

## INVITATION TO BID

BID NO:

RAF/2024/00002

BID DESCRIPTION:

THE ROAD ACCIDENT FUND (RAF) HEREBY INVITES AN EXPERIENCED AND SUITABLE SERVICE PROVIDER FOR THE PROVISION OF GOVERNANCE, RISK AND COMPLIANCE TOOL FOR A PERIOD OF FIVE (5) YEARS.

Publication date: 01 February 2024

**Briefing Session date and time: 09 February 2024 @ 11:00am**

**Non-Compulsory briefing session will be held at:**

PHYSICAL ADDRESS

**2 Eco Glades Office Park  
420 Witch-Hazel Avenue  
Centurion  
0046  
Pretoria**

Closing date: 22 February 2024 @ 11h00 am

***Note: Faxed and/or Emailed Proposals/ bids will not be accepted, only hand delivered and couriered Proposals/ bids must be deposited in the tender Box on or before the closing date and time.***

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### **IMPORTANT NOTES:**

1. Bid documents are available on the website ([www.raf.co.za](http://www.raf.co.za)) at no cost.
2. Submission of Proposals
  - Bid responses must be placed in the tender box clearly marked with a tender number and description; and
  - The proposal must be deposited in the tender box situated at the reception of RAF at the below address:

**Road Accident Fund (RAF), Eco Glades 2 Office Park, 420 Witch-hazel Avenue, Centurion, 0046**

3. Validity Period

The proposal submitted by the supplier must be valid for a period of 90 days, from the closing date for the submission of proposals.

4. Enquiries

All enquiries regarding this bid must be directed to the Supply Chain Management Office:

Bid Enquiries: Matome Ramathoka

E-mail address: [matomer@raf.co.za](mailto:matomer@raf.co.za).

**Note: No telephonic enquiries will be entertained.**

Closing date and time for Bid questions and enquiries: **14 February 2024**

Publication date for Questions & Answers: **16 February 2024**

Questions and Answers will be published on the RAF website.

**Important Notes:**

1. All questions/enquiries must be forwarded in writing to the e-mail address above; and
2. Questions/enquiries received after the above-stated date and time will not be entertained.

**MANDATORY/ LEGISLATIVE REQUIREMENTS**

This stage checks and validates the bidders' compliance to the legal requirements to conduct business in South Africa, as well as to the industry requirement for the supply of goods and services.

<b>Returnable Documents / Information</b>	<b>Check list</b> ✓ <b>Tick each box</b>
SBD 1: Completed, attached and signed	
SBD 3.1 or 3.2 or 3.3 Completed, attached and signed	
SBD 4: Completed, attached and signed	
SBD 5: Completed, attached and signed	
SBD 6.1: Completed, attached and signed	
Proof of Construction Industry Development Board (CIDB) registration, if applicable.	
Specification document: Completed, attached and signed	
General Condition of contract: Initialled and attached	
Provide Tax TCS Pin to verify Tax Status: Attached (In bids where Consortia/Joint Ventures/Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.)	
If the bidder is a joint venture, consortium or other unincorporated grouping of two or more persons/ entities, a copy of the joint venture agreement between the members should be provided.	
Registered on the Central Supplier Database of National Treasury. (For registration information, go to <a href="https://secure.csd.gov.za/">https://secure.csd.gov.za/</a> )	

***Note: Some requirements may not be applicable to international suppliers/ bidders and only those suppliers/ bidders will be exempted from these mandatory/ legislative requirements. All SBDs must be submitted (signed) noting where it is not applicable. If any specific SBD is not submitted, documentary proof, clearly stating the reason must be attached.***

## PART A INVITATION TO BID

<b>YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (NAME OF DEPARTMENT/ PUBLIC ENTITY)</b>					
BID NUMBER:	RAF/2024/00002	CLOSING DATE: 22 FEBRUARY 2024		CLOSING TIME:	11H00
DESCRIPTION	THE ROAD ACCIDENT FUND (RAF) HEREBY INVITES AN EXPERIENCED AND SUITABLE SERVICE PROVIDER FOR THE PROVISION OF GOVERNANCE, RISK AND COMPLIANCE TOOL FOR A PERIOD OF FIVE (5) YEARS.				
<b>BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)</b>					
Road Accident Fund (RAF)					
Eco Glades 2 Office Park					
420 Witch-Hazel Avenue					
Centurion					
0046					
<b>BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO</b>			<b>TECHNICAL ENQUIRIES MAY BE DIRECTED TO:</b>		
CONTACT PERSON	Matome Ramathoka		CONTACT PERSON		
TELEPHONE NUMBER			TELEPHONE NUMBER		
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER		
E-MAIL ADDRESS	<a href="mailto:matomer@raf.co.za">matomer@raf.co.za</a>		E-MAIL ADDRESS		
<b>SUPPLIER INFORMATION</b>					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		<b>OR</b>	CENTRAL SUPPLIER DATABASE No:	MAAA

<b>1</b> ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES ENCLOSE PROOF]	<b>2</b> ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No  [IF YES, ANSWER THE QUESTIONNAIRE BELOW ]
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#### QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS

IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
DOES THE ENTITY HAVE A BRANCH IN THE RSA?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?	YES <input type="checkbox"/>	NO <input type="checkbox"/>

**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**

<b>1. BID SUBMISSION:</b>
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. 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).
<b>2. TAX COMPLIANCE REQUIREMENTS</b>
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO 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)

## PRICING SCHEDULE – FIRM PRICES (PURCHASES)

**NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED**

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

Name of bidder.....	Bid number.....
Closing Time 11:00	Closing date.....

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

ITEM NO.	QUANTITY	DESCRIPTION	BID PRICE IN RSA CURRENCY ** (ALL APPLICABLE TAXES INCLUDED)
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- Required by: .....
- At: .....  
.....
- Brand and model .....
- Country of origin .....
- Does the offer comply with the specification(s)? \*YES/NO
- If not to specification, indicate deviation(s) .....
- Period required for delivery .....  
\*Delivery: Firm/not firm
- Delivery basis .....

