>6 points</b></p> <p>75%-99% Youth ownership = <b>4 points</b></p> <p>51%-74% Youth ownership= <b>2 points</b></p> <p>0 - 50% Youth ownership = <b>0 points</b></p>	<p>RSA identity document <b>Or</b> Valid RSA driver's license issued by the relevant authority</p> <p>NB: together with the company registration documentations which contained the % of ownership or shareholding certificates with the percentage of shares owned by the individual Director/s.</p> <p>(Youth is defined as any south African citizen with the age between 18 and 35 years).</p>	<b>6</b>	
Women	<p><b>6</b></p> <p>100% Woman ownership = <b>6 points</b></p> <p>75%-99% Woman ownership = <b>4 points</b></p> <p>51%-74% Woman ownership= <b>2 points</b></p> <p>0-50% Woman ownership = <b>0 points</b></p>	<p>RSA identity document</p> <p>Valid RSA driver's license issued by the relevant authority</p> <p>NB: together with the company registration documentations which contained the % of ownership or shareholding certificates with the percentage of shares owned by the individual Director/s.</p>	<b>6</b>	
Free State based company	<b>6</b>	<p>Municipal Account</p> <p>Lease agreement</p> <p>Title deeds</p> <p>Permission to occupy land signed by the traditional authority</p> <p>A letter of confirmation of the address signed by the ward councillor</p>	<b>6</b>	



### DECLARATION WITH REGARD TO COMPANY/FIRM

4.3. Name of company/firm.....

4.4. Company registration number: .....

4.5. TYPE OF COMPANY/ FIRM

Partnership/Joint Venture / Consortium

One-person business/sole propriety

Close corporation

Public Company

Personal Liability Company

(Pty) Limited

Non-Profit Company

State Owned Company

[TICK APPLICABLE BOX]

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

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in paragraphs 1.4 and 4.2, the contractor may be required to furnish documentary proof to the satisfaction of the organ of state that the claims are correct;
- iv) If the specific goals have been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the organ of state may, in addition to any other remedy it may have –
  - (a) disqualify the person from the tendering process;
  - (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
  - (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
  - (d) recommend that the tenderer or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
  - (e) forward the matter for criminal prosecution, if deemed necessary.

.....  
**SIGNATURE(S) OF TENDERER(S)**

**SURNAME AND NAME:** .....

**DATE:** .....

**ADDRESS:** .....

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

**SWORN AFFIDAVIT – B-BBEE QUALIFYING SMALL ENTERPRISE – SPECIALISED ENTITY -  
GENERAL**

I, the undersigned,

<b>Full name &amp; Surname</b>	
<b>Identity number</b>	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a Director of the following enterprise and am duly authorised to act on its behalf:

<b>Enterprise Name:</b>	
<b>Trading Name (If Applicable):</b>	
<b>Registration Number:</b>	
<b>Enterprise Physical Address:</b>	
<b>Type of Entity (NPO, PBO etc.):</b>	
<b>Nature of Business:</b>	
<b>Definition of "Black People"</b>	<p>As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians –</p> <p>(a) who are citizens of the Republic of South Africa by birth or descent; or</p> <p>(b) who became citizens of the Republic of South Africa by naturalisation-</p> <p>i. before 27 April 1994; or</p> <p>ii. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date;"</p>
<b>Definition of "Black Designated Groups"</b>	<p>"Black Designated Groups means:</p> <p>(a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution;</p> <p>(b) Black people who are youth as defined in the National Youth Commission Act of 1996;</p> <p>(c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act;</p> <p>(d) Black people living in rural and under developed areas;</p> <p>(e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;"</p>

