



agriculture, land reform & rural development

Department:
Agriculture, Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA

Free State Shared Service Centre, Private Bag X 20803, Bloemfontein, 9300
Enquiries: MR G.G MATSHE Telephone (051) 4004200 Fax: (086) 621 2283

YOU ARE HEREBY INVITED TO BID TO THE DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT:

BID NO : DALRRD-SPLUM-UASOC (2023/24)
COMPULSORY BRIEFING SESSION: N/A
CLOSING DATE : 06/02/2024

TIME: N/A
TIME: 11:00 am

APPOINTMENT OF A SERVICE PROVIDER/ FIRM OR CONSORTIUM WITH AN UNMANNED AIRCRAFT SYSTEMS OPERATING CERTIFICATE (UASOC) TO OPERATE THE DEPARTMENTS DRONES IN THE INTERIM FOR A MAXIMUM PERIOD OF 18 MONTHS UNTIL THE DEPARTMENT UASOC APPLICATION IS FINALISED FOR THE DEPARTMENT OF AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT, SPATIAL PLANNING AND LAND USE MANAGEMENT BRANCH.

BID PROPOSAL RECEIVED AFTER CLOSING DATE AND TIME ARE LATE AND WILL NOT BE ACCEPTED FOR CONSIDERATION.

N.B: SUPPLIERS ARE ADVISED TO REGISTER ON CSD- www.csd.gov.za

Kindly furnish us with proposal for services shown on the attached documents.

1. Attached please find the SBD1, SBD2, SBD 3.1, SBD 4, SBD 6.1, ToR, and GCC.
2. If you are a sole agent or sole supplier, it is essential that you indicate your percentage commission or profit before tax in order that the reasonableness of your quotation price may be gauged, this information will be treated as strictly confidential.
3. All the documents accompanying this quotation invitation must be completed in detail where applicable and returned with your quotation.
4. Please make sure that your quotation reaches this office before the closing time.
5. When submitting your quotation, the following information must appear on the sealed envelope:-
(i) Name and address of bidder. (ii) Bid Number (iii) Closing Date.

This envelope can be placed in the bid/tender box on entrance ground Floor 136 SA Eagle Building, Maitland Street, Bloemfontein 9300.

OR

If posted, place the afore-mentioned envelope in a covering envelope addressed as follows:-

Quotations, Rural Development and Land Reform Bloemfontein Office: Private Bag X 20803 Bloemfontein 9300.

Yours faithfully,

SIGNED

**MR.C.M MAMPA
DEPUTY DIRECTOR: SCM
FREE STATE PROVINCIAL SHARED SERVICE CENTRE
DATE: 15/01/2024**

PART A
INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	DALRRD-SPLUM-UASOC (2023/2024)	CLOSING DATE:	06/02/2024	CLOSING TIME:	11H00
DESCRIPTION:	APPOINTMENT OF A SERVICE PROVIDER/ FIRM OR CONSORTIUM WITH AN UNMANNED AIRCRAFT SYSTEMS OPERATING CERTIFICATE (UASOC) TO OPERATE THE DEPARTMENT'S DRONES IN THE INTERIM FOR A MAXIMUM PERIOD OF 18 MONTHS UNTIL THE DEPARTMENT UASOC APPLICATION IS FINALISED FOR THE DEPARTMENT OF AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT, SPATIAL PLANNING AND LAND USE MANAGEMENT BRANCH.				
THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).					

BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX
SITUATED AT (STREET ADDRESS)

136 SA EAGLE BUILDING				
CHARLOTTE MAXEKE STREET				
BLOEMFONTEIN				
GROUND FLOOR				
SUPPLIER INFORMATION				
NAME OF BIDDER				
POSTAL ADDRESS				
STREET ADDRESS				
TELEPHONE NUMBER	CODE		NUMBER	
CELLPHONE NUMBER				
FACSIMILE NUMBER	CODE		NUMBER	
E-MAIL ADDRESS				
VAT REGISTRATION NUMBER				
	TCS PIN:		OR	CSD No:
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE [TICK APPLICABLE BOX]	<input type="checkbox"/> Yes		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	<input type="checkbox"/> Yes
	<input type="checkbox"/> No			<input type="checkbox"/> No
IF YES, WHO WAS THE CERTIFICATE ISSUED BY?				
AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA) AND NAME THE APPLICABLE IN THE TICK BOX	<input type="checkbox"/>	AN ACCOUNTING OFFICER AS CONTEMPLATED IN THE CLOSE CORPORATION ACT (CCA)		
	<input type="checkbox"/>	A VERIFICATION AGENCY ACCREDITED BY THE SOUTH AFRICAN ACCREDITATION SYSTEM (SANAS)		
	<input type="checkbox"/>	A REGISTERED AUDITOR NAME:		

**[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/SWORN AFFIDAVIT(FOR EMEs& QSEs) MUST BE SUBMITTED IN
ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]**

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No [IF YES ENCLOSURE PROOF]	ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes	<input type="checkbox"/> No [IF YES ANSWER PART B:3 BELOW]
SIGNATURE OF BIDDER		DATE		
CAPACITY UNDER WHICH THIS BID IS SIGNED (Attach proof of authority to sign this bid; e.g. resolution of directors, etc.)					
TOTAL NUMBER OF ITEMS OFFERED	ALL	TOTAL BID PRICE (INCLUSIVE OF VAT AND ALL HIDDEN COSTS)			
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO:		TECHNICAL INFORMATION MAY BE DIRECTED TO:			
DEPARTMENT/ PUBLIC ENTITY	DALRRD		CONTACT PERSON	MR. A. ERASMUS	
CONTACT PERSON	MR GG MATSHE		TELEPHONE NUMBER	071 676 9416	
TELEPHONE NUMBER	051 400 4200		FACSIMILE NUMBER	N/A	
FACSIMILE NUMBER	N/A		E-MAIL ADDRESS	andre.erasmus@dalrrd.gov.za	
E-MAIL ADDRESS	gladman.matshe@dalrrd.gov.za				