**Note:** All delivery costs must be included in the bid price, for delivery at the prescribed destination.

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

\*Delete if not applicable

**BIDDER'S DISCLOSURE****1. PURPOSE OF THE FORM**

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

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

**2. Bidder's declaration**

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

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

Full Name	Identity Number	Name of State institution

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

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

arrangement with any competitor. However, communication between partners in a joint venture or consortium<sup>2</sup> will not be construed as collusive bidding.

3.4 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications, prices, including methods, factors or formulas used to calculate prices, market allocation, the intention or decision to submit or not to submit the bid, bidding with the intention not to win the bid and conditions or delivery particulars of the products or services to which this bid invitation relates.

3.5 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.

3.6 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.

3.7 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

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

## THE NATIONAL INDUSTRIAL PARTICIPATION PROGRAMME INTRODUCTION

The National Industrial Participation (NIP) Programme, which is applicable to all government procurement contracts that have an imported content, became effective on 1 September 1996. The NIP Policy and Guidelines were fully endorsed by Cabinet on 30 April 1997. In terms of the Cabinet decision, all state and parastatal purchases/lease contracts (for goods, works and services) entered into after this date, are subject to the NIP requirements. NIP is obligatory and therefore must be complied with. The Industrial Participation Secretariat (IPS) of the Department of Trade and Industry (dti) is charged with the responsibility of administering:

### 1 PILLARS OF THE PROGRAMME

- 1.1 The NIP obligation is benchmarked against the imported content of the contract. Any contract having an imported content equal to or exceeding US\$10 million or other currency equivalent to US\$10 million will have an NIP obligation. This threshold of US\$10 million can be reached as follows:
  - (a) Any single contract with imported content exceeding US\$10 million.  
or
  - (b) Multiple contracts for the same goods, works or services each with imported content exceeding US\$3 million awarded to one seller over a two-year period which exceeds US\$10 million in total.  
or
  - (c) A contract with a renewable option clause, where should the option be exercised, the total value of the imported content will exceed US\$10 million.  
or
  - (d) Multiple suppliers of the same goods, works or services under the same contract, where the value of the imported content of each allocation is equal to or exceeds US\$3 million worth of goods, works or services to the same government institution, which in total over a two-year period exceeds US\$10 million.
- 1.2 The NIP obligation applicable to suppliers in respect of subparagraphs 1.1 (a) to 1.1 (c) above will amount to 30% of the imported content, whilst suppliers in respect of subparagraph 1.1 (d) shall incur 30% of the total NIP obligation on a pro-rata basis.
- 1.3 To satisfy the NIP obligation, the dti would negotiate and conclude agreements such as investments, joint ventures, sub-contracting, licensee production, export promotion, sourcing arrangements and research and development (R&D) with partners, or suppliers
- 1.4 A period of seven years has been identified as the time frame within which to discharge the obligation.

### 2 REQUIREMENTS OF THE DEPARTMENT OF TRADE AND INDUSTRY

- 2.1 In order to ensure effective implementation of the programme, successful bidders (contractors) are required to, immediately after the award of a contract  
  
that is in excess of R10 million, submit details of such a contract to the dti for reporting purposes.
- 2.2 The purpose for reporting details of contracts in excess of the amount of R10

million is to cater for multiple contracts for the same goods, works or services; renewable contracts and multiple suppliers for the same goods, works or services under the same contract as provided for in sub-paragraphs 1.1.(b) to 1.1. (d) above.

### **3 BID SUBMISSION AND CONTRACT REPORTING REQUIREMENTS OF BIDDERS AND SUCCESSFUL BIDDERS (CONTRACTORS)**

- 3.1 Bidders are required to sign and submit this Standard Bidding Document (SBD 5) together with the bid on the closing date and time.
- 3.2 In order to accommodate multiple contracts for the same goods, works or services, renewable contracts and multiple suppliers for the same goods, works or services under the same contract as indicated in sub-paragraphs 1.1 (b) to 1.1 (d) above and to enable the dti in determining the NIP obligation, successful bidders (contractors) are required, immediately after being officially notified about any successful bid with a value in excess of R10 million, to contact and furnish the dti with the following information:
- Bid/contract number;
  - Description of the goods, works or services;
  - Date on which the contract was accepted;
  - Name, address and contact details of the government institution;
  - Value of the contract; and
  - Imported content of the contract, if possible.
- 3.3 The information required in paragraph 3.2 above must be sent to the Department of Trade and Industry, Private Bag X 84, Pretoria, 0001 for the attention of Mr Elias Malapane within five (5) working days after award of the contract. Mr Malapane may be contacted on telephone number (012) 394 1401, facsimile (012) 394 2401 or e-mail at [Elias@thedti.gov.za](mailto:Elias@thedti.gov.za) for further details about the programme.

### **4 PROCESS TO SATISFY THE NIP OBLIGATION**

- 4.1 Once the successful bidder (contractor) has made contact with and furnished the dti with the information required, the following steps will be followed:
- a. The contractor and the dti will determine the NIP obligation;
  - b. The contractor and the dti will sign the NIP obligation agreement;
  - c. The contractor will submit a performance guarantee to the dti;
  - d. The contractor will submit a business concept for consideration and approval by the dti;
  - e. Upon approval of the business concept by the dti, the contractor will submit detailed business plans outlining the business concepts;
  - f. The contractor will implement the business plans; and
  - g. The contractor will submit bi-annual progress reports on approved plans to the dti.
- 4.2 The NIP obligation agreement is between the dti and the successful bidder (contractor) and, therefore, does not involve the purchasing institution.

Bid number .....

Closing date: .....