3. I hereby declare under Oath that:

- The Enterprise has \_\_\_\_\_% Black Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has \_\_\_\_\_% Black Female Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has \_\_\_\_\_% Black Designated Group Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Beneficiary % Breakdown as per the definition stated above:
  - Black Youth % = \_\_\_\_\_%
  - Black Disabled % = \_\_\_\_\_%
  - Black Unemployed % = \_\_\_\_\_%
  - Black People living in Rural areas % = \_\_\_\_\_%
  - Black Military Veterans % = \_\_\_\_\_%
- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of \_\_\_\_\_, the annual Total Revenue/Allocated Budget/Gross Receipts was between R10,000,000.00 (Ten Million Rands) and R50,000,000.00 (Fifty Million Rands)
- Please confirm on the table below the B-BBEE level contributor, **by ticking the applicable box.**

At Least 75% Black Beneficiaries	<b>Level One</b> (135% B-BBEE procurement recognition level)	
At Least 51% Black Beneficiaries	<b>Level Two</b> (125% B-BBEE procurement recognition level)	

4. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
5. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

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

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

\_\_\_\_\_  
Commissioner of Oaths  
Signature & stamp

## SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE - GENERAL

I, the undersigned,

<b>Full name &amp; Surname</b>	
<b>Identity number</b>	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a Member / Director / Owner of the following enterprise and am duly authorised to act on its behalf:

<b>Enterprise Name:</b>	
<b>Trading Name (If Applicable):</b>	
<b>Registration Number:</b>	
<b>Enterprise Physical Address:</b>	
<b>Type of Entity (CC, (Pty) Ltd, Sole Prop etc.):</b>	
<b>Nature of Business:</b>	
<b>Definition of "Black People"</b>	<p>As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians –</p> <ul style="list-style-type: none"><li>(a) who are citizens of the Republic of South Africa by birth or descent; or</li><li>(b) who became citizens of the Republic of South Africa by naturalisation-<ul style="list-style-type: none"><li>i. before 27 April 1994; or</li><li>ii. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date;"</li></ul></li></ul>
<b>Definition of "Black Designated Groups"</b>	<p>"Black Designated Groups means:</p> <ul style="list-style-type: none"><li>(a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution;</li><li>(b) Black people who are youth as defined in the National Youth Commission Act of 1996;</li><li>(c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act;</li><li>(d) Black people living in rural and under developed areas;</li><li>(e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;"</li></ul>

3. I hereby declare under Oath that:

- The Enterprise is \_\_\_\_\_% Black Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise is \_\_\_\_\_% Black Female Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise is \_\_\_\_\_% Black Designated Group Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Owned % Breakdown as per the definition stated above:
  - Black Youth % = \_\_\_\_\_%
  - Black Disabled % = \_\_\_\_\_%
  - Black Unemployed % = \_\_\_\_\_%
  - Black People living in Rural areas % = \_\_\_\_\_%
  - Black Military Veterans % = \_\_\_\_\_%
- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of \_\_\_\_\_, the annual Total Revenue was R10,000,000.00 (Ten Million Rands) or less
- Please Confirm on the below table the B-BBEE Level Contributor, **by ticking the applicable box.**

100% Black Owned	<b>Level One</b> (135% B-BBEE procurement recognition level)	
At least 51% Black Owned	<b>Level Two</b> (125% B-BBEE procurement recognition level)	
Less than 51% Black Owned	<b>Level Four</b> (100% B-BBEE procurement recognition level)	

4. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the Owners of the Enterprise which I represent in this matter.
5. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

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

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

\_\_\_\_\_  
Commissioner of Oaths  
Signature & stamp

**SWORN AFFIDAVIT – B-BBEE EXEMPTED MICRO ENTERPRISE – SPECIALISED ENTITY -  
GENERAL**

I, the undersigned,

<b>Full name &amp; Surname</b>	
<b>Identity number</b>	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a Director of the following enterprise and am duly authorised to act on its behalf:

