

MPUMALANGA PROVINCIAL GOVERNMENT



MPUMALANGA PROVINCIAL TREASURY

BID NUMBER: TREA/018/23/MP

**PROVISION OF AN ELECTRONIC SUBMISSION
SYSTEM (E-SUBMISSION) TO THE
MPUMALANGA PROVINCIAL GOVERNMENT)
FOR A PERIOD OF FIVE (5) YEARS WITH AN
OPTION TO EXTEND FOR A MINIMUM OF 3
YEARS TO A MAXIMUM OF 5 YEARS**

ISSUED BY:

Mpumalanga Provincial Treasury
Private Bag X11246
Mbombela
1200

NAME OF BIDDER:

TOTAL BID PRICE (all inclusive) :.....

(Also in words):

.....

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE MPUMALANGA PROVINCIAL TREASURY					
BID NUMBER:	TREA/018/23/MP	CLOSING DATE:	02 JUNE 2023	CLOSING TIME:	12H00
DESCRIPTION	PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
MBOMBELA , Riverside Government Complex, Building No 9, Government Boulevard, Mbombela, 1200, PIET RETIEF , No. 11 Measroch Street, Piet Retief Office, KWAMHLANGA , KwaMhlanga Government Complex, Department of Finance, Building No. 12, Computer Centre EVANDER , 10 Cornell Road (previously occupied by Evander Home Affairs Offices), Evander, 2280, BUSHBUCKRIDGE , Bushbuckridge Advice Centre, Department of Finance, Protea building (old Telkom building), MIDDELBURG , Department of Public Works, Cnr. Lillian Ngoyi and Dr Beyers Naudé Streets – Old TPA Building, Upper ground floor, Office numbers A20, 21 and 25, MALELANE , 24 Air Street, Malelane, ELUKWATINI , Elukwatini Sub Regional offices, Office numbers A49 and A50 (opposite Elukwatini Community Hall) Stand number 12 Extension A, Elukwatini.					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Ms. TC Cele		CONTACT PERSON	Mr. LJ Radebe	
TELEPHONE NUMBER	013 766 4119		TELEPHONE NUMBER	013 766 4380	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	celetc@mpg.gov.za		E-MAIL ADDRESS	ljradebe@mpg.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		<input type="checkbox"/> Yes <input type="checkbox"/> No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				<input type="checkbox"/> YES <input type="checkbox"/> NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED (NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED; EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS PIN IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

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

SIGNATURE OF BIDDER:

.....

CAPACITY UNDER WHICH THIS BID IS SIGNED:

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

.....

DATE:

.....

MPUMALANGA PROVINCIAL TREASURY



APPOINTMENT OF A SERVICE PROVIDER(S) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR THE PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

SECTION A- GENERAL SPECIFICATIONS/INFORMATION

1. PURPOSE

- 1.1. This request is intended to invite proposals from credible service providers within the borders of the Republic of South Africa to provide an electronic submission system (e- to the Mpumalanga Provincial Government.

2. BACKGROUND

- 2.1. Electronic submission system must facilitate the process of drafting memos, forms, process flow and obtaining all necessary approvals electronically to dramatically speed up and improve the auditability of decision making throughout the departments.
- 2.2. Electronic submission must have all the functions mentioned under the scope of work under the following broad category: Online submission of memorandums, legislative questions, tasks and resolutions and travelling and subsistence.

3.1. OBJECTIVE OF SERVICE

- 2.1. The main objective of the required electronic submission system is to ensure that all submissions are done electronically and are properly managed.