Name of

bidder.....

Postal address

.....

.....

## 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
<b>Total points for Price and SPECIFIC GOALS</b>	<b>100</b>

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:

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

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 (90/10 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)
South African citizen who had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 200 of	10	

1983) or the Constitution of the Republic of South Africa, 1996. (minimum 51% ownership or more)		
Women (minimum 51% ownership or more)	08	
Persons with disabilities (minimum 51% ownership or more)	02	

#### 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:** .....

.....

.....

.....

**BID SPECIFICATION – APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF GOVERNANCE, RISK AND COMPLIANCE TOOL (GRC) INCLUDING INSTALLATION, MAINTENANCE AND SUPPORT FOR A PERIOD OF FIVE (5) YEARS.**

**1. BACKGROUND TO THE ROAD ACCIDENT FUND**

- 1.1. The Road Accident Fund (RAF) is a schedule 3A public entity established in terms of the Road Accident Fund Act, 1996 (Act No. 56 of 1996), as amended. Its mandate is the provision of compulsory social insurance cover to all users of South African roads, to rehabilitate and compensate persons injured as a result of the negligent driving of motor vehicles in a timely and caring manner, and to actively promote the safe use of our roads.
- 1.2. The customer base of the RAF comprises not only the South African public but all foreigners within the borders of the country. The RAF head office is in Centurion, and the RAF has a national footprint. There will however be Customer Experience Centres in each Province in the country, in the near future.

**2. SPECIAL INSTRUCTION TO BIDDERS**

- 2.1. The bidder must be an eligible, registered service provider in terms of the applicable laws of the country and included in the National Treasury Central Supplier Database (CSD).
- 2.2. The bidder must have a business continuity management programme, which must be available for inspection by the RAF during the subsistence of rendering services to the RAF.
- 2.3. Bidders are required to provide full and accurate responses to the mandatory requirements as stated in this document, and, where required, explicitly state either “Comply/Not Comply” and where applicable, substantiate the responses with the necessary supporting documents.
- 2.4. Bidders are informed that failure to comply fully with the mandatory requirements will nullify their bids for further evaluation.
- 2.5. Bid Proposals must be clearly indexed, and cross referenced to a Table of Contents.
- 2.6. The evaluation criteria that were published with the Request for Proposal/Bids will be used to assess bidders’ responses and no amendment after the closing of a bid will be allowed.
- 2.7. It is expected of bidders to have their tax matters in order when the proposals are submitted. The RAF reserves the right to confirm bidders’ tax matters on the CSD prior to the award. Only tax-compliant bidders will be awarded contracts.

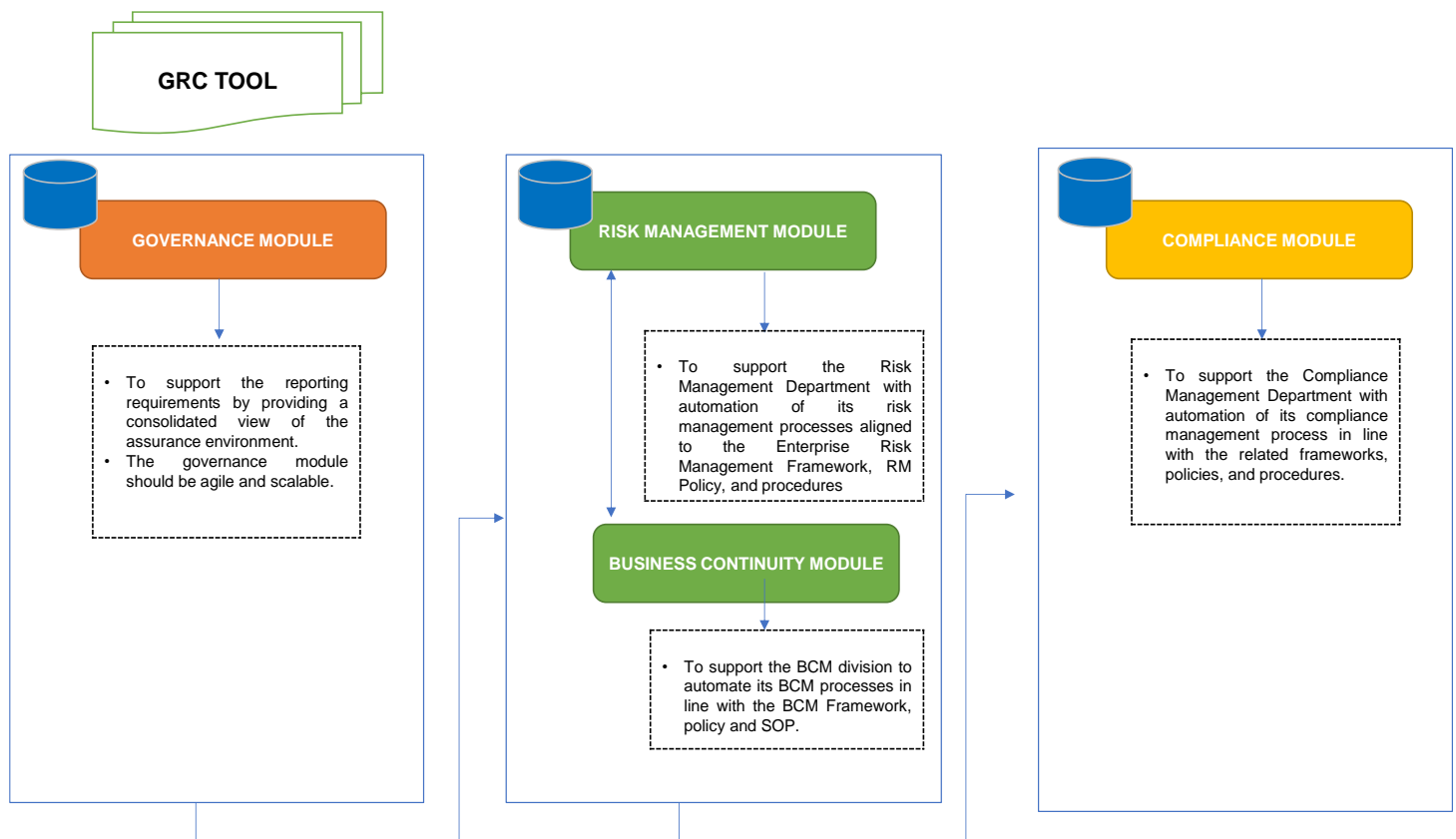
- 2.8. Companies or Director/s that are included on the National Treasury register of Restricted Suppliers and/or Tender Defaulters will be automatically disqualified from the bidding process.
- 2.9. As prescribed, all Standard Bidding Documents (SBD) Forms – Returnable Documents) must be fully completed and duly signed. All Returnable Documents must be submitted with the proposal at the closing of a bid.