<b>Enterprise Name:</b>	
<b>Trading Name (If Applicable):</b>	
<b>Registration Number:</b>	
<b>Enterprise Physical Address:</b>	
<b>Type of Entity (NPO, PBO etc.):</b>	
<b>Nature of Business:</b>	
<b>Definition of "Black People"</b>	<p>As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians –</p> <p>(a) who are citizens of the Republic of South Africa by birth or descent; or</p> <p>(b) who became citizens of the Republic of South Africa by naturalisation-</p> <p>i. before 27 April 1994; or</p> <p>ii. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date;"</p>
<b>Definition of "Black Designated Groups"</b>	<p>"Black Designated Groups means:</p> <p>(a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution;</p> <p>(b) Black people who are youth as defined in the National Youth Commission Act of 1996;</p> <p>(c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act;</p> <p>(d) Black people living in rural and under developed areas;</p> <p>(e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;"</p>

3. I hereby declare under Oath that:

- The Enterprise has \_\_\_\_\_% Black Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has \_\_\_\_\_% Black Female Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise has \_\_\_\_\_% Black Designated Group Beneficiaries as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Beneficiary % Breakdown as per the definition stated above:
  - Black Youth % = \_\_\_\_\_%
  - Black Disabled % = \_\_\_\_\_%
  - Black Unemployed % = \_\_\_\_\_%
  - Black People living in Rural areas % = \_\_\_\_\_%
  - Black Military Veterans % = \_\_\_\_\_%
- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of \_\_\_\_\_, the annual Total Revenue/Allocated Budget/Gross Receipts was R10,000,000.00 (Ten Million Rands) or less

- Please Confirm on the below table the B-BBEE Level Contributor, **by ticking the applicable box.**

At Least 75% Black Beneficiaries	<b>Level One</b> (135% B-BBEE procurement recognition level)	
At Least 51% Black Beneficiaries	<b>Level Two</b> (125% B-BBEE procurement recognition level)	
Less than 51% Black Beneficiaries	<b>Level Four</b> (100% B-BBEE procurement recognition level)	

4. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the Owners of the Enterprise which I represent in this matter.
5. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

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

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

\_\_\_\_\_  
Commissioner of Oaths  
Signature & stamp



## SWORN AFFIDAVIT – B-BBEE QUALIFYING SMALL ENTERPRISE - GENERAL

I, the undersigned,

<b>Full name &amp; Surname</b>	
<b>Identity number</b>	

Hereby declare under oath as follows:

1. The contents of this statement are to the best of my knowledge a true reflection of the facts.
2. I am a Member / Director / Owner of the following enterprise and am duly authorised to act on its behalf:

<b>Enterprise Name:</b>	
<b>Trading Name (If Applicable):</b>	
<b>Registration Number:</b>	
<b>Enterprise Physical Address:</b>	
<b>Type of Entity (CC, (Pty) Ltd, Sole Prop etc.):</b>	
<b>Nature of Business:</b>	
<b>Definition of "Black People"</b>	<p>As per the Broad-Based Black Economic Empowerment Act 53 of 2003 as Amended by Act No 46 of 2013 "Black People" is a generic term which means Africans, Coloureds and Indians –</p> <p>(a) who are citizens of the Republic of South Africa by birth or descent; or</p> <p>(b) who became citizens of the Republic of South Africa by naturalisation-</p> <p>i. before 27 April 1994; or</p> <p>ii. on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date;"</p>
<b>Definition of "Black Designated Groups"</b>	<p>"Black Designated Groups means:</p> <p>(a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution;</p> <p>(b) Black people who are youth as defined in the National Youth Commission Act of 1996;</p> <p>(c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act;</p> <p>(d) Black people living in rural and under developed areas;</p> <p>(e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;"</p>

3. I hereby declare under Oath that:

- The Enterprise is \_\_\_\_\_% Black Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise is \_\_\_\_\_% Black Female Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- The Enterprise is \_\_\_\_\_% Black Designated Group Owned as per Amended Code Series 100 of the Amended Codes of Good Practice issued under section 9 (1) of B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013,
- Black Designated Group Owned % Breakdown as per the definition stated above:
  - Black Youth % = \_\_\_\_\_%
  - Black Disabled % = \_\_\_\_\_%
  - Black Unemployed % = \_\_\_\_\_%
  - Black People living in Rural areas % = \_\_\_\_\_%
  - Black Military Veterans % = \_\_\_\_\_%
- Based on the Financial Statements/Management Accounts and other information available on the latest financial year-end of \_\_\_\_\_, the annual Total Revenue was between R10,000,000.00 (Ten Million Rands) and R50,000,000.00 (Fifty Million Rands),
- Please confirm on the table below the B-BBEE level contributor, **by ticking the applicable box.**

