



SUPPLY CHAIN MANAGEMENT

3366 Besemmer Str Telkom Building
Industrial Site Mahikeng, 2745
Private Bag X 2145, Mmabatho, 2735
Tel: +27 (18) 388 4824/5

2nd Floor West Wing, University Drive
Garona Building
Private Bag X 2145, Mmabatho, 2735
Tel: +27 (18) 388 4824/5

INVITATION TO BID

BID NUMBER : DHS 12/2023

VALIDITY PERIOD: 90 DAYS

CLOSING TIME: 11H00

CLOSING DATE: 18 AUGUST 2023

APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER/S TO UNDERTAKE PRE - ACCREDITATION, POST - ACCREDITATION SUPPORT, COMPLIANCE ASSESSMENT AND CAPACITY SUPPORT FOR THE ACCREDITATION OF EIGHT (8) MUNICIPALITIES TO PERFORM HOUSING FUNCTIONS: NORTH WEST PROVINCE.

1. Kindly furnish the Department with a bid for services shown on the attached documents.
2. The conditions contained in the General Conditions of Contract (GCC) and the attached bid forms, as well as any other conditions accompanying this invitation, are applicable.
3. No late, faxed or emailed bids will be considered. Bids received after the closing date and time are late and will as a rule not be acceptable for consideration.
4. It is the responsibility of the Bidder to ensure that the company is registered on the National Treasury Central Supplier Database as a service provider.
5. Bid documents can be downloaded for free on the Departmental Website www.nwpg.gov.za OR can be obtained from SCM offices at a cost of R300.00 non-refundable OR
6. The non-refundable fee to be deposited to the Departmental Account Number as follows:
Bank Name: First National Bank (FNB)
Account Name: NW – Department of Human Settlements
Account Number: 62825725560
Branch Code: 210244
Reference: DHS 12/2023
7. The Department of Human Settlements reserve the right to award any bid in whole or in part to one or more service providers and does not bind itself to award the lowest bidder.
8. All the documents accompanying this invitation to bid must be completed in detail where applicable and sealed in an envelope clearly marked the Bid Number and placed in the Bid Box before the closing date and time.

The bid box is situated at: **CRAFT PRESS BUILDING (formerly known as CCP BUILDING), 27 JAMES WATT CRESCENT; INDUSTRIAL SITE, MAFIKENG, 2745.**

CONDITIONS TO BID:

This bid is issued under the condition that the bidder should at any stage during production or execution or on completion of the bid be subjected to inspection. The premises of the service provider shall be open at all reasonable hours, for inspection by the representative of the Department of Human Settlements or organisation acting on behalf of the State.

BID EVALUATION QUALIFICATION REQUIREMENTS:

The bid will be evaluated in three (3) stages as follows:-

STAGE 1: COMPLIANCE WITH MANDATORY AND NON-MANDATORY BID REQUIREMENTS

Stage 1.1: Compliance with Non-mandatory Bid Requirements

- ✓ Invitation letter to bid
- ✓ SBD 1: Invitation to bid
- ✓ SBD 3.3: Pricing Schedule- Professional services
- ✓ SBD 4: Bidder's Disclosure
- ✓ SBD 6.1: Preference points claim form of the Preferential Procurement Regulations 2022
- ✓ General Conditions of Contract (initialized on each page)
- ✓ Special Conditions of Contract
- ✓ CSD report reflecting compliant tax status, successful bank verification and ownership information
- ✓ Valid Tax Clearance Certificate / Unique Pin issued by SARS
- ✓ CIPC Certificate
- ✓ Valid B-BBEE Certificate / Sworn Affidavit
- ✓ Confirmation of force number from DMV to claim military veteran points
- ✓ Confirmation of disability by the Medical Practitioner to claim disability points
- ✓ Proof of residence
- ✓ In case of a joint venture the following documents to be submitted
 - Consolidated B-BBEE Certificate
 - Valid Tax Clearance Certificate of all parties / Unique Pin issued by SARS

Stage 1.2: Compliance with Mandatory Requirements

- ✓ Proof of Registration with South African Council for Planners (Valid at the time of closure of the bid)
- ✓ Detailed Company profile
- ✓ In case of a joint venture signed by all parties and witnessed the following documents are to be submitted
 - Valid joint venture agreement signed by all parties and witnessed
 - Certificate or authority for Joint Ventures (where applicable)

Failure to comply with these Mandatory requirements will lead to immediate disqualification

STAGE 2: FUNCTIONALITY

100 POINTS

For applications to be responsive the minimum points for **FUNCTIONALITY** shall be **70 Points (Seventy-POINTS)** that must be attained by the bidder. Any application less than seventy-five points will be disqualified and no further evaluation of the bid will be done.