### **3. BACKGROUND OF THE BID**

- 3.1. The RAF Board has adopted the principles of the King IV Report on Corporate Governance. In terms of, Principle 15 of the King IV Report, “The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation’s external reports.”
- 3.2. Currently the RAF Assurance Providers work on different IT systems and some of the assurance processes are manual making the alignment and integration of information for Combined Assurance coordination time consuming and fragmented.
- 3.3. The primary assurance providers include the 2nd and 3rd lines i.e., Combined Assurance, Risk Management, Compliance Function, Strategy and Reporting and Business Continuity. The secondary users include Internal Audit, Forensic Investigations, and Quality Assurance.
- 3.4. The required GRC tool/system will provide a coordinated approach to all assurance activities thus ensuring that that control activities performed by management, internal assurance providers and external assurance providers adequately address significant risks facing the organisation and that suitable controls exist to mitigate and reduce these risks.
- 3.5. Further, the GRC tool/system will assist with aligning and integrating assurance processes to maximise risk and governance oversight and control efficiencies and optimise overall assurance to the oversight governance committees.

### **4. SCOPE OF REQUIREMENTS**

- 4.1. The RAF requires the services of a suitable qualified service provider to supply, install, maintain, and support the Governance, Risk and Compliance (GRC) Tool for five (5) years.
- 4.2. The GRC system must provide the following domains:



4.3. The expected deliverables from GRC system are as follows:

- 4.3.1. Allow Assurance Providers to access information in a single integrated application that ensures a holistic view of the Governance, Risk and Compliance environment.
- 4.3.2. Provide the Risk Management with the documentation, workflow, assessment, and analysis, reporting, and remediation of risks.
- 4.3.3. Enable timely identifying and reporting on risks by all RAF business units and departments.
- 4.3.4. The system should provide for adequate segregation of uses, e.g. administrators, preparers/ compilers, reviewers, etc.
- 4.3.5. Capability to conduct Risk & Business Impact Analysis and allow administrators to configure different business continuity options, plans and strategies.
- 4.3.6. Allow users to develop business continuity plans, emergency response plans and crisis management plans.
- 4.3.7. Allow users to test, simulate and conduct exercises on the business continuity plans.
- 4.3.8. Allow for the reporting of BCM incidents.
- 4.3.9. Support the Compliance Unit with the documentation, workflow, compliance risk assessment methodology/profiling, reporting and visualization of compliance controls objectives, associated risks, surveys and self-assessments, testing and remediation.

- 4.3.10. Enable Compliance by providing legal register/universe, alert on new and legislative amendments.
- 4.3.11. Enable compliance function to develop, assess, manage and update compliance risk management plans.
- 4.3.12. Enable compliance to conduct compliance monitoring from the relevant and applicable legislation.
- 4.3.13. Enable a single framework / platform to monitor and enforce Assurance Providers' policies and procedures.
- 4.3.14. Supports the Strategy and reporting to automate the documentation of the strategic plan, annual performance plan, operational plans and automate the monthly, quarterly and annual reporting of pre-determined objectives.
- 4.3.15. Generates reports and customise dashboard.
- 4.3.16. Minimize complexity of the integration for all assurance providers.
- 4.3.17. Implementation of the cloud based GRC System (which includes customisation and deployment/ configuration).
- 4.3.18. Data migration from the current distinct locations.
- 4.3.19. Data mining capabilities.
- 4.3.20. Predicts analytics for determining likely risks to the business.
- 4.3.21. Testing, which includes the following:
  - a) Functional testing.
  - b) User Acceptance
  - c) Data validity testing.
  - d) Stress testing.
  - e) Technical testing.
  - f) End-to-end Testing
- 4.3.22. Upon the installation of the tool, the appointed service provider will be required to provide End User Training and Technical Knowledge Transfer.
- 4.3.23. Documentation and automation of GRC business processes, procedures and reporting activities. This deliverable will form part on the service level agreement.
- 4.3.24. The system should meet the following minimum requirements:

#	REQUIREMENT	DESCRIPTION
<b>1. SYSTEM CAPABILITIES</b>		
1.1.	<b>Modules/ Domains</b>	<p>The proposed GRC system should consist of the following modules/ domains:</p> <ol style="list-style-type: none"> <li>1. Governance/ Reporting</li> <li>2. Risk Management</li> <li>3. Business Continuity Management (BCM)</li> <li>4. Compliance</li> </ol>
1.2.	<b>Planning</b>	<ul style="list-style-type: none"> <li>• Ability to load methodologies of the different Assurance Providers.</li> <li>• Ability to load scoping/planning exercises.</li> <li>• Ability to load RAF policies and procedures.</li> <li>• Ability to request, enable and document sign-off on policies and procedures; and</li> <li>• Ability to create an overall/ Integrated Combined Assurance plan and links to planned work by all Assurance Providers.</li> <li>• <b><u>NB:</u></b> The above is minimum.</li> </ul>
1.3.	<b>Library</b>	<ul style="list-style-type: none"> <li>• Taxonomy library; and</li> <li>• Common language library (e.g., use of same Risk Name / Root cause / Control name across different domains).</li> </ul>
1.4.	<b>Access controls</b>	<ul style="list-style-type: none"> <li>• Ability to establish, modify and monitor access control (i.e., administrator, user, read and write only access).</li> <li>• Ability to allow permissions such as author, edit, assign, approve.</li> <li>• Ability to segment access control according to the organization hierarchy and defined user access requirements for each module.</li> <li>• Ability of the system to be integrated with Microsoft Outlook.</li> </ul>