100% Black Owned	<b>Level One</b> (135% B-BBEE procurement recognition level)	
At Least 51% black owned	<b>Level Two</b> (125% B-BBEE procurement recognition level)	

4. I know and understand the contents of this affidavit and I have no objection to take the prescribed oath and consider the oath binding on my conscience and on the owners of the enterprise which I represent in this matter.
5. The sworn affidavit will be valid for a period of 12 months from the date signed by commissioner.

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

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

\_\_\_\_\_  
Commissioner of Oaths  
Signature & stamp

**SPECIAL CONDITIONS OF CONTRACT**  
**DEPARTMENT OF HEALTH**

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**THE FOLLOWING SPECIAL CONDITIONS OF CONTRACT WILL APPLY TO THIS BID / QUOTATION :****1. EVALUATION CRITERIA**

The following preference point system is applicable to the bid/quotation 80/20.

*The preference points for this bid/quotation are allocated as follows and will be applied when adjudicating the bid / quotation:*

Price	=	80 points
Specific goals	=	20 points
		—
<u>Total points</u>	=	<u>100 points</u>

**2. BROAD-BASED BLACK ECONOMIC EMPOWERMENT STATUS LEVEL CERTIFICATES**

2.1 Bidders may claim points for B-BBEE as part of the specific goals in the following manner:

2.1.1 An Exempted Micro Enterprise (EME), is required to submit a sworn affidavit confirming their annual total revenue of R10 million or less and level of black ownership to claim B-BBEE points allocated under the specific goals.

2.1.2 An Exempted Micro Enterprise (EME) is required to submit a sworn affidavit confirming their annual turnover, allocated budget or gross receipts of R10 million or less and level of percentage of black beneficiaries to claim B-BBEE points allocated under the specific goals.

2.1.3. An EME may be measured in terms of the Qualifying Small Enterprise scorecard should they wish to maximize their points and move to a higher B-BBEE recognition level. It is in this context that an EME may submit a B-BBEE verification certificate to claim points allocated under the specific goals.

2.1.4. A Qualifying Small Enterprise (QSE), other than submitting the B-BBEE level verification certificate, may submit a sworn affidavit confirming their annual total revenue of between R10 million and R50 million and level of black ownership to claim B-BBEE points allocated under the specific goals.

2.1.5. A Qualifying Small Enterprise (QSE) that regarded as a specialized enterprise, other than submitting the B-BBEE level certificate, may submit a sworn affidavit confirming their annual turnover, allocated budget or gross receipt of R50 million or less and level of percentage of black beneficiaries to claim B-BBEE points allocated under the specific goals.

2.2 Bidders who do not submit B-BBEE Level Verification Certificates or are non-compliant contributors to B-BBEE do not qualify for specific goals on B-BBEE. **They will therefore score points out of 90 or 80 for price only and zero (0) points out of 10 or 20 for specific goals.**

- 2.3 A trust, consortium or joint venture must submit a consolidated B-BBEE Status Level Verification Certificate for every separate bid and Public Entities and Tertiary Institutions must submit B-BBEE Status Level Verification Certificate together with their bids.

### 3. **ONCE-OFF BID PRICES**

#### 3.1 Firm prices:

Prices for once-off bids must be firm. No application for price adjustment will be considered except in the case where rate of exchange is applicable. All the necessary documentary proof must be submitted.

Where the exchange rate is applicable the bidder is expected to complete the SBD 3.2 in full at the time of bidding.

### 4. **PERIOD CONTRACT PRICES**

#### 4.1 1<sup>st</sup> year of the contract period:

Prices must be firm for the 1<sup>st</sup> (first) year of the contract period. No price adjustments will be allowed during the 1<sup>st</sup> year of the contract period except in the case where rate of exchange is applicable. The request for price adjustment due to rate of exchange will be considered per consignment. All the necessary documentary proof must be submitted.