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 ONLINE
- 1.3. BIDDERS MUST REGISTER ON THE CENTRAL SUPPLIER DATABASE (CSD) TO UPLOAD MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS; AND BANKING INFORMATION FOR VERIFICATION PURPOSES). B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.4. WHERE A BIDDER IS NOT REGISTERED ON THE CSD, MANDATORY INFORMATION NAMELY: (BUSINESS REGISTRATION/ DIRECTORSHIP/ MEMBERSHIP/IDENTITY NUMBERS; TAX COMPLIANCE STATUS MAY NOT BE SUBMITTED WITH THE BID DOCUMENTATION. B-BBEE CERTIFICATE OR SWORN AFFIDAVIT FOR B-BBEE MUST BE SUBMITTED TO BIDDING INSTITUTION.
- 1.5. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER LEGISLATION OR SPECIAL CONDITIONS OF CONTRACT.

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 VIEW THE TAXPAYER'S PROFILE AND TAX STATUS.
- 2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) OR PIN MAY ALSO BE MADE VIA E-FILING. IN ORDER TO USE THIS PROVISION, TAXPAYERS WILL NEED TO REGISTER WITH SARS AS E-FILERS THROUGH THE WEBSITE WWW.SARS.GOV.ZA.
- 2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS TOGETHER WITH THE BID.
- 2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE PROOF OF TCS / PIN / CSD NUMBER.
- 2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.

3. QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

- 3.1. IS THE BIDDER A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? YES NO
- 3.2. DOES THE BIDDER HAVE A BRANCH IN THE RSA? YES NO
- 3.3. DOES THE BIDDER HAVE A PERMANENT ESTABLISHMENT IN THE RSA? YES NO
- 3.4. DOES THE BIDDER HAVE ANY SOURCE OF INCOME IN THE RSA? YES NO

IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN, IT IS NOT A REQUIREMENT TO OBTAIN A TAX COMPLIANCE STATUS / TAX COMPLIANCE SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 ABOVE.

NB: FAILURE TO PROVIDE ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

TAX CLEARANCE CERTIFICATE REQUIREMENTS

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

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

**Application for a Tax Clearance
Certificate****Purpose**Select the applicable option Tenders Good standingIf "Good standing", please state the purpose of this application
Particulars of applicantName/Legal name
(Initials & Surname
or registered name)
Trading name
(if applicable)
ID/Passport no
Company/Close Corp.
registered no
Income Tax ref no
PAYE ref no 7
VAT registration no. 4 SDL ref no L
Customs code
UIF ref no U
Telephone no
Fax
no
E-mail address
Physical address
Postal address
Particulars of representative (Public Officer/Trustee/Partner)Surname
First names
ID/Passport no
Income Tax ref no
Telephone no
Fax
no
E-mail address
Physical address

Particulars of tender (If applicable)

Tender number

Estimated Tender amount

R

Expected duration year(s)
of the tender**Particulars of the 3 largest contracts previously awarded**

Date started Date finalised Principal Contact person Telephone number Amount

AuditAre you currently aware of any Audit investigation against you/the company? YES NO
If "YES" provide details**Appointment of representative/agent (Power of Attorney)**I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.I hereby authorise and instruct to apply to and receive from SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

Name of
representative/
agent

Date

Declaration

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

Signature of applicant/Public Officer

Name of applicant/
Public Officer

Date

Notes:

1. It is a serious offence to make a false declaration.
2. Section 75 of the Income Tax Act, 1962, states: Any person who
 - (a) fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - (b) without just cause shown by him, refuses or neglects to-
 - (i) furnish, produce or make available any information, documents or things;
 - (ii) reply to or answer truly and fully, any questions put to him ...
- As and when required in terms of this Act ... shall be guilty of an offence ...
3. **SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
4. Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as applicable.

DARRD-SPLUM-UASOC (2023/2024)

APPOINTMENT OF A SERVICE PROVIDER/ FIRM OR CONSORTIUM WITH AN UNMANNED AIRCRAFT SYSTEMS OPERATING CERTIFICATE (UASOC) TO OPERATE THE DEPARTMENTS DRONES IN THE INTERIM FOR A MAXIMUM PERIOD OF 18 MONTHS UNTIL THE DEPARTMENT UASOC APPLICATION IS FINALISED FOR THE DEPARTMENT OF AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT, SPATIAL PLANNING AND LAND USE MANAGEMENT BRANCH.

PRICING SCHEDULE (FIRM PRICES)

(Professional Services)

NAME OF BIDDER:

BID NO.: DARRD-SPLUM-UASOC (2023/2024)

CLOSING DATE: 06/02/2024 TIME: 11H00

OFFER TO BE VALID FOR 90 DAYS FROM THE CLOSING DATE OF BID.

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

TOTAL BID PRICE (INCLUSIVE OF VAT)

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1. PROJECT PAYMENTS AND DURATION

- 1.1. *The project to operate the departmental drones under a SP's UASOC will be for a maximum of 18 months from the time the SP is appointed. If the Department's UASOC is issued before the 18 months have lapsed, the following must apply. The SP must start the process to change the address which effectively transfers the UASs from the SP's UASOC to the Department's UASOC. This process must be completed in the shortest time possible and cannot exceed the 18-month period. Payment for this final process should be listed separately and form part of the tender amount.*
- 1.2. *The tariff schedule should assume a maximum of 18 pilots and a maximum of 18 UASs, although pilots and UAS can be added and removed when required, for example, but not limited to when a medical certificate lapses, a drone is damaged beyond repair, or either is removed for operational reasons.*
- 1.3. *A "pay-per-use tariff schedule" for a period of 18 months consisting of the following pay-per-use items:*
 - 1.3.1. *Monthly Cost per pilot to operate under SP's Operating Certificate with DALRRD-owned equipment.*
 - 1.3.2. *Monthly Cost per drone to operate under SP's Operating Certificate with DALRRD-owned equipment.*
 - 1.3.3. *Daily Cost per drone rental (max 3 drones) to support the Department with specialised drone operations should be listed separately for a maximum of 10 days.*
 - 1.3.4. *Daily Cost per SP's certified pilot (max 3 pilots) to support the Department with specialised drone operations should be listed separately for a maximum of 10 days.*
 - 1.3.5. *Cost per drone to be registered under the SP's UASOC (this includes weighing, Certificate of Registration, registration markings, fire plate and first UASLA).*