#	REQUIREMENT	DESCRIPTION
		<ul style="list-style-type: none"> <li>Ability to ensure that Executives can view the strategic risks assigned to their specific departments.</li> </ul>
1.5.	<b>Compatibility</b>	<ul style="list-style-type: none"> <li>The GRC system must be compatible with the current enterprise architecture and with current internet browsers; and</li> <li>Integration with other systems (ability to pull information from other systems like BI or other Assurance Providers systems/tools – e.g., audited controls / recommendations by Compliance / Audit /FID etc.), i.e. ability to mine data.</li> <li>Web based interface or licencing capabilities.</li> </ul>
1.6.	<b>Reporting</b>	<ul style="list-style-type: none"> <li>A library of pre-built reports that meet Client’s reporting needs (with minimal customization required).</li> <li>Ability to create ad-hoc reports by the administrator in the system (without a need to contact the vendor – such as the ability to design own reports and have standard reports).</li> <li>Ability to lock and unlock the information in the system for the previous years upon completion.</li> <li>Ability to roll forward information to the subsequent year.</li> <li>Ability to sort, filter, consolidate and analyse assurance work by Assurance Provider.</li> <li>Systems reports should be able to be developed and configured with ease later / flexibility.</li> <li>Ability to filter, sort and select certain fields for specific reporting, e.g. (APP targets vs. KRIs; APP targets against mitigations).</li> <li>Should be able to run a report by e.g. particular risk name across all domains, particular root causes across all domains, risk category, to identify cross functional risks / root causes / controls.</li> <li>Have a holistic view of the corporate strategy, goals, and objectives.</li> <li>Create and share strategic and operational plans across all levels of the RAF.</li> <li>Define and display KPIs, plans, and projects for RAF.</li> <li>Visualization of how initiatives contribute to the overall corporate strategy.</li> <li>Generate comprehensive strategy and annual performance plans monthly, quarterly and annual reports.</li> </ul>

#	REQUIREMENT	DESCRIPTION
		<ul style="list-style-type: none"> <li>• Ability to run reports per region, departments, and units.</li> <li>• Ability to create trend analysis reports, graphs etc.</li> </ul>
<b>2. FUNCTIONAL REQUIREMENTS</b>		
2.1.	<b>Performance management</b>	<ul style="list-style-type: none"> <li>• Ability to create checklists of what is required to complete a piece of work (i.e. stages of completion).</li> <li>• Ability for system to automatically track the completion of the sub-tasks providing an overall completion analysis and what remains outstanding.</li> <li>• Ability to send reminders and escalate tasks.</li> <li>• Ability to perform online surveys.</li> <li>• Ability to support ongoing identification and monitoring of KRI trends.</li> <li>• Dashboard analysis to summarize the above.</li> <li>• Other key metric analysis includes but are not limited to: how long remediation items outstanding (by person, location, etc.), status of % completion, dashboards, etc.</li> </ul>
2.2.	<b>Document Management</b>	<ul style="list-style-type: none"> <li>• Ability to export the reports in a variety of formats (Word, Excel, Pdf, etc)</li> <li>• Ability to attach various documents (Word, Excel, Visio, Pdf's, etc.).</li> <li>• Ability to check-out/check-in documents before edits are made and to maintain version control.</li> <li>• Ability to see who has checked-out a document (Audit trail).</li> <li>• Automatic version numbering and version management.</li> <li>• Date time stamp as to who changed a document, when and what was changed.</li> <li>• Ability to have a menu of template documents that can be selected and linked to the respective organization hierarchy.</li> <li>• Ability to file, store and manage historical documents for prior years (and sufficient storage capacity i.e. # of years); and</li> </ul>

#	REQUIREMENT	DESCRIPTION
		<ul style="list-style-type: none"> <li>• Ability to ensure only one individual is accessing and modifying the document at the same time.</li> <li>• Ability to track escalations from managers to executives</li> </ul>
2.3.	<b>Audit trail</b>	<ul style="list-style-type: none"> <li>• Audit Trails – each change to an entry is logged and reportable (fields to be defined).</li> </ul>
2.4.	<b>Reporting</b>	<ul style="list-style-type: none"> <li>• The GRC system should have the ability to satisfy the following reporting requirements:</li> <li>• Standard reporting in accordance with the adopted standards by each Assurance Provider (e.g. ISO 31000 for Risk Management).</li> <li>• Support customizable reporting.</li> <li>• Dash-boarding capability.</li> <li>• Project status and the live project progress.</li> <li>• Project time utilised per resource allocated.</li> <li>• Trend analysis capability.</li> <li>• Ability to generate/pull and consolidate into one report information from the different end-user domains to give consolidated view of all issues to be addressed by management.</li> <li>• Ability to generate/pull and consolidate into one report information from the Risk Management, Internal Audit Compliance and FID domains and/systems, to develop reports for the Audit Committee; and</li> <li>• Ability to send updates to all the Assurance Providers.</li> </ul>
2.5.	<b>Control Assessment</b>	<ul style="list-style-type: none"> <li>• Ability to link similar controls across various business processes, division /business units, locations, modules (internal audit and enterprise risk management).</li> <li>• Ability to categorize controls:</li> <li>• Key and compensating controls.</li> <li>• Type of control, (preventative or detective, manual or automated); and</li> </ul>