#### 4.2 2<sup>nd</sup> year and rest of the contract period – Prices subject to escalation

- 4.2.1 A request for price adjustment due to statutory increases on period contracts will be considered **after** the 1<sup>st</sup> year of the contract period if the bid/quotation is qualified as such and with the necessary documentary proof.

- 4.2.2 **In order to be considered for price increases from the 2<sup>nd</sup> year** of the contract period (statutory increase) and where the rate of exchange is applicable (on request per consignment), the price escalation form SBD 3.2 must be completed in full.

#### 4.2.3 Submitting of price adjustment claims:

Claims for statutory increases must be submitted within 90 days of the change in price. If a claim is received after 90 days, the adjusted price will only be considered from the date the claim was received by the Department.

Delivery of goods and/or services must not be withheld as a result of the price adjustment not being finalized or as a result of any dispute.

Companies must indicate in the bid document the amount to be remitted abroad as well as the rate of exchange applied in the conversion of that amount into SA currency, when calculating the bid price. Proof from the bank for rate of exchange applicable to the bid at time of bidding **must** be attached to the bid document.

**Price adjustments based on Rate of Exchange will only be applied per consignment delivered to the applicable institution of the Department due to the continuous fluctuation.**

4.2.4 Documentary proof for price adjustments:

- (i) All claims must be properly substantiated by documentary evidence to the satisfaction of the Head of Health.
- (ii) The following information must be supplied when claims for rate of exchange variations are lodged:
  - Documentary evidence of currency and amount paid to foreign supplier
  - Supplier's invoice
  - Bill of entry/landing
  - Copy of institutions order, delivery note and invoice

4.2.5 Failure to comply with the conditions as per par. 4.2.2 to 4.2.4 **will invalidate** the claim.

**5. QUALIFICATION OF BID DOCUMENTS**

- 5.1 The invitation form (SBD 1) must be **completed in full and signed originally** (in black pen ink) by the person in the company who is authorised to do so. Failure to sign the offer will invalidate the offer.
- 5.2 The SBD forms and all other bid forms must be submitted in the original format. The Office will only consider the original bid documents issued by the Office and signed by the company. Bid documents that are retyped, transmitted by facsimile, electronic mail or changed in any other way, will invalidate the bid. Scanned documents, which are completed in the original, will be acceptable.

**6. DECLARATIONS – SBD 4, SBD 6.1:**

All declarations must be **originally completed** in full and duly signed by the bidder and where required, two witnesses.

**6.1 SBD 4 – Declaration of Interest**

All the state employees are not allowed to do a business with the Free State Department of Health.

**7. CORRECTIONS TO DOCUMENTS:**

- 7.1 Correction fluid (like Tippex for example) must not be used in bid documents in order to correct mistakes. Where a company wishes to correct a mistake, a single line must be drawn through it and the company must place his/her signature and date next to the correction, so that the original entry is still visible and legible. Failing to rectify mistakes in this manner **will invalidate the bid or the relevant item, or the relevant clause.**

- 7.2 In all other cases of alterations/corrections a full signature and date must be attached above, next to or below the said alteration or correction. If not signed in full at the correction the specific item/bid/quotation **will not** be taken into consideration.
- 7.3 Companies must check the numbers of the pages on the bid document and should satisfy themselves that the document is complete and that none of the pages are missing or duplicated before the closing date of the bid. No liability shall be accepted with regard to claims arising from the fact that pages are missing or duplicated.
- 7.4 Where **specific goal points** are claimed on the various SBD 6 forms, the forms must be completed in full, must be signed by the company and both witnesses otherwise the points claimed **will not be considered**.
- 7.5 The bid must be submitted in a sealed envelope. The **correct** bid number and closing date must be clearly indicated on the front of the envelope and the bidder's details on the back. The envelope must be placed in the bid box as indicated, before or on the closing date and time of the bid. On failure to comply the bid **will not be considered**. Bids, which are **received after the closing date and time**, will not be accepted and will be returned to the bidder.