Name of Bidder:

APPOINTMENT OF A SERVICE PROVIDER/ FIRM OR CONSORTIUM WITH AN UNMANNED AIRCRAFT SYSTEMS OPERATING CERTIFICATE (UASOC) TO OPERATE THE DEPARTMENTS DRONES IN THE INTERIM FOR A MAXIMUM PERIOD OF 18 MONTHS UNTIL THE DEPARTMENT UASOC APPLICATION IS FINALISED FOR THE DEPARTMENT OF AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT, SPATIAL PLANNING AND LAND USE MANAGEMENT BRANCH.

- 1.3.6. *Cost per drone to be re-issued a UASLA under the SP's UASOC (including weighing, re-printing of registration markings and all associated costs).*
- 1.3.7. *Cost per drone to be transferred (change of address) from the SP's Operating Certificate to the Department's UASOC (including all associated costs).*
- 1.3.8. *The SP must ensure that any operational costs related to SACAA are accounted for in the tendered amount.*

NB: All unit cost must be inclusive of all hidden cost and is for the duration of the project.

NB: Total bid price must be carried to SBD 1 of the bid document.

Any enquiries regarding bidding procedures may be directed to the –
 AGRICULTURE LAND REFORM & RURAL DEVELOPMENT
 PRIVATE BAG X 20803
 BLOEMFONTEIN
 9300

Query	Name	Contact Details
Technical	Attention: Mr. ANDRE ERASMUS	Telephone: 071 676 9416 E-mail: andre.erasmus@dalrrd.gov.za
Bid related	Mr GG Matshe Bid Management	(051) 400 4200 gladman.matshe@dalrrd.gov.za

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

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

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

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

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

2.2.1 If so, furnish particulars:

.....
.....

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

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

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

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

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**

BID PROCESS (EQUAL OR BELOW R 50 MILLION)

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. 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 tender 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;
- (e) **“the Act”** means the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000); and
- (f) "Historically Disadvantaged individuals" means a person historically disadvantaged by unfair discrimination on the basis of race: Provided that a person historically disadvantaged on the basis of race refers to Africans, Coloureds, Indians and people of Chinese descent who are South African citizens by birth or descent; or who became citizens of the Republic of South Africa by Naturalisation -
 - Before 27 April 1994; or
 - On or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalization prior to that date.

2. GENERAL CONDITIONS

2.1 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

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

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

2.3 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.

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

The maximum points for this tender are allocated as follows:

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

2.5 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.

2.6 Tenderers that fail to claim points for specific goals or that fail to fully complete the table in paragraph 2.12 below, will not be awarded points for specific goals.

2.7 Tenderers that make a calculation error when claiming points as per the table in paragraph 2.12 below, will not be awarded points for specific goals. Please take note of the examples on how to calculate points for specific goals as per paragraph 2.12 below.

2.8 Tenderers that fail to submit the correct SBD 6.1 form as issued by the Department of Agriculture, Land Reform and Rural Development, will not be awarded points for specific goals.

2.9 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.

2.10 Tenderers who wish to claim points in terms of the table in paragraph 2.12 below need to provide proof for each point claimed as guided below:

2.10.1 Historically Disadvantaged individuals (HDI):

- **Attach a copy of Identity Document (ID) and company registration document.**

2.10.2 Who is female:

- **Attach a copy of Identity Document (ID) and company registration document.**

2.10.3 Who has a disability:

- **Attach a certified copy or original doctor's letter confirming the disability.**

2.10.4 Who is youth (a person that is not older than 35 years on the closing date of a bid):

- **Attach a copy of Identity Document (ID) and company registration document.**

2.11 The Department will use the Central Supplier Database and documents submitted by the tenderer to verify the points claimed for specific goals.

2.12 **Specific goals for the tender and points claimed are indicated per the table below.**

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Percentage ownership equity (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
I. HDI	10		
II. Who is female	5		
III. Who has a disability	3		
IV. Specific goal: Who is youth	2		

The number of points claimed for specific goals, are calculated as follow:

- (I) A maximum of 10 points may be allocated to tenderers who had no franchise in national elections before the 1983 and 1993 Constitution, on the following basis:
 - **Percentage ownership equity** $\times 10 \div 100$ = number of points claimed.
- (II) A maximum of 5 points may be allocated for to tenderers who is female, on the following basis:
 - **Percentage ownership equity** $\times 5 \div 100$ = number of points claimed.
- (III) A maximum of 2 points may be allocated to tenderers who has a disability, on the following basis:
 - **Percentage ownership equity** $\times 3 \div 100$ = number of points claimed.
- (IV) A maximum of 2 points may be allocated to tenderers who are youth, on the following basis:
 - **Percentage ownership equity** $\times 2 \div 100$ = number of points claimed.

2.13 It is important to note that failure by a tenderer to complete the table in paragraph 2.12 in full, will result in points for specific goals not to be allocated.

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

3.1.1 THE 80/20 PREFERENCE POINT SYSTEMS

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

80/20

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

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 points is allocated for price on the following basis:

80/20

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

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 the table in paragraph 2.12 above 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.

4.3 A consortium or joint venture may, based on the percentage of the contract value managed or executed by their members, be entitled to claim points in respect of specific contract participation goals.