CRITERIA	SUB-CRITERIA	WEIGHT
Company profile and individual team members (CVs)	• NQF Level 7 Development Planning/Town Planning (5) • NQF Level 7 Finance Management(5) • NQF Level 7 Public Administration(5) • Postgraduate qualifications will be an advantage (9) • Company profile with municipal accreditation related work and research on human settlements (11)	35
	Previous work in: • Compilation of the human settlements policy/strategy(s),IDPs, SPFs ,MYHSDPs (10) • (i) One Assignment (2) • (ii) Two assignments(5) • (iii) Three assignments (7) • (iv) Four assignments (10) • Human settlements research and market surveys(10) • (i) One Assignment (2) • (ii) Two assignments(5) • (iii) Three assignments (7) • (iv) Four assignments (10)	20

Approach and methodology	- Methodology, time frames for delivery and clear understanding of information to be collected and the rationale thereof - Methodology is Generic not project specific(5) - Methodology tailored to project but NOT detailed(10) - Methodology meets project specification (20) - Methodology is detailed with clear deliverables and is consistent with project objectives(45)	45
Total		100

For purposes of comparison and in order to ensure meaningful evaluation, bidders are requested to furnish detailed information in substantiation of compliance to the functionality criteria mentioned. A bidder that scores less than seventy-five points in respect of functionality will be disqualified.

STAGE 3 : PREFERENCE POINT SYSTEM

This is 80/20 points bid

Breakdown of points:-

	POINTS
Price	80
Specific Goals	20
Total points for Price and Specific goals	100

NOTE:-

- The validity period is ninety (90) days and is calculated as from the closing date of a bid.

FOR MORE INFORMATION ON SPECIFICATIONS / TERMS OF REFERENCE CONTACT:-

Contact Person : Dr M. Nyamazane
Cell : 079 137 4519
E-mail address : drnyamazana@nwpg.gov.za

ANY ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Contact Person : Ms Elna Kepadisa / Ms L. Maruping
Telephone Number : 018 - 388 4435 / 018 – 388 2192
E-mail address : ekepadisa@nwpg.gov.za
LMaruping@nwpg.gov.za

Ms K.M. TUMANE:
DIRECTOR: SUPPLY CHAIN MANAGEMENT

DATE: 22/07/2023

NON-COMPULSORY BRIEFING SESSION

DHS 01/2023: APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER/S TO UNDERTAKE PRE - ACCREDITATION, POST - ACCREDITATION SUPPORT, COMPLIANCE ASSESSMENT AND CAPACITY SUPPORT FOR THE ACCREDITATION OF EIGHT (8) MUNICIPALITIES TO PERFORM HOUSING FUNCTIONS: NORTH WEST PROVINCE.

ALL BIDDERS KINDLY NOTE THAT THE BRIEFING SESSION WILL BE HELD ON

DATE : 08 AUGUST 2023, TUESDAY

TIME : 10H00

**VENUE : 36 James Watt Crescent (Old Disaster Building,
Industrial Site Mahikeng)**

TENDERERS ARE REQUESTED TO BE SEATED AT 09H50

FOR FURTHER INFORMATION:

TECHNICAL ENQUIRIES: DR M. NYAMAZANE

TEL: 079 137 4519

SCM RELATED ENQUIRIES: MS E. KEPADISA

TEL: 018 388 4435 / 079 727 2530

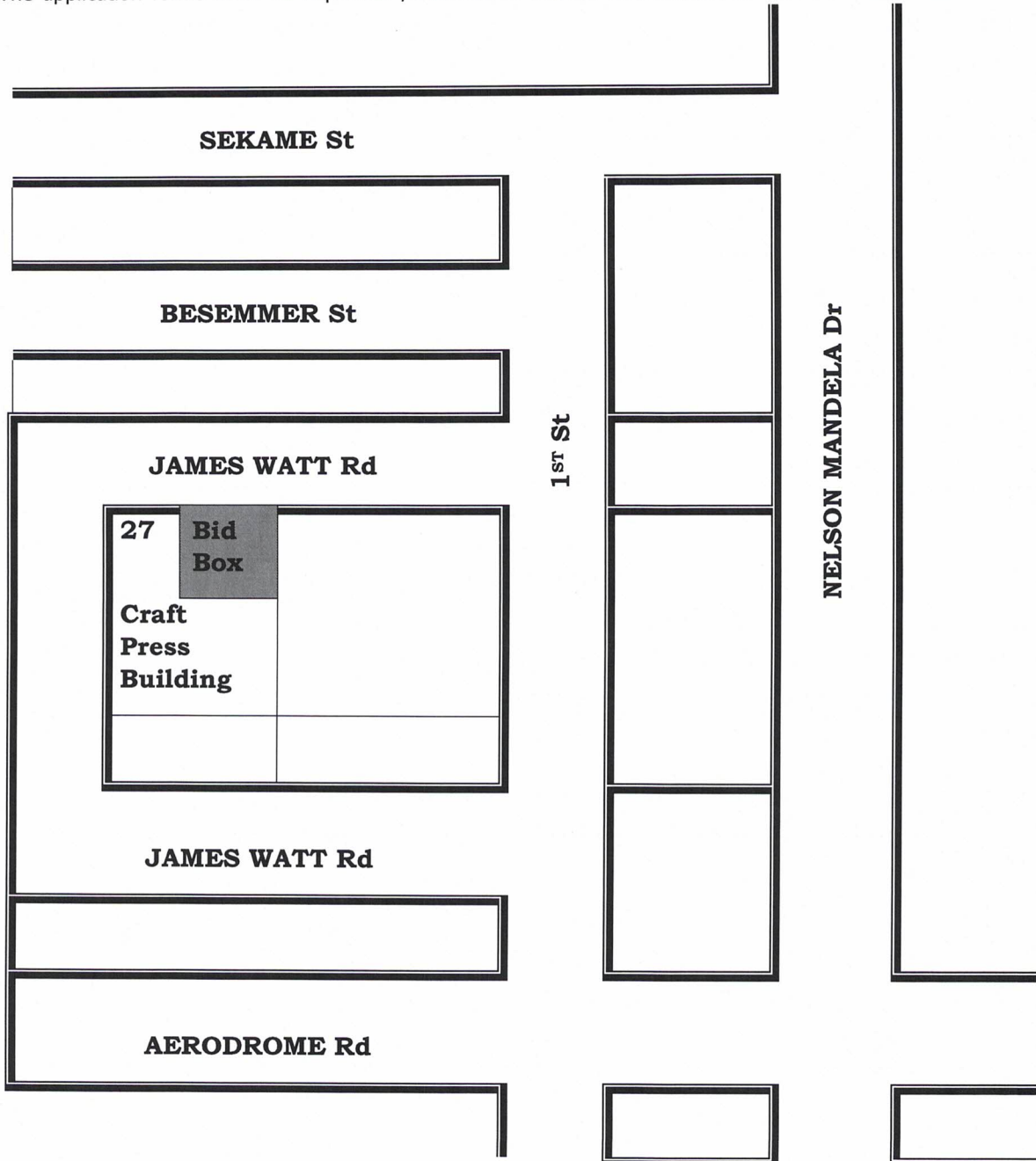
NB:

- 1. Company Director/ Shareholders / Owners must be the one to attend the briefing session**
- 2. Bidders must obtain the copy of the bid document before attending the briefing session**

MAP TO BID BOX

**YOU ARE HEREBY INVITED TO APPLY TO THE DEPARTMENT OF HUMAN SETTLEMENTS
SUBMIT ALL APPLICATIONS ON THE OFFICIAL FORMS – DO NOT RETYPE**

The application forms must be deposited /delivered in the bid box situated at **CRAFT PRESS BUILDING**



(formerly known as CCP BUILDING), 27 JAMES WATT CRESCENT; INDUSTRIAL SITE, MAFIKENG, 2745.

THE BID BOX WILL BE CLOSED AT 11H00 WHICH IS THE CLOSING TIME OF APPLICATIONS.

APPLICANTS SHOULD ENSURE THAT APPLICATIONS ARE DELIVERED TIMEOUSLY TO THE CORRECT ADDRESS.

PART A

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)					
BID NUMBER:	DHS 12/2023	CLOSING DATE:	18 AUGUST 2023	CLOSING TIME:	11H00
DESCRIPTION	APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER/S TO UNDERTAKE PRE - ACCREDITATION, POST - ACCREDITATION SUPPORT, COMPLIANCE ASSESSMENT AND CAPACITY SUPPORT FOR THE ACCREDITATION OF EIGHT (8) MUNICIPALITIES TO PERFORM HOUSING FUNCTIONS: NORTH WEST PROVINCE				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
CRAFT PRESS BUILDING (formerly known as CCP BUILDING), 27 JAMES WATT CRESCENT; INDUSTRIAL SITE, MAFIKENG, 2745.					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	ELNA KEPADISA		CONTACT PERSON	Dr M. Nyamazane	
TELEPHONE NUMBER	079 727 2530		TELEPHONE NUMBER	079 137 4519	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	ekepadisa@nwpg.gov.za		E-MAIL ADDRESS	drnyamazana@gmail.com	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					

SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT		[TICK APPLICABLE BOX] ☐ Yes ☐ No
[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?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?		☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)? ☐ YES ☐ NO					
DOES THE ENTITY HAVE A BRANCH IN THE RSA? ☐ YES ☐ NO					
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA? ☐ NO ☐ YES					
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA? ☐ YES ☐ NO					
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION? NO ☐ YES ☐					
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B

TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:

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

2. TAX COMPLIANCE REQUIREMENTS

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

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

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:

(Proof of authority must be submitted e.g. Company Resolution)

DATE :

PRICING SCHEDULE
(Professional Services)

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

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

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY **(ALL APPLICABLE TAXES INCLUDED)
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1. The accompanying information must be used for the formulation of proposals.