#	REQUIREMENT	DESCRIPTION
		<ul style="list-style-type: none"> <li>• Validity, accuracy, and completeness (access restrictions and segregation of duties).</li> <li>• Ability to define controls by SEAT (specific description, evidence, accountability assigned and time frame/frequency).</li> <li>• Ability to present all the linked controls for a particular risk in a concise manner that enables the evaluation of the control portfolio to determine the acceptability of the residual risk; and</li> <li>• Ability to link the key controls to a test script to have less information input requirements (This is to provide assurance that key controls have been looked at).</li> </ul>
2.6.	<b>Incident Management</b>	<ul style="list-style-type: none"> <li>• Ability to capture various risk incidents i.e. loss events, compliance breaches, key risk indicators breach etc. from various functions within the Organisation e.g. Business Continuity, Occupational Health and safety, Information Technology, Legal, Compliance, Operations, etc.</li> <li>• Link incidents to function, process, risk, risk and or process owner as well as action plans to remedy the incident etc.</li> <li>• Forms to record and analyse the incidents to identify root causes.</li> <li>• Escalation of risk incidents in line with set escalation parameters [time, impact rating, risk type etc.]</li> </ul>

## **5. TECHNICAL REQUIREMENTS**

### **5.1. Licencing**

- 5.1.1. The vendor is required to describe the license methodology or structure, explaining all the components within the GRC offering, including the pricing structure for related options and combinations. Bidders are required to list all the related components that should or could be part of the solution suite, whether they are relevant to RAF's project.
- 5.1.2. The vendor is to review the requirements and suggest the licensing and the cost of the licensing to enable the business requirements articulated in this RFP. License pricing should be based on 'per use' model as specific/ fixed quantities are not provided.
- 5.1.3. **N.B.** The service provider should have flexibility to increase/ decrease the licenses as and when required.

### **5.2. Support**

- 5.2.1. Prospective bidders are required to provide a recommended support model to ensure a long-term sustainable solution. Focus should be on internal support structure and requirements as well as external support from the solution provider. Bidders are required to provide evidence of similar implementation and support structures.
- 5.2.2. Support is assumed to start immediately after post-stabilisation support and should be quoted for a period of twelve months/ one year.

### **5.3. Project Implementation Plan- Approach and Methodology**

- 5.3.1. Bidders are required to submit a proposal covering a detailed implementation plan, the approach and implementation philosophy. This plan must cover allocated resources, timelines and resources e.g.
  - a) Solution Delivery
  - b) Data migration from the current distinct locations.
  - c) Testing (refer to 3.21 For testing requirements)
  - d) End User Training and Technical Knowledge Transfer.
  - e) Go live.
  - f) Clear time frames.
  - g) Skills and resources allocation to tasks.
  - h) Transcription, translation, quality assurance and other professional services to ensure the successful delivery of the project must be factored into the proposal.
  - i) A clear work-breakdown structure

- 5.3.2. Where an implementation partner is recommended for this purpose the details regarding preferred implementation partner and information regarding exclusivity through selected partners must be submitted. If there is a preferred implementation partner based on Industry, Geography or Capability, bidders are required to provide details on ability to support multiple parallel implementations to accelerate the implementation timeframe.
- 5.3.3. **NB:** Failure to submit a detailed proposal that entails an implementation plan will nullify a bid.
- 5.3.4. Demonstration of the proposed GRC Tool
- 5.3.5. As part of evaluation, bidders will be invited to a compulsory tool demonstration session. The demonstration will cover:
- a) GRC system's usability,
  - b) Flexibility and
  - c) Agility in meeting the requirements detailed in section 4 above.
- 5.3.6. **NB:** Each bidder will be allocated 1 hour do the demonstration, including responding to possible questions.
- 5.3.7. The bidder must provide the right training material to the RAF employees for internal use. Bidders must indicate if third-party solutions will be required.

#### **5.4. System Compatibility and interface**

- 5.4.1. Bidders must advise if the proposed GRC system will/ has the ability interface with other systems i.e. (but not limited to):
- a) SAP.
  - b) Integrated Claims Management System; and
  - c) Microsoft Office.
- 5.4.2. RAF reserves the right to award provision of part, or all required domains to a single or multiple bidders in order to acquire the most suitable system that will meet the requirements of RAF.

#### **5.5. Training**

- 5.5.1. The proposal should provide a plan that addresses the training needs of:
- a) System Administrators;
  - b) Highest level users; and
  - c) End-users.
- 5.5.2. The bidder must provide the right training material to the RAF employees for internal use.

## **5.6. Compatibility and Interface**

5.6.1. System Compatibility and interface: Bidders must advise if the proposed GRC system will interface with other systems i.e. (but not limited to):

- a) SAP.
- b) Integrated Claims Management System.
- c) Microsoft Office.

5.6.2. Bidders must indicate if third-party solutions will be required.

5.6.3. **NB:** Data ownership must remain with RAF. The cloud services must be within the borders of South Africa.

## **6. EVALUATION CRITERIA AND METHODOLOGY**

6.1. The Evaluation Process entails the following phases:

6.1.1. **Phase 1:** Initial Screening Process: At this Phase Bidders' responses are checked for full compliance with the RAF Request for Bid (RFB) document. Bidders who comply with the screening process will be evaluated against Mandatory Requirements.

6.1.2. **Phase 2:** Mandatory Evaluation: At this Phase Bid Responses are evaluated, as per the valuation criteria specified in the RFB document. Bidders who fail to fully comply with the Mandatory Requirements will be disqualified.