4.4 A tenderer will not be awarded points for HDI if it is indicated in the tender documents that such a tenderer intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for the same number or more points for equity ownership.

4.5 A tenderer awarded a contract as a result of preference for contracting with, or providing equity ownership to a HDI, may not subcontract more than 25% of the value of the contract to a tenderer who is not a HDI or does not qualify for the same number or more preference for equity ownership.

5. SUB-CONTRACTING

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

YES	NO	
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5.1.1 If yes, indicate:

i) What percentage of the contract will be subcontracted:%
ii) The name of the sub-contractor:
iii) Points claimed for HDI by the sub-contractor:

6. DECLARATION WITH REGARD TO COMPANY/FIRM

6.1. Name of company/firm:

6.2. Company registration number:

6.3. TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One-person business/sole proprietor
- Close corporation
- Public Company
- Personal Liability Company
- (Pty) Limited

- Non-Profit Company
- State Owned Company

[TICK APPLICABLE BOX]

6.4. 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:



agriculture, land reform & rural development

Department:
Agriculture, Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA

Branch: Spatial Planning and Land Use Management, Planning Facilitations

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TERMS OF REFERENCE FOR APPOINTMENT OF A SERVICE PROVIDER/ FIRM OR CONSORTIUM WITH AN UNMANNED AIRCRAFT SYSTEMS OPERATING CERTIFICATE (UASOC) TO OPERATE THE DEPARTMENTS DRONES IN THE INTERIM FOR A MAXIMUM PERIOD OF 18 MONTHS UNTIL THE DEPARTMENT UASOC APPLICATION IS FINALISED FOR THE DEPARTMENT OF AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT, SPATIAL PLANNING AND LAND USE MANAGEMENT BRANCH.

1. INTRODUCTION

- 1.1. The Department of Agriculture, Land Reform and Rural Development (DALRRD) requires the services of a firm or a consortium of suitably qualified firms with a current Unmanned Aircraft Systems Operating Certificate (UASOC) to operate the Departmental drones and pilots while applying for its UASOC.
- 1.2. The project to operate under a Service Provider's (SP) UASOC will be outsourced due to the highly specialised and legislated requirements stipulated by the South African Civil Aviation Authority (SACAA).
- 1.3. The project requires a team that complies with all the regulations prescribed by the SACAA and is accredited to assist the Department with operating its drones under the SPs UASOC.
- 1.4. The SPs must have an existing UASOC under which the Department can register their drones / Unmanned Aircraft Systems (UAS). The SP must have certified pilots to support the department with intermediary drone operations.
- 1.5. When the departments RPC pilots have been certified, they should be registered by the SP under their UASOC until the Department UASOC has been issued. The SP must register the Departmental drones under its UASOC and maintain the UAS Letter of Approval (UASLA) until the Department's UASOC is issued, the drones transferred to the Departmental UASOC, so that it will not interrupt operations.

2. PROBLEM STATEMENT

- 2.1. The Department would see the best investment return on this technology by means of detailed location information or specialised multispectral geo-rectified imagery. These are currently not available to be acquired off the shelf, especially the more specialised multispectral, thermal or lidar imagery. The Department has GISC staff in all SPLUM provincial offices who are taught to use geo-rectified imagery as part of their training. It should be noted that some upskilling of these staff will be required for activities such as precision agriculture, but these are minor courses that can be completed in a matter of a week or two.
- 2.2. The Department needs to note that the regulatory environment pertaining to the utilisation of drones is rigorous, and it will have to comply with all requirements.
- 2.3. The Department has a vast number of land parcels in its portfolio of either urban or farmland. Adding to this portfolio is the continued acquisition of new farmland and the numerous portions of land affected by land claims, resulting in a real challenge to monitor and support all these land parcels. In reality, this is a practical challenge as access, and even with access, unpassable terrain prohibiting access to the entire land parcels poses a real challenge for the officials responsible for the various activities. On the other hand, the settlement land use surveying and planning is equally challenging and results in many inadequacies when supporting especially our rural and traditional communities. This proposal seeks to employ drone technology to assist with these functions.
- 2.4. While drone technology will provide numerous additional benefits, it will also greatly assist with the current challenges. These challenges, amongst others, are 1) getting a comprehensive overview of the properties we acquire in a format that can withstand legal scrutiny if later challenged in court; 2) the ability to support farmers with precision agriculture; 3) assisting with risk management related to alien invasive species, contour ploughing, firebreaks, CARA regulations – Referring to Natural Resources which include vegetation and soil – invaders / aliens / bush encroachment but also soil – over grazing / erosion, dongas and 4) support spatial planning related to our SPLUMA section 9 responsibilities and spatial planning support in traditional areas with updated settlement / site analysis and layout information.

- 2.5. The fire threat is genuine, resulting in court cases that quickly run into millions of Rands. The Department, as a landowner, cannot disown the responsibility of firebreaks on any of its properties. This technology will not only assist in monitoring if the legislated requirements are adhered to by our tenants but can also assist with the planning of fire breaks. Detail mapping of the farm terrain will allow farmers and the Department to plan, construct, and maintain effective firebreaks to prevent fires from spreading if they start on our farms and prevent them from spreading to our farms if they start elsewhere.
- 2.6. Support for rural and traditional settlements is time-consuming, with more specialised activities like risk assessments near impossible. The KZN flooding again just highlighted that even formal development could be severely affected. The grave reality is that risk assessments are not addressed in most rural areas, and subsequently, there is no risk mitigation. Land Use audits are very time-consuming, and the deployment of drone technology will allow for a detailed survey of most towns in under a day. This will provide the Department with detailed layout maps, even a 3D rendering of the town if terrain poses challenges, allowing for proper planning and settlement support.
- 2.7. Change in Land Use (from agricultural to non-agricultural use) – Township / rural development or industrial and commercial development. Pre- and post-inspections to determine the impact on agriculture and food security.