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

R.....

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

4. PERSON AND POSITION

HOURLY RATE

DAILY RATE

.....

R.....

.....

.....

R.....

.....

.....

R.....

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R.....

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R.....

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

.....

R.....

..... days

.....

R.....

..... days

.....

R.....

..... days

.....

R.....

..... days

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

DESCRIPTION OF EXPENSE TO BE INCURRED

RATE

QUANTITY

AMOUNT

.....

.....

.....

R.....

.....

.....

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R.....

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.....

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R.....

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.....

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R.....

TOTAL: R.....

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

Bid No.:

Name of Bidder:

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

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

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

*[DELETE IF NOT APPLICABLE]

Any enquiries regarding bidding procedures may be directed to the –

Ms Elna Kepadisa
Department of Human Settlements
Private Bag x 2145
Mmabatho
2735

Tel: 018 388 4435 / 079 727 2530

Or for technical information –

Dr N. Nyamazana

Tel: 079 137 4519

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 Private Bag X 2145, Mmabatho,2735
 Tel: +27 (18) 388 4913

PRICING SCHEDULE

SCOPE OF WORK	QUANTITY (NUMBER OF MUNICIPALITIES)	PRICE PER MUNICIPALITY	TOTAL PRICE
CATEGORY 1	2		
CATEGORY 2	1		
CATEGORY 3	1		
TOTAL BID PRICE			

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PRICING SCHEDULE

SCOPE OF WORK	QUANTITY (NUMBER OF MUNICIPALITIES)	PRICE PER MUNICIPALITY	TOTAL PRICE
CATEGORY 1	2		
CATEGORY 2	1		
CATEGORY 3	1		
TOTAL BID PRICE			

BIDDER'S DISCLOSURE

1. PURPOSE OF THE FORM

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

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

2. Bidder's declaration

- 2.1 Is the bidder, or any of its directors / trustees / shareholders / members / partners or any person having a controlling 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.

Full Name	Identity Number	Name of State institution

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.

2.2 Do you, or any person connected with the bidder, have a relationship with any person who is employed by the procuring institution? **YES/NO**

2.2.1 If so, furnish particulars:

.....
.....

2.3 Does the bidder or any of its directors / trustees / shareholders / members / partners or any person having a controlling interest in the enterprise have any interest in any other related enterprise whether or not they are bidding for this contract?

YES/NO

2.3.1 If so, furnish particulars:

.....
.....

3 DECLARATION

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

- 3.1 I have read and I understand the contents of this disclosure;
- 3.2 I understand that the accompanying bid will be disqualified if this disclosure is found not to be true and complete in every respect;
- 3.3 The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However, communication between partners in a joint venture or 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.

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.

- 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 institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.
- 3.6 I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

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

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

(delete whichever is not applicable for this tender).

a) The applicable preference point system for this tender is the **80/20** preference point system.

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

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

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

The maximum points for this tender are allocated as follows:

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

1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.

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

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

Where

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

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

3.2.1. POINTS AWARDED FOR PRICE

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

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

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

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

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

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

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

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Black owned enterprise	8 points 100% Black ownership – 8 points - Less than 100% and above 51% Black ownership – 7 points - Less than 51% Black ownership – 0 points Proof of ownership will be verified by either one of the following documents: CIPC Certificate, Valid B-BBEE Certificate & CSD report	
Enterprise owned by women Youth or Military Veteran People Living with Disabilities	Maximum 8 points BLACK WOMEN OWNED ENTERPRISE 100% Black women enterprise – 4 points 99% to 51% Black women Enterprise – 2 points - Less than 51% Black women enterprise – 0 points BLACK YOUTH OR MILITARY VETERAN ENTERPRISE 100% Black youth or Military Veteran enterprise - 2 99% to 51% Black youth or Military Veteran enterprise - 1 - Less than 51% Black youth or Military enterprise – 0 DISABILITY OWNED ENTERPRISE 100% enterprise with disability - 2 99% to 51% enterprise with disability - 1 - Less than 51% enterprise with disability – 0 Proof of points claimed will be verified by the following documents: CIPC Certificate, ID Document, CSD report, Medical report by the medical practitioner for disability, Military Force Number	
Enterprise location	4 points Within North West – 4 Outside North West -3	

DECLARATION WITH REGARD TO COMPANY/FIRM

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

4.4. Company registration number:

4.5. TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One-person business/sole propriety
- ☐ Close corporation
- ☐ Public Company
- ☐ Personal Liability Company
- ☐ (Pty) Limited
- ☐ Non-Profit Company
- ☐ State Owned Company

[TICK APPLICABLE BOX]

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

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

.....