4. SCOPE OF WORK

- 4.1. **The proposed solution required should cater for the following areas:**

4.1.1. Online Submission of Memorandums

- Online drafting of submissions, recommendation, and approval
- E-mail and SMS notifications with a link to the items that needs processing
- Tracking Progress and receiving submissions
- Eliminate lost submissions and delays from transporting paper submissions
- Gain visibility of submissions progress at all times
- Improve financial controls by obtaining an update date view of available budgets through the integration with Transversal systems e.g., BAS

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- Attach any supporting documentation electronically
- Gain 24/7 access to submissions via the web even whilst out-of-the office
- Strengthen security and enforce document classification levels
- Escalate submissions if no responded to within required timeframes
- Work off-line and whilst on the road using the tablet application
- Integration with signatures by using electronic signatures and/or Advance Electronic Signatures (Digital Signatures)

4.1.2. LEGISLATIVE QUESTIONS (LQ)

- Coordinates electronically the end-to-end process from registration of the LQ to final sign-off by the Member of Executive Council (MEC).
- Allows the relevant individual(s) in the Accounting Officer/DG's office to assign the question to one or more officials to draft responses.
- Supports complex workflows emanating from multi-part questions requiring input and consolidation of responses from multiple persons.
- Offices of the Legislature, Accounting Officer, DG and other relevant persons have access to a dashboard allowing them to monitor the progress of all questions and the contents of their responses at all times.
- Escalates any questions which are not meeting certain milestones (e.g. draft) within prescribed time frames and send Email and SMS reminders to individuals delaying the process.
- Stores all historical Qs and related responses and provides the capability to search them.
- Enforces clear accountability for a LQ at Accounting Officer/DDG level even whilst allowing questions to be sent directly to specialists to avoid delays arising from late assignment by Accounting Officer/DDGs.
- Allows LQ responses to include attachments as supporting documentation and evidence

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4.1.3. TASKS AND RESOLUTION TRACKING

- Register, assign and manage all tasks from a central point
- Gain real-time visibility of progress from progress tracking dashboards
- Automate follow-ups on outstanding and overdue tasks
- Enable officials to report on progress of assigned tasks electronically and attach portfolio of evidence
- automate the generation of acknowledgement letters and emails where tasks are in response to stakeholder communications
- Link related tasks and inquiries to avoid duplication of effort
- Provide Branch level dashboards to improve management and accountability of Branch Heads
- Strengthen delivery through clear accountability and tracking of tasks until closure.

4.1.4. SUBSISTENCE AND TRAVELLING ALLOWANCES

- Simplify the submission of S&T Claims by automatically calculating Allowance and Kilometres claim amounts based pre-loaded DPSA and DoT tariffs respectively
- Enforce compliance to National Treasury policies
- Automatically generate and attach approved trips or Google Maps to support Kilometer claims
- Eliminate errors and delays due to the manual calculation and verification of claims
- Prevent the submission of claims when no budget is available
- Integrate capabilities with other systems like Travel Booking to link expenses to previously approved travel bookings
- Coordinate the end-to-end process of obtaining necessary approvals and capturing into Transversal Systems e.g., Persal to speed up the reimbursement of claims

5. EXPECTED PERFORMANCE FROM PROSPECTIVE SERVICE-PROVIDERS

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- 5.1. Bidders should provide a commitment to offer customized and sustainable E-submission system services in relation to the Provincial Treasury's needs through dedicated service managers.
- 5.2. The Service-provider should have the ability to transmit confirmation requests to the Provincial Treasury by electronic means, e-mail, telephone and fax.
- 5.3. The following are imperatives for the management of submissions: -
 - 5.3.1. Timeouts and secure processing of all E-Submission
 - 5.3.2. Ability to interface (where required) with transversal systems and line-of-business applications currently being used
 - 5.3.3. PC based leased line or dial up access
 - 5.3.4. Host connection via a dedicated line
 - 5.3.5. Stringent authorization and security controls
 - 5.3.6. Efficient management and reduction of risk processes
 - 5.3.7. Enhanced data integrity due to stringent validation controls; and
 - 5.3.8. Cost efficient processes.
- 5.4. The Provincial Treasury expects bidders to be able to provide on line real-time E-Submission management and transaction enquiries, real-time transaction search capabilities and transaction history (list of transactions) storage retrieval for up to 180 calendar days.
- 5.5. Prospective service-providers to ensure that E-Submissions to employees are effected in real-time.
- 5.6. The service-providers should have data-import capabilities.
- 5.7. Successful bidder is expected to liaise with the Provincial Treasury's internal audit team regarding solution processes and procedures in ensuring that operational risks are addressed.
- 5.8. There should be a demonstration on the part of the bidder about the ability to effect real time E-Submission with built-in security controls which would prevent unauthorized access, including an audit trail report which records all transactions, amendments, authorizations of submissions and the date and time of each transaction.