3. PURPOSE AND OBJECTIVE OF THE PROJECT

- 3.1. The department already has Certified Remote Pilots and approved drones that is registered under a SP UASOC. However, due to an omission, the operational cost was not included in the tender DALRRD-DRONE-02 (2022/2023), necessitating this tender, to enable the Department to use its drones and pilots to fly, until such time as the departmental UASOC is issued and operational.
- 3.2. The drone technology will enable the Department to provide specialised aerial imagery on demand. These, amongst others, will support risk mapping, post-disaster support, precision agriculture, extensive land use capturing, spatial planning and land audit capabilities until the Department's UASOC is issued and operational.

3.3. Objective:

- 3.3.1. To appoint an accredited SP to assist the Department in flying projects / missions, until the UASOC is issued and operational.
- 3.3.2. To facilitate the Department to comply with all the legal requirements stipulated by SACAA and all relevant legislation. This must include all documentation and application fees, including transfer fees of Drones / UAS, UASLA application, weighing, procuring of registration markings, fire plates and yearly licence fees pertaining to the drones, until the departmental UASOC is in place.
- 3.3.3. To ensure the Department is operational in the shortest possible timeframe through the use of the SP's existing UASOC and RPC certified pilots. The SP must have the ability to register the Departmental UAS with certified pilots under their UASOC to support intermediary drone operations. When the Department's RPC pilots have been certified, they should be allowed to operate under the SP's UASOC until the Department's UASOC has been issued, after which all UASs are to be transferred to the Department's UASOC. The cost for the change of address for all the drones / UASs is for the SP. The SP is responsible for the insurance of the UASs.

4. PROJECT OUTCOMES AND SCOPE

- 4.1. The project outcome is for the Department to be issued a UASOC, thus complying with the statutory requirements as set out by SACAA. The UASOC should then enable the RPC certified staff in every province to support DALRRD operational requirements for imagery as listed under bullet 2, Problem Statement.

4.1.1. Project Stakeholders

The UASOC has the following essentials attached to it:

The SP must mentor and guide the department to maintain a professional relationship with the South African Civil Aviation Authority (SACAA). It should keep to all requirements as stipulated and amended from time to time. Annual licence renewals and registrations must be kept up to date to ensure the drone program stays operational.

The identified internal departmental staff must adhere to the strict legislative requirements expected of RPC certified individuals.

GISc Professional staff need to ensure they upskill their knowledge related to the new source of spatial data to ensure it can be optimally used for operational purposes.

The Town and Regional Staff should be trained to access the produced spatial information to ensure it informs the spatial reporting done for the Department and in support of SPLUMA activities

4.1.2. Project Proposed Solution

Ensure the Department has access to a compliant UASOC with all the legal requirements stipulated by SACAA legislation. This will enable DALRRD SPLUM (or other) staff to support all provinces with on-demand specialised remote sensing information acquired through UASs.

4.1.3. Have a valid Operational Specification (OpSpec) that lists the same type of drones as the Department's current drones / UAS compliment, requirements and specific approvals listed below:

- 4.1.3.1. DJI Mavic 3 series with a BVLOS distance of 5 kilometers (km) and a maximum flight height of 1 000 feet (ft) AGL.
- 4.1.3.2. Quantum Systems Trinity F90+ with a BVLOS distance of 5 kilometers (km) and a maximum flight height of 1 000 feet (ft) AGL.

4.1.4. Benefit and Value Analysis

	Output	Benefit
Government (National, Provincial and Local)	High definition Geo-rectified mosaic <ul style="list-style-type: none"> • Digital terrain model • Terrain point cloud • Land Use analysis • Fire break analysis and planning 	High definition record for areas captured Detailed infrastructural records for area captured
Co-operatives / CPAs / Farmers	Multispectral high definition Geo-rectified mosaic <ul style="list-style-type: none"> • Precision Agriculture • Precision land analysis • Plant/Crop health • Plant species identification • Crop count 	Farm planning Erosion mitigation Precision Agriculture Animal count or detection Vermin detection Wildlife survey
Land Claims / Restitution		High definition record for areas captured Detailed infrastructural records for area captured as Portfolio of Evidence
Land Acquisitions		
Traditional leaders	Infrared Panchromatic high definition Geo-rectified mosaic <ul style="list-style-type: none"> • Precision Agriculture • Animal count or detection • Vermin detection 	Settlement survey, analysis and land use planning Temporal comparisons 3D settlement models Detailed Infrastructure planning Animal count
Human Settlement / COGTAs		

Institutions of higher learning and research, E.g. ARC	Lidar point cloud <ul style="list-style-type: none"> • Digital elevation model • 3D settlement model • Settlement disaster survey and mitigation 	Plant identification research Plant health research Precision agriculture research
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5. PROJECT DELIVERABLE

- 5.1. *Register departmental UASs under the UASOC of the SP to enable DALRRD to start with operations in the shortest time frame possible.*
- 5.2. *Support DALRRD to comply with regulations, the company operations manual and safe operating practices. Including staff training and all document required related to the SP's UASOC.*
- 5.3. *Assist with onsite evaluations (9 Provinces and National office) of all policies, procedures, methods, and instructions described by the regulation and operations manual.*
- 5.4. *Support the process up to where DALRRD is issued with an UAS Operating Certificate (UASOC) and is operational.*
- 5.5. *The SP's OpSpecs with the authorisations, limitations and provisions applicable to the operation of DALRRD facilitated through a mobile and online application.*
- 5.6. ***The SP will guide the Department on how the following additional considerations / requirements are to be managed.***
 - Safety Quality considerations are priority.
 - Control and restricted airspace considerations.
 - Assist DALRRD to establish a professional relationship with SACAA.
- 5.7. *When the Department receives its UASOC, the SP must assist the department in registering all UAS it plans to use at that time.*
- 5.8. *SP must have access to certified RPC pilots that can support specialised operational needs of DALRRD as a transition measure. The tender document must include a tariff schedule to enable DALRRD to task the company for operational work. The tariff schedule must be split into using own UAS equipment and using DALRRD UAS equipment when available.*

6. SKILLS REQUIREMENTS

6.1. Companies (or consortium) with individuals with qualifications and extensive experience will be required in the field of aviation, UAS and the applicable processes in managing and operating an UASOC.