### **6.1.3. Phase 3: Technical/ Functional Evaluation and system demonstrations**

6.1.3.1. Bidders' proposals will be evaluated against the system capabilities, technical requirements and tool demonstration. This phase comprises of two sections where a total of 100 points is allocated as follows:

#### **6.1.3.2. Section 1**

- a) A total of 70 points is allocated for this section. Only bidders who scored a set minimum of 55 out of 70 points will be invited to do a demonstration on their tool.

#### **6.1.3.3. Section 2**

- a) A total of 30 points have been allocated for this phase. Only bidders who score a set minimum threshold of 20 points will proceed to be evaluated further on price and Preferential Points for Specific Goals.

6.1.4. **Phase 4:** Price and Specific Preference Point Goals – At this phase the bid(s) will be assessed as per the preferential point system specified in the RFB document.

## 7. MANDATORY REQUIREMENTS (PHASE 2)

7.1. Bidder must indicate by ticking (✓) correct box indicating that they Comply or do not comply. Failure to indicate compliance and to provide the required supporting documents will result in disqualification. Bidders who are disqualified at the mandatory requirements stage will not be considered for further evaluation on the functional requirements.

	Comply	Not Comply
7.1.1. Original Product Owner: a) The bidder must be the original product owner or accredited or licensed to supply, implement, and support the GRC system. b) The bidder must submit documentary proof from the product owner that the bidder is an accredited or licensed product supplier of the system. c) The documentary proof must be on the product owners' company letterhead or accreditation certificate.		
7.1.2. Bidder confirms that the data storage cloud services is within the Borders of South Africa		

## 8. TECHNICAL / FUNCTIONAL CRITERIA – SECTION 1

8.1. With regards to technicality/ functionality, the following criteria shall be applicable, and the maximum points of each criterion are indicated in the table below:

8.1.1. Bidders experience and track record.	15
a) The Bidder(s) must have a minimum of one (1) years of experience in installing, supporting, and maintaining GRC system in a cloud hosted environment. b) Proof of experience from your current or previous client in a form a reference letter with contact details of the client, in a company letterhead.	

<p>c) The reference letter must attest to the capacity and capability of the bidder pertaining to installing, supporting, and maintaining the GRC system and the period services were rendered.</p> <p>d) <b>NB:</b> The reference letter must not be older than five (5) years from the date of issue of the bid.</p> <p>e) Points allocation:</p> <table border="1" data-bbox="400 526 1067 837"> <thead> <tr> <th>Years of Experience</th><th>Score</th></tr> </thead> <tbody> <tr> <td>Less than 1 year experience</td><td>5</td></tr> <tr> <td>1 to 2 years' experience</td><td>10</td></tr> <tr> <td>3 years and more</td><td>15</td></tr> </tbody> </table>	Years of Experience	Score	Less than 1 year experience	5	1 to 2 years' experience	10	3 years and more	15	
Years of Experience	Score								
Less than 1 year experience	5								
1 to 2 years' experience	10								
3 years and more	15								

<p>8.1.2. Expertise and experience of proposed Director/ Team Lead/ Supervisor.</p>	20						
<p>a) The bidder must provide a detailed CV of the proposed project lead e.g. Director/ Team Lead or Supervisor, elaborating on the experience in installation, support, and maintenance of the GRC system.</p> <p>b) The proposed Director/Team Lead/ Supervisor must have a minimum of 5 years' experience.</p> <p>c) Bidders will not be allocated points should they fail to comply with the afore-mentioned requirement.</p> <p>d) Points allocation:</p> <table border="1" data-bbox="400 1565 956 1796"> <thead> <tr> <th>Years of Experience</th><th>Score</th></tr> </thead> <tbody> <tr> <td>5 years' experience</td><td>15</td></tr> <tr> <td>6 years and more</td><td>20</td></tr> </tbody> </table>	Years of Experience	Score	5 years' experience	15	6 years and more	20	
Years of Experience	Score						
5 years' experience	15						
6 years and more	20						

8.1.3. Expertise and experience of the proposed team members	15															
<p>a) The bidder must provide a copy of a two (2) page CVs for each of the proposed team members. The CVs provided must elaborate on the experience in the areas that they will be involved in (i.e., installation, support, and/or maintenance) and the number of years' experience the team member has in that area. The roles must be linked to the submitted proposal implementation plan.</p> <p>b) Bidders will not be allocated points should they fail to comply with the afore-mentioned requirement.</p> <p>c) Please note that in addition to the CV, the table below must be completed. If the space is insufficient, an attachment may be included. Bidders will not be allocated points should they fail to comply with the afore-mentioned requirement.</p> <table><tr><th>Name of the technical Resource</th><th>Area of Expertise (i.e., installation, support, and/or maintenance)</th><th>Years of Experience</th></tr><tr><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td></tr></table> <p>d) Points will be allocated based on combined technical resource average minimum experience of eight (8) years directly related to the GRC system being implemented.</p> <p>e) Bidders will not be allocated points should they fail to comply with the afore-mentioned requirement.</p> <p>f) Points allocation:</p> <table><tr><th>Years of Experience</th><th>Score</th></tr><tr><td>8 years' experience</td><td>10</td></tr><tr><td>9 years and more</td><td>15</td></tr></table>		Name of the technical Resource	Area of Expertise (i.e., installation, support, and/or maintenance)	Years of Experience							Years of Experience	Score	8 years' experience	10	9 years and more	15
Name of the technical Resource	Area of Expertise (i.e., installation, support, and/or maintenance)	Years of Experience														
Years of Experience	Score															
8 years' experience	10															
9 years and more	15															