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- 5.9. There should be a competent support office staff to monitor and implement any changes to the E-Submission system that is required to ensure that on an ongoing basis the Provincial Treasury's requirement are fully met.
- 5.10. It is expected of the bidder to indicate the ability to interface financial management systems with those of the Provincial Treasury.
- 5.11. The bidder should put in place a dedicated team and project manager for all-inclusive seamless installation of all solutions.
- 5.12. The bidder should identify training requirements and time-frame for the implementation of the different solutions.
- 5.13. The bidder should be able to provide a dedicated implementation team to facilitate smooth transaction of leave management to the Provincial Treasury.
- 5.14. There should be a dedicated specialist E-Submission management manager who should attend to the following:
 - 5.14.1. Ensuring of correct set-up and optimization of the structure
 - 5.14.2. Identification of all additional systems interface requirements for E-Submission system.
 - 5.14.3. Identification of additional access requirements across the Treasury, including the institutional and remote requirements and installation thereof.
 - 5.14.4. Liaising with appropriate officials regarding interfaces in to the Treasury line of business application and MS excel applications.
 - 5.14.5. Identification, in consultation with the Provincial Treasury, of all access levels, authorities, profiles and limits for officials requiring access to the E-Submission system.
 - 5.14.6. Attending to legal documentation and the signing thereof
 - 5.14.7. Formalization of service level agreements incorporating back up procedures and processes, particularly with regards to E-Submission system.
 - 5.14.8. Identification of training requirements and arrangements of the necessary training in consultation with the Provincial Treasury and the provision of all user manuals.
- 5.15. A successful bidder will enter into a service level agreement with the Mpumalanga Provincial Government.

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6. REQUIRED INFORMATION TO BE PROVIDED

6.1. All bidders are required to provide information on the following:

6.1.1. Latest set of audited financial statements

6.1.2. IT systems, back up facilities

6.1.3. Client training programmes and facilities

6.1.4. Demonstration on how to assist the Provincial Treasury on fraud prevention and indication of the measures to be taken in this regard

SECTION B- EVALUATION PROCESS AND CRITERIA

The Department shall evaluate the bid in terms of functionality and content preference point system which encompasses the following:

- **Functionality**

The Department shall evaluate the bid on the basis of functionality (100), price (90) and specific goals (10).

- **Preference point system**

Responsive bids will be adjudicated by the Department on the 90/10 preference point system for specific goals. Only bids that have met the Phase I requirements shall be evaluated under Phase II in terms of the 90/10 preference points system. During this stage, the 90 points will be allocated for price only whereas the 10 points are for the specific goals contributor.

6. Bid Evaluation Methods

- a. Evaluation in terms of compulsory returnable documents
- b. Evaluation in terms of functionality criteria and preference point system.

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6.1. Stage 1- Initial screening process

The National Treasury requires service providers to be registered on CSD which therefore requires bidders, to register on the Central Supplier Database (CSD). For this bid as a result, reports from the CSD will be used in order to verify bidders' information including:

- Company registration
- Directorship, shareholding, trusteeship and membership
- Bank account holder details
- State employees' status
- Tax compliance status
- Identity information, etc.

The aforementioned information should be submitted in the following templates for both the compulsory and supporting returnable documents:

7.1.1 For the bidders benefit you may clearly indicate with a **YES** or **NO** on whether the following compulsory returnable documents are attached or not. Where a **YES** or **NO** is not applicable, indicate as such with a **N/A**.

Section A	Compulsory Returnable Documents	Attached YES/NO/ N/A
a.	The bid document must be securely bound or filed.	
b.	Invitation to Bid (SBD 1) must be fully completed.	
c.	Fully completed Pricing Tables	
d.	Fully completed and signed SBD 4 (Bidder disclosure).	