Please note that the above is a minimum set of skills required, the firm is welcome to add more skills as deemed necessary to undertake the work.

6.2. Proven company experience and thorough understanding in the following is also required:

- a) Aviation industry;
- b) Required knowledge and skill to operate safely and legally within the South African airspace;
- c) Be proficient in the South African Civil Aviation Authority (SACAA) policies and procedures.
- d) Have a current UAS Operating Certificate (UASOC).

6.3. In the case of a consortium, a letter of commitment from the company (all directors) is required and must be submitted.

6.4. Certified RPC pilots that can support the operational needs of DALRRD as a transition measure.

7. PROJECT PAYMENTS AND DURATION

7.1. The project to operate the departmental drones under a SP's UASOC will be for a maximum of 18 months from the time the SP is appointed. If the Department's UASOC is issued before the 18 months have lapsed, the following must apply. The SP must start the process to change the address which effectively transfers the UASs from the SP's UASOC to the Department's UASOC. This process must be completed in the shortest time possible and cannot exceed the 18-month period. Payment for this final process should be listed separately and form part of the tender amount.

7.2. The tariff schedule should assume a maximum of 18 pilots and a maximum of 18 UASs, although pilots and UAS can be added and removed when required, for example, but not limited to when a medical certificate lapses, a drone is damaged beyond repair, or either is removed for operational reasons.

7.3. A "pay-per-use tariff schedule" for a period of 18 months consisting of the following pay-per-use items:

- 7.3.1. Monthly Cost per pilot to operate under SP's Operating Certificate with DALRRD-owned equipment.
- 7.3.2. Monthly Cost per drone to operate under SP's Operating Certificate with DALRRD-owned equipment.
- 7.3.3. Daily Cost per drone rental (max 3 drones) to support the Department with specialised drone operations should be listed separately for a maximum of 10 days.

- 7.3.4. *Daily Cost per SP's certified pilot (max 3 pilots) to support the Department with specialised drone operations should be listed separately for a maximum of 10 days.*
- 7.3.5. *Cost per drone to be registered under the SP's UASOC (this includes weighing, Certificate of Registration, registration markings, fire plate and first UASLA).*
- 7.3.6. *Cost per drone to be re-issued a UASLA under the SP's UASOC (including weighing, re-printing of registration markings and all associated costs).*
- 7.3.7. *Cost per drone to be transferred (change of address) from the SP's Operating Certificate to the Department's UASOC (including all associated costs).*
- 7.3.8. *The SP must ensure that any operational costs related to SACAA are accounted for in the tendered amount.*

PAY-PER-USE TARIFF SCHEDULE

An 18-month breakdown using the types of pay-per-use listed in 7.3 and the pilot and UAS quantities from 7.2 with associated total cost.

8. MANDATORY REQUIREMENTS

NB: Failure to submit / attach proof / comply with any of the following requirements in the bidder's proposal will render the SP as non-responsive or the bid will be disqualified as they have failed to meet or comply with the below mandatory requirements.

- 8.1. **Compliance with all Tax Clearance requirements: Attach Valid Tax Clearance Certificate/ Compliance Tax Status Pin, Central Supplier Database Number, where consortium/joint ventures/ sub-contractor are involved, each party to the association must submit separate Tax Clearance requirements.**
- 8.2. **Original company resolution on a company letterhead authorising a particular person to sign the bid document (even if the company owner is a sole owner, the resolution should be completed and signed), the signature of the person authorised or delegated to sign the bid document should also be reflected on the resolution, with all Directors of the Company, Firm or Consortium having signed the resolution. The signatures on the resolution should be original, and copies will not be accepted.**
- 8.3. **Bidders are required to fill in the Pricing Schedule (SBD 3.1- for Firm Prices) in terms of the required PROJECT PAYMENTS AND DURATION. All items in the Pricing schedule should be priced for and indicate the total price. Failure to price for any item in the pricing schedule will render the proposal as non-responsive as the Service Provider will be Non Compliant to the specification. No separate pricing schedule will be accepted.**
- 8.4. **The company (or consortium) must have an existing UASOC in good standing.**
- 8.5. **An OpSpec with the requirements as stipulated in 4.1.3**

- 8.6. A Certificate Of Registration (CoR) of a DJI Mavic 3 series as indicated on their OpSpec under registrations with a UASLA that has not expired together with a UASLA that is valid.
- 8.7. A Certificate Of Registration (CoR) of a Quantum Systems Trinity F90+ as indicated on their OpSpec under registrations with a UASLA that has not expired together with a UASLA that is valid.

9. CONTENTS OF THE PROJECT PROPOSAL

A clear and concise project proposal covering the aspects listed below as well as responding to the terms of reference, is required.