## **8. TAX COMPLIANCE STATUS OF THE BIDDER**

- 8.1 Designated employee(s) must verify the bidder's tax compliance status prior to the awarding of price quotations or competitive bids. Where the bidder is not tax compliant, the bidder must be notified in writing of their non-compliant status and the bidder must be requested to submit written proof from SARS of their tax compliance status or proof that they have made an arrangement to meet their outstanding tax obligations within 7 working days. The bidder should thereafter provide the accounting officer or accounting authority with proof of their tax compliance status which should be verified via the Central Supplier Database or eFiling. Should the recommended bidder fail to provide written proof of their tax compliance status, accounting officers and accounting authorities must reject the bid submitted by the bidder.

## **9. COMPULSORY EXPLANATORY MEETING AND / OR SITE VISIT**

- 9.1 A compulsory explanatory meeting and/or site visit if so required in the bid documents and bid advertisement must be attended. **Failure to attend will invalidate the bid. In case of a joint venture, consortium all companies must attend the meetings and submit their own attendance certificate in the company's name.**
- 9.2 An attendance certificate per company must be signed and stamped by an official of the Department with registration at the meeting. The document/s must be attached in its original to the bid document. Copies of the document will not be accepted.
- 9.3 Information already provided at the meeting will not be repeated to late attendees.
- 9.4 A copy of the minutes of the meeting can be made available to companies on request.

**10. PAYMENT TO SUPPLIERS**

Payments will be handled as prescribed by the PFMA and will normally be effected within 30 days of receipt of all the required documentation, which should be correct in every respect.

**11. LEGISLATION / LAWS**

Companies must comply with the provisions of current Labour Legislation as well as any other relevant legislation or legal requirement.

**12. VALIDITY PERIOD OF BID**

The period for which offers are to remain valid and binding (in order for the Department to finalize it), is indicated in the bid documents (SBD 3.1 / 3.2) and is calculated from the closing day with the understanding that offers are to remain in force and binding until the close of business on the last day of the period calculated and if this day falls on a Saturday, Sunday or Public Holiday, the bid is to remain valid and binding until the close of business on the following working day.

**13. QUANTITIES**

Where quantities are specified in the bid documents the Department cannot guarantee that they will be ordered as such, as it depends on Departmental needs. The Department is not liable for any losses the contractor might suffer for not ordering specific quantities.

Where quantities are specified, "as required" the quantities will be ordered as and when needed.

**14. SAMPLES**

- 14.1 Samples to be submitted (if so required in the bid documents), must be clearly marked with the bid and item number as well as the company's name.

**UNDER NO CIRCUMSTANCES SAMPLES SHALL BE INCLUDED IN THE BID DOCUMENTS. SAMPLES INCLUDED IN BID DOCUMENTS WILL NOT BE CONSIDERED**

- 14.2 The samples must be delivered to the addressee mentioned in the bid documents so as to reach him/her not later than the closing date and time of the bid.
- 14.3 Samples shall be supplied by the bidder at his/her own expense and risk.
- 14.3 Samples of the successful company will be kept with the Department until the end of the contract period and will be returned to the company only if so stated in the bid/quotation documents.
- 14.4 All samples provided, which must be returned to the company must be removed on request of the Department at the company's own expense and risk within the specified



period. On failing to comply with, the company will forfeit ownership and the sample shall forthwith be disposed of at the discretion of the Department.

## 15. **BID PRICES**

- 15.1 Prices of bids must be provided for the specific units as required per SBD 3.1/3.2 forms. The packaging may vary and will be considered unless specific packaging is required.
- 15.2 Bid prices must be all inclusive and no additional cost will be paid for e.g. delivery, VAT, etc.
- 15.3 Bid prices must be indicated on the relevant SBD 3.1/3.2 form/s unless otherwise requested by the Department.