SIGNATURE(S) OF TENDERER(S)

SURNAME AND NAME:

DATE:

ADDRESS:

.....

.....

.....



OFFICE OF THE HOD

3366 Bessemer Str Telkom Building
Industrial Site Mahikeng, 2745
Private Bag X 2145, Mmabatho, 2735
Tel: +27 (18) 388 4824/5

NWDC Cnr, University & Provident Drive
Private Bag X 2145, Mmabatho, 2735
Tel: +27 (18) 388 4913

2nd Floor West Wing, University Drive
Garona Building
Private Bag X 2145, Mmabatho, 2735
Tel: +27 (18) 388 4824/5

TERMS OF REFERENCE

Appointment of Professional Service Provider(s) to undertake pre-accreditation, post accreditation support, compliance assessment and capacity support for the accreditation of eight (08) municipalities in North West Province to perform housing functions

VALIDITY PERIOD: 90 DAYS COMMENCING FROM BID CLOSING DATE.

BID NUMBER: DHS 12/2023

Physical Address: 1st 3366 Bessemer Str Telkom Building, Industrial Site Mafikeng 2745.

TECHNICAL ENQUIRIES

Contact person: **Dr M. Nyamazane**

Mobile: 079 137 4519

Office:

Email: drnyamazana@gmail.com

SCM ADMINISTRATIVE ENQUIRIES

Ms Elna Kepadisa-018 388 4435

E-mail: ekepadisa@nwpg.gov.za

Ms L. Maruping -018 388 2192

E-mail: LMaruping@nwpg.gov.za

1.0 INTRODUCTION

One of the key programmes that will be implemented by Northwest Department of Human Settlements in 2022/23 financial year is the accreditation of municipalities in line with the Draft 2017 Revised Accreditation and Assignment Framework for Municipalities which is available from www.salga.org.za website. The provincial department has accredited Two (2) municipalities for level 1 and 2. The Department has also identified additional six municipalities for accreditation.

The department needs to design and implement a tailored capacitation programme for the identified municipalities to ensure that they can perform functions for which they are accredited. Secondly, the department would like to consider and support level 1 municipalities for level 2 accreditation and ensure a state of readiness of five more municipalities for accreditation assessment hence this call for experienced service providers to undertake this task.

1.1 IDENTIFIED MUNICIPALITIES FOR PRE-ACCREDITATION ASSESSMENT & POST SUPPORT

The identified municipalities for level 1 are the following:

- **Moses Kotane**
- **Madibeng**
- **Naledi**
- **Mahikeng**
- **Ketleng Rivier**
- **Greater Taung**

However, Mahikeng, Taung have already undertaken scope analysis, the service providers be would expected to assess the status, align and finalise the accreditation business plan.

The identified municipality for level 2 is the following:

- **JB Marks**

The identified municipality for support at level 2

- **Rustenburg**

2.0 PURPOSE OF THE ASSIGNMENT

Northwest Department of Human Settlements seeks to appoint two Professional Providers to under-take the following processes on the above-mentioned six municipalities that have been identified for accreditation for level 1 and JB Marks municipality currently Accredited at Level 1 to considered be for Accreditation at Level 2

- a) Post accreditation support and activities for level 1 and 2 accredited municipalities which involves, amongst other activities the following;
 - Facilitating the development and signing of Implementation Protocols between the provincial department and the accredited municipalities
 - Develop and implement the Municipal Capacity and Support Plan that addresses the capacity and support needs of the municipality to effectively perform accredited functions.
 - Coordinate, monitor performance and provide performance reports on the roles and responsibilities of the municipalities with regard to accreditation.
- b) Compliance Assessment and Capacity support towards the accreditation of the level 1 municipalities to level 2 in terms of the Draft 2017 Revised Accreditation and Assignment Frameworks for municipalities. The PSP to be appointed is responsible for assembling and establishing the Accreditation Assessment Panel. This will produce the Independent Assessment report towards the accreditation of municipalities to level 2.

3.0 MUNICIPAL ACCREDITATION PROGRAMME

To become accredited, municipalities will have to demonstrate that they have sufficient capacity to perform specific functions. There are three levels of accreditation, which correspond to the level of capacity of the municipality.

Accreditation Level One: Beneficiary management, subsidy budget planning and allocation, and priority programme management and administration

Accreditation Level Two: Full programme management and administration of all housing instruments/ programmes (in addition to Level One responsibilities)

Accreditation Level Three: Full financial administration (In addition to level 1 and 2 accreditation responsibilities)

4.0 SCOPE OF WORK AND DELIVERABLES

The Department intends appointing two service providers for a period of twenty (24) months to understand scope of work detailed in the three tables below. The scope entails provision of services on eight municipalities. The eight municipalities are broken into three categories, i.e.