- 9.1. DALRRD considers skills development as an integral part of the outsourcing process. The process should ensure that skills development and transfer are achieved with the full pilot component under the tender. Proposals should indicate how skills development and transfer would be achieved, taking into cognisance that pilots are dispersed throughout South Africa. Using MS Teams or related technology is acceptable.
- 9.2. Progress on skills transfer to be part of the monthly operational report.
- 9.3. A profile of each employee / company to work on the project with clear references to similar and related work undertaken in the past with clear evidence where a person member participated in or managed certain projects in the past which bears relevance to the work at hand. A clear indication of actual roles and responsibilities must be presented with verifiable proof.
- 9.4. Certified copies of all certificates, references, professional registration and related certifications for all proposed team members must be attached.
- 9.5. Any other information relevant to determining the suitability of the interested bidder for this project should be listed.
- 9.6. *The following technical information must be submitted with the bid proposal:*
 - a) Relevant professional experience of the Project Manager;
 - b) Organisational, managerial and technical ability;
 - c) Full CVs of all proposed team members;
 - d) Minimum 3 contactable current and/or previous client references for 3 different clients;
 - e) Associations and Professional Affiliations of companies and individuals;

10. TERMS AND CONDITIONS OF THE BID

- 10.1. Awarding of the bid will be subject to the SPs express acceptance of the DALRRD Supply Chain Management general contract conditions.
- 10.2. The DALRRD and successful SP(s) will sign a Service Level Agreement (SLA) upon appointment. Such a SLA will include the following:
 - a) Period of agreement;
 - b) Project objectives and scope;
 - c) Staffing;
 - d) Project plan and project plan management;
 - e) Budget;
 - f) Cost and fee payment;
 - g) Method of communication;
 - h) Reporting relationship;
 - i) Deliverables and terms of deliverables;
 - j) Form and formats of working papers;
 - k) Reviews;
 - l) Uncompleted work;
 - m) Confidentiality;
 - n) Disputes; and
 - o) Financial penalties and termination of contract.
- 10.3. The SP should submit an acceptance letter and be available to commence with the project within five (5) days after receiving the official order and the service level agreement signed.
- 10.4. During the execution of the project, the SP is required to give operational reports on the progress of the project. It is the responsibility of the SP to provide a dedicated Project Manager who will organise the progress report meetings and have one of their representatives assigned to taking minutes and circulating them to the steering committee members.
- 10.5. Project team members must be available for the duration of the project, the SP is not allowed to change the composition without prior consent of the DALRRD.
- 10.6. Any deviation from the project plan should be put in writing and signed by the project manager of DALRRD.
- 10.7. Any suggestions during the progress meetings, once accepted by both parties, shall form part of the contract.
- 10.8. Payments will be on a monthly pay-per-use tariff schedule (see 7.3) basis i.e. invoices received for the payment of the pay-per-use (PIA) for the upcoming month.
- 10.9. Financial penalties will be imposed for agreed-upon milestones, targets, and deadlines not met without providing:
 - a) Timely notification of such delays.
 - b) Reasons for the delays.
 - c) Supporting evidence that the delays were outside of the influence of the SP.
- 10.10. Financial penalties will be imposed if the outputs produced do not meet the agreed-upon deliverable criteria stipulated in the Contract's General Conditions.

- 10.11. Original invoices to substantiate all costs must be provided. The invoices should include the DALRRD order number that will be provided to the selected SP upon acceptance of the proposal.
- 10.12. The department reserves the right not to appoint anyone.
- 10.13. No material or information derived from the provision of the services under the contract may be used for any other purpose except for those of the DALRRD, except where duly authorised to do so in writing by the DALRRD.
- 10.14. Copyright in respect of all documents and data prepared or developed for the project by the SP shall be vested in DALRRD.
- 10.15. The successful SP agrees to keep confidential all records and information related to the project and not disclose such records or information to any third party without the prior written consent of DALRRD.
- 10.16. Monthly reports will be forwarded by the SP to the Free State office of the DALRRD – Spatial Planning and Land Use Management Services (SPLUMS) situated in Bloemfontein. The SP will be required to report via a written and electronic report.

11. REPORTING AND ACCOUNTABILITY

- 11.1. All team members must be available for the duration of the project and the SP is not allowed to change the composition without prior consent of the department.
- 11.2. During the execution of the project, the SP will be required to submit operational reports and attend meetings at intervals as it will be determined by the project manager of the project.
- 11.3. All information captured and or used to generate the outputs of the project remains the property of DALRRD and must be handed over in its totality when the project is closed. DALRRD will retain copyright and all associated intellectual rights thereof. This document together with all agreements to be or reached during the project become part of the contract. The information must be captured and provided in a digital format as agreed (in writing) between the SP and DALRRD. This agreement must be reached and signed off together with the project plan before the project commences.

12. EVALUATION CRITERIA

Evaluation of received bids will be on 3 stages: 1st stage is on Administraive Compliance/ Compliance to Mandatory requirements, 2nd stage is on Functionality in terms of the criteria specified below and 3rd stage is on Price and preference in terms of the 80/20 principle.

- 12.1. The 80/20 preference points system as prescribed in the Preferential Procurement Policy Framework Act (PPPFA) will be applied to evaluate this bid. The lowest acceptable bid will score 80 points for price and maximum of 20 points will be awarded to designated groups.

12.2. This bid shall be evaluated in three stages. On Second stage, bids will be evaluated on functionality, Third stage will be in accordance with 80/20 preference points system as stipulated above.

12.3. Second Stage-Evaluation of Functionality

The evaluation of the functionality will be evaluated individually by Members of Bid Evaluation Committee in accordance with the below functionality, criteria and values.

The applicable values that will be utilised when scoring each criterion ranges from **0 being no submission, 1 being poor, 2 being average, 3 being good, 4 being very good and 5 being excellent.**

Scoring Criterion	0 No submission	1 Poor	2 Average	3 Good	4 Very Good	5 Excellent
Firms experience (Date of certificate first issue)	No Proof of experience attached after being issued an UASOC	UASOC issued 1 year ago	UASOC issued 2 years ago	UASOC issued 3 years ago	UASOC issued 4 years ago	UASOC issued 5 or more years ago
Have a OpSpec that is certified for our drones' approval (See 4.1.3 BVLOS and > 400ft)	No proof attached	OpSpec need to be updated with CAA testing	OpSpec has 1 of the required drones but not the required approval.	OpSpec has both required drones with BVLOS = 5km and maximum 1000ft	OpSpec has the Trinity F90+ with BVLOS \geq 5km and \geq 1000ft	OpSpec has both required drones with BVLOS \geq 5km and \geq 1000ft
Have certified drone pilots to assist the department during the operation under its UASOC	No proof attached or drone pilots is not certified	N/A	N/A	Have proof of 1 certified drone pilot	Have proof of 2 certified drone pilots	Have proof of 3 and more certified drone pilots