## 16. **PRICE LISTS**

Price lists **will not be considered** for acceptance of the bid unless it was specifically requested in the bid / quotation documents.

## 17. **SPECIFICATION – COMPANY'S RESPONSE**

Where a specification provides for the company's response to the different points of specification, the bidder's part **must** be properly completed or the bid or the relevant item **will be disqualified**. **Where items deviate from the requirement, the deviation must be indicated.**

## 18. **ADJUDICATION OF BID**

- 18.1 Chapter 6 of the Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004), that deals with the Register for Tender Defaulters, as well as Regulations made by the Minister of Finance in this regard, are applicable when adjudicating a bid/quotation.
- 18.2 The Department may terminate the bid/contract in whole or in part if representatives of the Department, is in the judgement that the bidder has engaged in corrupt or fraudulent practices in competing for or in executing the contract.
- 18.3 In the event of a bid being awarded as a result of specific goal points claimed in terms of the revised Preferential Procurement Regulations 2022, the contractor may be required to furnish documentary proof to the satisfaction of the Department.
- 18.3.1 The Department will act against the bidder or person awarded the contract upon detecting that the specific goal points for B-BBEE status level of contribution has been claimed of obtained on a fraudulent basis or any of the contract conditions have not been fulfilled.

18.3.2 The Department may, in addition to any other remedy that it may have against the bidder or person:

18.3.3 Disqualify the bidder or person from the bidding process;

18.3.4 Recover all costs, losses or damages it has incurred or suffered as a result of that person's conduct;

18.3.5 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;

18.3.6 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 applying the *audi alteram partem* (hear the other side) rule; and

18.3.7 Forward the matter for criminal prosecution.

**19. RESTRICTION OF BUSINESS INTEREST OF EMPLOYEES CONDUCTING BUSINESS WITH THE PROVINCIAL GOVERNMENT**

An employee may not have a business interest in any entity conducting business with the Provincial Government.

**20. COMPLIANCE TO CONTRACT**

20.1 The Department will monitor compliance to the contract after adjudication of the bid that include, but need not be limited to, site inspections and the request for documentary proof of compliance with the PFMA and relevant legislation.

20.2 Where services are rendered, which involves minimum wages for employees in terms of the sectoral wage determination, the Department reserves the right to request copies of payslips of employees during the period of the contract.

**21. CONTRACT SIGNING**

In response to an invitation to bid, companies must submit bid which in terms of the law represent offers. Once an offer is accepted and a bid is awarded to a successful company, a legal contract comes into existence.

The Department will not enter into any other contract than the SDB 7.1 or 7.2 form to be concluded as a result of acceptance of the bid.

**22. FINANCIAL SCHEDULES**

The financial schedule and annexure(s) for breakdown on salaries/wages where applicable, must be fully completed and submitted with the bid.

**23. DECLARATION OF INTEREST**

Failure to declare interest on the part of the company or officials from the Department is unacceptable, which **will** lead to the bid/quotation not being considered.

**24. DESCRIPTIVE LITERATURE / BROCHURES / PAMPHLETS**

If so required, the company must supply descriptive literature, brochures or pamphlets.

Descriptive literature is regarded as text and photos as issued by the original manufacturer.

**25. PERFORMANCE SECURITY / SURETY**

A Performance Security / Surety is not applicable to all bid. Where it is a requirement in a specific bid, it will be indicated in the bid documents as well as the period in which the performance security / surety must be submitted. If so required, it must be provided to the Department within the required period or the Department will have the right to cancel the contract and to claim any damages suffered from the contractor.

**26. ACCREDITED REPRESENTATIVE**

If you are an accredited representative in South Africa for the goods/services offered written proof from the original supplier must be enclosed. (Refer to the SDB 1 form). Failure to do so will result in the offer not being considered.

**27. EQUIPMENT EXCEEDING SPECIFICATIONS**

There might be cases where the specifications do not address latest developments in technology. Where this is the case, the company must indicate next to the specific requirement in the specification to what extent the improved technology is offered. The Department may consider such offers in the adjudication process on condition that full details are provided for comparison purposes.