- a) **Category A:** Comprise of those municipalities that have never been assessed and have been assisted or taken their own initiative to develop accreditation business plans and are listed below in **Table A**
- b) **Category B:** Comprise of those municipalities that have taken their own initiative to prepare accreditation business plans and would require assessment and alignment of the business plans to accreditation framework and are listed In **Table B**
- c) **Category C:** Comprise of municipalities that have been assessed and accredited and require support post accreditation and are listed in **Table C**

The appointed service providers will be expected to undertake three scopes and would be split into half. However, service providers would be expected to tender for all municipalities. Tenderers will compete on price and specific goals.

The scope of work is detailed in the three tables below:

SCOPE 1: CATEGORY A MUNICIPALITIES: (MADIBENG, MOSES KOTANE, KGETLENGRIVIER & NALEDI)

Key Milestones	Activities	Deliverables
Inception	Contracting stage & Introduction of service provider to the municipalities	Inception Report
Scope Planning	Appointed service provider submit the revised project activity schedule and table the same to the municipalities and receive inputs	Implementation Plan
Analysis	Service provider interacts with the municipality through a thorough consultative process. (a) Intergovernmental Relations (b) Municipal Governance (c) Subsidy & Beneficiary Management (d) Project & Programme Management (e) Financial Management	Analysis Report
Design	Gap Analysis and development of a fit for purpose institutional model	Alignment Report
Development	Development of of a business plan detailing each of the five key areas	Draft Business Plan
Consolidate	Align to revised framework and consolidate findings	Alignment Framework
Deliver(Draft Business Plan	Prepare a draft business plan and circulate for input	Draft Business Plan
Evaluate	Solicit inputs from municipality and province	Inputs from Municipalities
Final Business Plan	Final Consolidation & project closure	Final Accreditation Business Plan

SCOPE 2: CATEGORY B MUNICIPALITIES (Mafikeng & Taung)

Key Milestones	Activities	Deliverables
Inception	Contracting stage & Introduction of service provider to the municipalities	Inception Report
Scope Planning	Appointed service provider submit the revised project activity schedule and table the same to the municipalities and receive inputs	Project Implementation Plan
Analysis	Service provider interacts with the municipality through a thorough consultative process. (a) Intergovernmental Relations (b) Municipal Governance (c) Subsidy & Beneficiary Management (d) Project & Programme Management (e) Financial Management	Municipal Status Quo Analysis Report
Design	Gap Analysis and development of a fit for purpose institutional model	Gap Analysis Report
Development	Development of a business plan detailing each of the five key areas	Situational Analysis Report
Consolidate	Align to revised framework and consolidate findings	Preliminary Business Plan
Deliver(Draft Business Plan)	Prepare a draft business plan and circulate for input	Draft Business Plan
Evaluate	Solicit inputs from municipality and province	Inputs Report
Final Business Plan	Final Consolidation & project closure	Final Accreditation Business Plan
Totals		

SCOPE 3 : CATEGORY C MUNICIPALITIES (Rustenburg & JB Marks)

Key Milestones	Activities	Deliverables
Inception	Contracting stage & Introduction of service provider to the municipalities	Inception Report
Scope Planning	Appointed service provider submit the revised project activity schedule and table the same to the municipalities and receive inputs	Detailed Project Activity Schedule with cashflow projections
Implementation Protocols	Facilitate acceleration of signing of implementation protocol	Signed implantation protocol
Analysis	1) Status quo confirmation of municipality (20) (a) Intergovernmental Relations (b) Municipal Governance © Subsidy & Beneficiary Management (d) Project & Programme Management (e) Financial Management 2) Development of a Post Accreditation capacity support on soft skills (30) (i) training requirements on subsidy administration (ii) Development of a training course (iii) Conducting training on subsidy administration (iv) Development of a training course on project planning project management (v) Conduct the training on project planning and project management Infrastructure Assessment 3) Assessment for infrastructure availability to perform functions at which the municipalities are accredited at(20); (i) Offices (ii) Office Automation (iii) Relevant management tools	1. Status Quo Report of the municipality on five areas: Intergovernmental Relations (b) Municipal Governance © Subsidy & Beneficiary Management (d) Project & Programme Management (e) Financial Management 2. Post Accreditation Capacity Building Report on soft skills and Human Resources Requirements Report Infrastructure & Office Automation Requirements Report
Prepare & Submit Post Accreditation Support Report	Final Consolidation & project closure	Consolidated Post Accreditation Support Report

5.0 DURATION

The duration of the assignment is 24 months from the project commencement date (to be stipulated in the appointment letter).