8.1.4. Implementation Plan: Methodology and Approach	20
<p>a) Bidders must also provide a detailed description of how they intend to execute the assignment from inception to completion. This must include, as a minimum, a project plan with the following:</p> <p>b) Milestones including:</p> <ul style="list-style-type: none"> <li>• Solution Delivery</li> <li>• Data migration from the current distinct locations.</li> <li>• Testing (refer to 3.21 For testing requirements)</li> <li>• End User Training and Technical Knowledge Transfer.</li> <li>• Go live.</li> <li>• Clear time frames.</li> <li>• Skills and resources allocation to tasks.</li> <li>• Transcription, translation, quality assurance and other professional services to ensure the successful delivery of the project must be factored into the proposal.</li> <li>• A clear work-breakdown structure</li> </ul> <p>c) Points allocation:</p> <ul style="list-style-type: none"> <li>• The project plan must detail all the above requirements for the total score to be allocated. The project implementation plan must cover all the above-mentioned aspects to score a total point of 20. No points will be allocated when one of the above listed is not included in the project implementation plan.</li> </ul>	

## 9. SYSTEM DEMONSTRATION

9.1. Bidder/s who score the minimum stipulated threshold of 55 points out of 70 points for Technical Requirements will further be evaluated on system demonstration requirements.

- 9.2. Bidders should provide a demonstration of their GRC system's usability, flexibility and agility in meeting the requirements detailed in 4.27 above. The bidder must articulate the power of their software through demonstration.
- 9.3. The demonstration should not exceed one (1) hour including time for questions and answers.

9.3.1. System demonstration	Points								
<p>a) Adherence to requirements</p> <ul style="list-style-type: none"> <li>The bidder must clearly demonstrate the proposed GRC system, compliance to the deliverables and scope as per paragraph 5.4 as well as the usability, flexibility and agility of the proposed GRC system.</li> </ul> <table border="1"> <thead> <tr> <th>Adherence to requirements</th><th>Score</th></tr> </thead> <tbody> <tr> <td>System complies with deliverables only</td><td>0</td></tr> <tr> <td>System complies with deliverables and is usable and flexible.</td><td>20</td></tr> <tr> <td>System complies with deliverables and is usable, flexible and agile.</td><td>30</td></tr> </tbody> </table>	Adherence to requirements	Score	System complies with deliverables only	0	System complies with deliverables and is usable and flexible.	20	System complies with deliverables and is usable, flexible and agile.	30	30
Adherence to requirements	Score								
System complies with deliverables only	0								
System complies with deliverables and is usable and flexible.	20								
System complies with deliverables and is usable, flexible and agile.	30								

- 9.4. Bidders who score LESS than 85 out of 100 points, technical / functionality criteria and demonstration will not be considered for further evaluation on Price and Specific Goals.

Total technical/functional	100
Threshold	85

- 9.5. The BEC will use its discretion to allocate points informed by the demonstration compliance with the system adherence including bidders' ability to respond to questions.
- 9.6. Bidders who score a minimum of 85 out of 100 points on technical / functionality criteria and demonstration will be considered for further evaluation on Price and specific goals.

## 10. 80/20 PRICE EVALUATION

10.1. The BEC will use its discretion to allocate points informed by the demonstration compliance with the system adherence including bidders' ability to respond to questions.

Evaluation criteria				Points
1.	Price			80
2.	Specific Goals			20
	#	Specific Goal	Proof	Points Allocation
	1	South African citizen who had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 200 of 1983) or the Constitution of the Republic of South Africa, 1996. (minimum 51% ownership or more)	CSD Report	10
	2	Women (minimum 51% ownership or more)	ID copy / CSD report	8
	3	Persons with disabilities (minimum 51% ownership or more)	Valid medical certificate issued by an accredited medical practitioner	2
Total				100

## ANNEXURE G:

### PRICING SCHEDULE:

This section should be completed and signed by the Bidder's authorized personnel as indicated below:

- **NOTE: The RAF is prepared to pay for each deliverable as mentioned in the table below**
- **The Bidder must indicate timelines and milestones for key deliverables in each of the sections listed in the pricing schedule.**
- The price will be fixed and firm for the duration of the project.
- Bidders are required to provide a clear cost breakdown comprising of the deliverables as below for the proposed GRC System.
- All rates quoted below are inclusive of VAT.
- The bidder will be required to price (including VAT) on the following:

Deliverables	Cost (R)
<b>1. Integrated Combined Assurance System – Implementation</b>	
Planning	
Analysis	
Customisation/ Development/ configuration	
Testing	
Migration of data	
Training	
Other costs (if applicable)	
Sub-total	
<b>2. Licenses (The number of users is subject to confirmation)</b>	
Initial License fees (or Capex)	

<b>Annual license maintenance and support fees (quoted for 3 years)</b>		
	<b>Year 2</b>	
	<b>Year 3</b>	
	<b>Year 4</b>	
<b>Other costs (state and summarise all other costs required to complete the project successfully)</b>		
<b>Maintenance and support for a period of three year (300 hours as retainer and 1 200 hours as time and material per month)</b>		
<b>Sub-total</b>		
<b>Grand Total</b>		

**THE NATIONAL TREASURY**

**Republic of South Africa**



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**GOVERNMENT PROCUREMENT: GENERAL  
CONDITIONS OF CONTRACT**

**July 2010**

## **NOTES**

The purpose of this document is to:

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

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

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

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## **General Conditions of Contract**

### **1. Definitions**

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

RSA.

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

obligations of the supplier covered under the contract.

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

## **2. Application**

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

## **3. General**

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

## **4. Standards**

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

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

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

## **6. Patent rights**

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

## **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. Incident al 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.

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

- 21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.
- 21.5 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.
- 21.6 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.

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.

23.3 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.
<b>29. Governin g language</b>	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.
<b>30. Applicabl e law</b>	30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
<b>31. Notices</b>	<p>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</p> <p>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.</p>
<b>32. Taxes and duties</b>	<p>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.</p> <p>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.</p> <p>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.</p>
<b>33. Nation al Industrial Participation (NIP) Programme</b>	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.
<b>34 Prohibition of Restrictive practices</b>	<p>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).</p> <p>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.</p>

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)