The Bids that fail to achieve a minimum of 60 points out of 100 points for functionality will be disqualified. This means that such bids will not be evaluated on second stage (Preference Points System)

CRITERIA	GUIDELINES FOR CRITERIA APPLICATION	WEIGHT	
1. Capability:	Firms experience (date of certificate first issue), documented proof submitted with the tender.	25	50
	Have a OpSpec that is certified for the required drones' approval (See 4.1.3 BVLOS and > 400ft), documented proof submitted with the tender.	25	
2. Composition of Technical Team	Have certified drone pilots to assist the department during application of their UASOC , documented proof submitted with the tender.	30	30
3. Methodology	Clear approach and methodology of how the project deliverables will be executed	20	20
4. Total Points for Functionality		100	100

NB: SPs are required to score a minimum of 60 points on functionality in order to be evaluated further on price and preference. Failure to obtain the minimum points required will result in the proposal being disqualified or render the SP as non-responsive.

12.4. Second Stage - Evaluation in terms of 80/20 Preference Points System

Only bids that achieve the minimum qualifying score for functionality and presentation will be evaluated further in accordance with the 80/20 preference points system.

12.5. Calculation of points for price

The PPPFA prescribes that the lowest acceptable bid will score 80 points for price. Bidders that quoted higher prices will score lower points for price on a pro-rata basis.

12.6. Calculating of points for Disignated groups.

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:

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 preference point system applies, an organ of state must, in the tender documents, stipulate in the case of— an invitation for tender for income-generating contracts, that either the 80/20 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or any other invitation for tender, that either the 80/20 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 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system)	Percentage ownership equity (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
I. HDI	10		
II. Who is female	5		
III. Who has a disability	3		
IV. Specific goal: Who is youth	2		

12.7. Any suggestions during the progress meetings, once accepted by both parties, shall form part of the contract. It is expected that the consultant will regularly effect all recommended amendments before the plan or document is resubmitted to relevant stakeholders. *The Department of Agriculture, Land Reform and Rural Development reserves the right not to award the bid to any SP, or to various SPs.*

13. PROJECT MANAGEMENT WITHIN DALRRD

13.1. This project will be facilitated by a team consisting of officials from the Department of Agriculture, Land Reform and Rural Development (DALRRD) and any other person/s appointed by DALRRD.

14. OUTCLAUSE

14.1. The Department of Agriculture, Land Reform and Rural Development reserves the right not to appoint if suitable candidates are not found, at the complete discretion of the Department.

14.2. The department reserves the right to terminate the contract in the event that there is clear evidence of non-performance.

15. PUBLICATION AND CLOSING OF BID.

15.1. 21 calendar days' advertisement.

15.2. E-portal/ E- tender

15.3. **CLOSING DATE: 06 FEBRUARY 2024**

15.4. **TIME OF CLOSING: 11H00**

15.5. **VENUE WHERE BIDS/ PROPOSALS SHOULD BE DEPOSITED:**

**DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT (DALRRD)
SA EAGLE BUILDING**

**136 CHARLOTTE MAXEKE STREET
BLOEMFONTEIN
TENDER BOX, SITUATED ON GROUND FLOOR NEXT TO SECURITY**

16. BRIEFING SESSION INFORMATION

THERE WILL BE NO BRIEFING SESSION THAT WILL BE HELD REGARDING THIS BID. SPS ARE ADVISED TO CONTACT THE OFFICIALS INDICATED ON THE ENQUIRY SHOULD THERE BE ANY QUESTIONS OR CLARITY WHICH THEY MAY REQUIRE.

17. N.B NO LATE SUBMISSIONS WILL BE ACCEPTED, ALL DOCUMENTS/ PROPOSALS SHOULD BE IN THE BID BOX BY THE TIME AND DATE OF CLOSING.

18. CONTACT PERSON FOR TECHNICAL ENQUIRIES

All enquiries related to this bid call must be forwarded to:

**DIRECTOR: SPLUMS FS
DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL
DEVELOPMENT
OMNI BUILDING, GROUND FLOOR
73 ALIWAL STREET
BLOEMFONTEIN
9301**

For attention:

Mr. André Erasmus

Telephone: 071 676 9416

E-mail: andre.erasmus@dalrrd.gov.za

SUPPLY CHAIN MANAGEMENT ENQUIRIES:

Mr. Gladman Matshe

Telephone: (051) 400 4200; gladman.matshe@dalrrd.gov.za

OR:

Mr. Calvin Mampa

Telephone: (051) 400 4200; calvin.mampa@dalrrd.gov.za

Annexure A

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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2. Application
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General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 "Closing time" means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 "Contract" means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 "Contract price" means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 "Corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 "Country of origin" means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 "Day" means calendar day.
 - 1.8 "Delivery" means delivery in compliance of the conditions of the contract or order.
 - 1.9 "Delivery ex stock" means immediate delivery directly from stock actually on hand.
 - 1.10 "Delivery into consignees store or to his site" means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
 - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable.

Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

- (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
- (b) a cashier's or certified cheque

7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

**8. Inspections,
tests and
analyses**

8.1 All pre-bidding testing will be for the account of the bidder.

8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.

8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may on or after delivery be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with

supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

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

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

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

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

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

12. Transportation

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

13. Incidental services

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

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and

- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

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

14. Spare parts

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

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

15. Warranty

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

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

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

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

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

16. Payment	<p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>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.</p> <p>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.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p>
17. Prices	<p>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.</p>
18. Contract amendments	<p>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.</p>
19. Assignment	<p>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.</p>
20. Subcontracts	<p>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.</p>
21. Delays in the supplier's performance	<p>21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.</p> <p>21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.</p> <p>21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.</p> <p>21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.</p>

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 (NIP) Programme

- 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.