6.0 CONTRACT PERFORMANCE

In accordance with the relevant standards and procedures for professional practice, and contracted scope of work, the successful professional service provider will submit and make both oral and written presentations on the following outputs and deliverables:

The project must be completed within 24 months after the appointment letter has been issued. It is estimated that the consultant shall complete the assigned works as per the following schedule:

Note: -

- The service provider must develop a detailed methodology on how each phase/milestone will be approached and the estimated time required.
- The service provider will be expected to submit quarterly progress reports on the work done to the client.
- Where relevant, the information and findings must be accompanied by illustrations in graphical or tabular format.
- Ownership and publication of deliverables – the Department will become the owner of all data collected, reports, unique indicators tailored for use by the Department, furnished and/or compiled by the Service Provider during and for the purposes of executing the agreement. To the extent that copyright in any intellectual property compiled by the Service Provider during and for purposes of the agreement vests with the Service Provider, such copyright will become the property of the DEPARTMENT, unless otherwise agreed by in writing.
- On each reporting milestone, the following should be submitted:
 - Three copies of the printed and wire ring binding of the full documents in A4 or A3 format – the compilation graphics and

maps may be provided in the same paper size of the main documents; and

- Three USBs containing high resolution versions of the report in source document format as well as pdf
- Presentations in Microsoft PowerPoint format
- An oral presentation for each of the deliverable outputs will be delivered to the client.

7.0 REQUIRED SKILLS

The service provider will be required to demonstrate the following knowledge and expertise:

- Excellent communication and organisational skills
- Extensive experience within human settlements environment
- Experience on delegation of functions and local government management environment
- Demonstrable knowledge of Intergovernmental Relations Framework Act
- Demonstrable experience on municipal accreditation and all applicable legislations
- Specific expertise in municipal finance, infrastructure programmes, project funding, municipal reporting, project finance, financial management, grants and municipal audits
- Programme and project management
- Understanding the organisational structures, operations and financing of the public service

The above professional staff composition is the minimum requirement. The consultants are advised to propose their own team composition based on the scope of work as defined above.

8.0 EVALUATION CRITERIA

The evaluation process will be conducted in stages as follows:

Stage 1	Stage 2	Stage 3
Mandatory and Non-mandatory bid requirements	Functionality	Preference point system
Compliance with mandatory and non-mandatory bid requirements	For a bid to be responsive the minimum points for functionality shall be seventy (70) points. Any bid with less than seventy points will be disqualified and no further evaluation of the bid will be done.	Bids will be evaluated in terms of the 90/10 preference point system: 80 – Price 20 – Specific goals - Enterprises owned by Black people – 8 points 100% Black ownership – 8 points - Less than 100% and above 51% - 7 points - Less than 51% Black ownership – 0 points Proof of ownership will be verified by either one of the following documents: CIPC Certificate, Valid B-BBEE Certificate & CSD report - Enterprise owned by Black women, Black youth or Military Veteran, People living with disabilities – 8 points BLACK WOMEN OWNED ENTERPRISE – 4 points 100% Black women enterprise – 4 points 99% to 51% Black women enterprise – 2 points - Less than 51% Black women enterprise – 0 points BLACK YOUTH OR MILITARY VETERAN ENTERPRISE – 2 points 100% Black youth or Military Veteran enterprise – 2 points 99% to 51% Black youth or Military Veteran enterprise – 1 point - Less than 51% Black youth or Military Veteran enterprise – 0 point PEOPLE LIVING WITH DISABILITY OWNED ENTERPRISE 100% enterprise with disability - 2 points 99% to 51% enterprise with disability – 1 points - Less than 51% enterprise with disability – 0 point Proof of points claimed will be verified by the following documents: CIPC Certificate, ID Document, CSD report, Medical report by the medical practitioner for disability, Military Force Number - Enterprise location – 4 points - Within North West Province - 4 points (Proof of residence and confirmatory CSD report will be used to verify points claimed) - Outside North West Province – 3 point

Stage 1: Compliance with Mandatory and Non-mandatory bid requirements

Stage 1.1: Compliance with Non-mandatory Bid Requirements

- ✓ Invitation letter to bid
- ✓ SBD 1: Invitation to bid
- ✓ SBD 3.1: Pricing Schedule- Firm Prices
- ✓ SBD 4: Bidder's Disclosure
- ✓ SBD 6.1: Preference points claim form of the Preferential Procurement Regulations 2022
- ✓ General Conditions of Contract (initialized on each page)
- ✓ Special Conditions of Contract
- ✓ CSD report reflecting compliant tax status, successful bank verification and ownership information
- ✓ Valid Tax Clearance Certificate / Unique Pin issued by SARS
- ✓ CIPC Certificate
- ✓ Valid B-BBEE Certificate / Sworn Affidavit
- ✓ Confirmation of force number from DMV to claim military veteran points
- ✓ Confirmation of disability by the Medical Practitioner to claim disability points
- ✓ Proof of residence
- ✓ In case of a joint venture the following documents to be submitted
 - Consolidated B-BBEE Certificate
 - Valid Tax Clearance Certificate of all parties / Unique Pin issued by SARS

Stage 1.2: Compliance with Mandatory Requirements

- ✓ Proof of Registration with South African Council for Planners (Valid at the time of closure of the bid)
- ✓ Detailed Company profile
- ✓ In case of a joint venture signed by all parties and witnessed the following documents are to be submitted
 - Valid joint venture agreement signed by all parties and witnessed
 - Certificate or authority for Joint Ventures (where applicable)

Failure to comply with these Mandatory requirements will lead to immediate disqualification.