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Section A	Compulsory Returnable Documents	Attached YES/NO/ N/A
e.	A valid Pin Letter from SARS. Failure to submit a Valid Pin Letter your bid proposal will be considered as being non-responsive, be invalidated or disqualified.	
f.	Proof of VAT registration if the bidder is VAT registered.	
g.	Copies of CIPRO/ CICPC Company registration documents/ share certificates indicating each director's percentage shareholding.	
h.	A certified copy of an agreement and a resolution by each party if the bidders are in a joint venture/consortium/partnership. If the bidder is not in a joint venture/consortium/partnership, this section (i) is not compulsory.	
i.	Certified copies of identity documents/valid passports and work permits of all the directors of the company. The date on the certified copies must not be older than three(3) months as at the closing date of the bid.	
j.	A copy of Central Supplier Database (CSD) printout report.	
k.	SITA appointment letter indicating that you are part of the SITA database RFB 1183/2013	

N.B:

BIDDERS WHO FAIL TO ATTACH ANY OF THE COMPULSORY DOCUMENTS AS LISTED ABOVE WILL BE DISQUALIFIED.

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7.1.2. Supporting Returnable Documents

Section B	Supporting Returnable Documents	Attached YES/NO
a.	Fully completed and signed SBD 6.1 (Preference Claim Certificate), accompanied by proof for the points claimed for the specific goals. Original or originally certified copy of documents for the points for specific goals being claimed .	
b.	A detailed implementation plan indicating how the bidder will supply and deliver the furniture. The implementation plan should include proposal for the supply, delivery and the capacity of the company. Proof of capacity to deliver on the project must be attached.	
c.	Evidence of experience in the supply and delivery of furniture in a form of appointment letters or purchase orders, delivery notes and confirmation letters from a relevant institution. (Confirmation letters must bear signatures of the relevant Accounting Officers/Accounting Authorities. Also provide proof of deliveries (delivery notes) not older than five (5) years before this bid.	
d.	Proof of appropriate transport vehicles that are not less than one (1) ton. attach originally certified copies of vehicles' registration certificates. If vehicles are to be leased/rented, the bidder must attach an originally certified copies of vehicles' registration certificates (from a lessor/owner(s) and the lease agreement(s). The date on the certified registration copies must not be older than three (3) month as at the closing date of the bid.	
e.	Attach an originally stamped letter of good standing indicating the rating of the account from a financial institution (bank) which is	

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Section B	Supporting Returnable Documents	Attached YES/NO
	registered in terms of the Bank Act (Act. No. 94 of 1990 as amended). A letter without ratings, signature and bank stamp will not be considered. The date on the letter must not be older than three (3) month as at the closing date of the bid.	

PS: Although bidders who fail to attach any of the above listed supporting documents will not be disqualified, points will not be allocated for the non-attachment.

8. EVALUATION METHOD

8.1. General

The Department shall evaluate the bid on the basis of functionality (100), price (90) and equity ownership (10).

8.2. Evaluation Phases

There are three phases through which this bid's evaluation has to undergo. Phase I deals with functionality; Phase II focuses on the preferential points while Phase III provides the rationale for the recommended/preferred bidder(s).

Evaluation on functionality criteria and Preferential Point System

Phase 1: Functionality.

Points allocation for functionality:

Functionality	100
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Points allocation for price and equity ownership:

Price	90
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Specific goals Contributor	10
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8.2.1 Stage 2 - Functionality evaluation in terms of the attached criteria.

Points allocation for functionality allocated for functionality are 100 and members of the Bid Evaluation Committee (BEC) will strictly and individually evaluate the bids by verifying, all documents submitted by bidders, and score responsive bids under the following functionality criteria:

CRITERIA	GUIDELINES FOR CRITERIA	WEIGHT
Track record in successfully servicing and delivering complex systems in large public or private sector at a national and/or provincial level that proves ability to implement and support complex solutions with not less than 25 000 employees.	<ul style="list-style-type: none"> The Service Provider should have demonstrable and proven experience of implementing solutions as per scope. Reference letters / letters of recommendation MUST be attached The system should still be in use and operational <p>1 Reference = 5 points; 2 References = 10 points; 3+ References = 15 points;</p>	15
Competency and certification in Microsoft technology or any other equivalent	The Service Provider should have a Microsoft or any other equivalent Gold Partnership Status e.g. CISCO, Web Services, etc in an Appropriate Competency (Certificate to be attached) = 10 points	10