**28. DELIVERY AND DOCUMENTS**

If so required, details of shipping and/or other documents to be furnished by the supplier are specified in the bid document

**29. INSURANCE**

Insurance as prescribed in the GCC par. 11 is applicable. Specific requirements over and above GCC par. 11 will be specified in the bid/quotation document.

**30. INCIDENTAL SERVICES**

Incidental services if so required will be handled as specified in the bid document.

**31. SPARE PARTS**

Spare parts forms part of the specification of the bid/quotation and must be dealt with as such.

**32. WARRANTY**

- 32.1 Only new, unused goods must be supplied unless otherwise stated in the bid document.
- 32.2 The General Conditions of Contract par. 15 will apply unless otherwise stated in the bid documents.
- 32.3 Suppliers must remedy defect(s) on goods delivered within the period stated in the bid/quotation document or within the period as required by the Department.

**33. PENALTIES**

Penalties will be imposed as per current prime interest rate as prescribed by the General Conditions of Contract par. 22 unless otherwise stated in the bid/quotation document.

**34. SETTLEMENT OF DISPUTES**

The parties hereby agree that in the case of a dispute that cannot be resolved mutually, the dispute will be referred for settlement to the Secretary of the Law Society in the Free State, and in the case of the said Society's unwillingness to hear the dispute, such dispute will be referred to the Chairperson of the Bar Council for the Society for Advocates and/or his/her nominee.

The parties agree that the decision of the presiding officer in the dispute settlement procedure will be final and that neither of the parties will institute legal action against the other following the dispute settlement.

**35. TERMINATION OF CONTRACTS: UNFULFILLED ORDERS**

On termination of the contract, unfulfilled orders will automatically be cancelled and where appropriate, be supplied in terms of any subsequent contract.

**36. CESSION OF CONTRACTS**

The supplier shall not cede, in whole or in part, its obligations to perform under the contract or payments made/or to be made by the Department to the supplier, except with the Department's prior written consent.

**37. ACCEPTANCE OF THE SPECIAL CONDITIONS OF CONTRACT AND GENERAL CONDITIONS OF CONTRACT**

Failure to accept the Special Conditions of Contract and the General Conditions of Contract or any part thereof, may result in the bid/quotation not being considered.

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**38. THE COMPANY MUST COMPLETE THE FOLLOWING:**

I, .....in my capacity as ..... of the company,  
hereby certifies that I took note and accept the above-mentioned Special Conditions of  
Contract.

.....  
**SIGNATURE**

.....  
**CAPACITY**

**Contact person of company:** .....

**Tel. of company: (.....) ..... Fax of company: (.....) .....**

# **THE NATIONAL TREASURY**

**Republic of South Africa**



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## **GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT**

**July 2010**

**GOVERNMENT PROCUREMENT**  
**GENERAL CONDITIONS OF CONTRACT**  
**July 2010**

**NOTES**

The purpose of this document is to:

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

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

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

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## General Conditions of Contract

### 1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

## **2. Application**

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

## **3. General**

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

## **4. Standards**

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

## **5. Use of contract documents and information; inspection.**

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

## **6. Patent rights**

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

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**7. Performance security**

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

**8. Inspections, tests and analyses**

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

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

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

#### **9. Packing**

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

#### **10. Delivery and documents**

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

#### **11. Insurance**

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

#### **12. Transportation**

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

#### **13. Incidental services**

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

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

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

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

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

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

#### **15. Warranty**

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

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

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

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

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

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

**16. Payment**

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

**17. Prices**

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

**18. Contract amendments**

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

**19. Assignment**

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

**20. Subcontracts**

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

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

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



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

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

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

## **22. Penalties**

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

## **23. Termination for default**

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

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

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

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

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





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

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

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

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

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

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

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

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

may be due to him

**25. Force Majeure**

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

**26. Termination for insolvency**

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

**27. Settlement of Disputes**

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

**28. Limitation of liability**

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

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

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

Js General Conditions of Contract (revised July 2010)