STAGE 2

8.1. Functionality

For applications to be responsive the minimum points for **FUNCTIONALITY** shall be **70 Points (Seventy-POINTS)** that must be attained by the bidder. Any application less than seventy-five points will be disqualified and no further evaluation of the bid will be done

CRITERIA	SUB-CRITERIA	WEIGHT
company profile and individual team members (CVs)	- NQF Level 7 Development Planning/Town Planning (5) - NQF Level 7 Finance Management(5) - NQF Level 7 Public Administration(5) - Postgraduate qualifications will be an advantage (9) - Company profile with municipal accreditation related work and research on human settlements (11)	35
	Previous work in: - Compilation of the human settlements policy/strategy(s),IDPs, SPFs ,MYHSDPs (10) (i) One Assignment (2) (ii) Two assignments(5) (iii) Three assignments (7) (iv) Four assignments (10) - Human settlements research and market surveys(10) (i) One Assignment (2) (ii) Two assignments(5) (iii) Three assignments (7) (iv) Four assignments (10)	20
Approach and methodology	- Methodology, time frames for delivery and clear understanding of information to be collected and the rationale thereof - Methodology is Generic not project specific(5) - Methodology tailored to project but NOT detailed(10) - Methodology meets project specification (20) - Methodology is detailed with clear deliverables and is consistent with project objectives(45)	45
Total		100

For purposes of comparison and in order to ensure meaningful evaluation, bidders are requested to furnish detailed information in substantiation of compliance to the functionality

criteria mentioned. A bidder that scores less than seventy-five points in respect of functionality will be disqualified.

STAGE 3- PREFERENCE POINT SYSTEM

Only qualifying bids will be evaluated in terms of **80/20 preference point system**.

PRICE	80
SPECIFIC GOALS -	20
TOTAL POINTS FOR PRICE & SPECIFIC GOALS	= 100

- Bidders will compete on PRICE which constitute 80 points & SPECIFIC GOALS which constitute 20 points respectively.
- If two (02) or more tenderers score equal total points the one that scores highest points on specific goals will be considered for award.
- If two (02) or more tenderers score equal total points in all respect the award will be decided by the drawing of lots.

APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDERS TO UNDERTAKE PRE-ACCREDITATION, POST ACCREDITATION SUPPORT, COMPLIANCE ASSESSMENT AND CAPACITY SUUPORT FOR THE ACCREDITATION OF 08 MUNICIPALITIES IN NORTH WEST PROVINCE TO PERFORM HOUSING FUNCTIONS

RECOMMENDED/ NOT RECOMMENDED

DR M. NYAMAZANE

CHAIRPERSON DBSC: *RBMAS* Date:

RECOMMENDED / NOT RECOMMENDED

MS T. SEWEDI

CHAIRPESON DBAC: *Tseedi* Date: *11/07/2023*

APPROVED / NOT APPROVED

MS M.K. MAHLOBO

ACCOUNTING OFFICER: *M. Mahlobo* Date: *17/07/2023*

Annexure A

GOVERNMENT PROCUREMENT

GENERAL CONDITIONS OF CONTRACT

July 2010

NOTES

The purpose of this document is to:

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

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

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

TABLE OF CLAUSES

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

General Conditions of Contract

1. Definitions

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

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

- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.
- 2. Application**
- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.
- 3. General**
- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za
- 4. Standards**
- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.
- 5. Use of contract documents and information; inspection.**
- 5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.
- 6. Patent rights**
- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.
- 7. Performance**
- 7.1 Within thirty (30) days of receipt of the notification of contract award,

security

the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

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

**8. Inspections,
tests and
analyses**

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

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

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

14. Spare parts

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

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

15. Warranty

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser

may have against the supplier under the contract.

16. Payment

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily

available.

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the

envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

25. Force Majeure	25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure. 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.
26. Termination for insolvency	26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.
27. Settlement of Disputes	27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation. 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party. 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law. 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC. 27.5 Notwithstanding any reference to mediation and/or court proceedings herein, (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and (b) the purchaser shall pay the supplier any monies due the supplier.
28. Limitation of liability	28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6; (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

- (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
- 29. Governing language** 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
- 30. Applicable law** 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
- 31. Notices** 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.
- 34. Prohibition of Restrictive practices** 34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

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

Js General Conditions of Contract (revised July 2010)