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Solution Quality	<p>Proposed solution to be presented:</p> <ul style="list-style-type: none"> • Architecture (Process Flow) must be presented and be logical. = 10 points • Requirements articulated under 'Scope of Work' section above can be met and the Service Provider is able to substantiate thoroughly: maximum of up to 30 points will be awarded for coverage of all requirements that are well substantiated. <ul style="list-style-type: none"> ➤ Understanding of the South African public sector regulation and legislative requirements ➤ A demonstration / Presentation on the part of the bidder about the ability to effect real time transactions with built-in security controls. ➤ Demonstrable availability of relevant, suitably qualified and experienced resources in Software development, Project Management, Security, Business analysts, IT Infrastructure, etc 	40
Implementation Approach, Methodology And Timelines	Project Implementation and Maintenance Plan that indicates the following:	35

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	<ul style="list-style-type: none"> • Clearly defined activities that are 100% aligned to each of the key objectives as well as each of the expected outputs/ deliverables as outlined in the scope of work = 10 points • Well defined timeliness and milestone with schedule of payment for each of the activities and deliverables = 5 points • A Skills Transfer Plan developed in line with the terms of Reference = 10 points • Clearly defined Maintenance and support in line with the expected deliverables = 10 points 	
TOTAL		100

Bidders will be expected to come and make presentations including provision of live demonstrations as part of the evaluation process

Bids that fail to score a minimum of 70 out of a possible 100 points for functionality will not be eligible for further consideration.

The second stage will evaluate the price and specific goals preference points of those bids, which meet the minimum threshold for functionality. In accordance with the Preferential Procurement Regulations, 2022, pertaining to the Preferential Procurement Framework Act (no. 5 of 2000).

The 90/10-point system will be applied in evaluating proposals that qualify for further consideration, where price constitutes 90 points and 10 points will be awarded based on the bidder's specific goals. Sufficient information must be provided to allow the Bid Evaluation Committee to score bid against all these criteria.

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8.2.2. The formula to be utilised to convert the functionality scores to percentages is as follows:

$$P_s = 90 \left[\frac{1 - \frac{P_t - P_{min}}{P_{min}}}{P_{min}} \right]$$

The points scored for functionality shall be calculated as follows:

Each BEC member shall award points for each criterion on the score sheet.

The assessment of functionality shall be done in terms of the above mentioned evaluation criteria and the minimum threshold of **70** points.

All bidders who scored the minimum threshold of **70** points or above shall advance to Phase II.

Bids that do not score the specified minimum points of **70** for functionality shall not be considered further.

8.2.3. Price/Financial stage and Specific goals in terms of the 90/10 preference point system.

Only price/financial bids that are submitted in the South African Rand will be considered. The department reserves the right to negotiate rates/prices submitted by bidders.

Responsive bids will be adjudicated by the Department on the 90/10 preference point system . Only bids that have met the Phase I requirements shall be evaluated under Phase II in terms of the 90/10 preference points system. During this stage, the 90 points will be allocated for price only whereas the 10 points are for the specific goals.

The lowest acceptable bid shall obtain the maximum percentage allocated for price. All other bids with higher prices shall proportionately obtain lower percentages.

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The final points that will guide the selection of a preferred bidder shall be calculated as follows:

$$P_s = 90 \left[\frac{1 - \frac{P_t - P_{\min}}{P_{\min}}}{P_{\min}} \right]$$

Where:

P_s = Points scored for comparative price of tender or offer under consideration

P_t = Comparative price of tender or offer under consideration and

P_{\min} = Comparative price of lowest acceptable tender or offer

Note: The preference claim forms are included as part of the standard bidding document.

A maximum of 10 points may be awarded to a tenderer for the specific goal specified for the tender.

Subject to section 2(1)(f) of the Act, the contract may be awarded to the tenderer scoring the highest points.

Points will also be awarded to a bidder for attaining the specific goal specified of contributor:

Description	90/10
Enterprises that are at least 51% that have historically disadvantaged persons such as Black persons (as defined by BBBEE Act)	5 points
Enterprises that are at least 51% women-owned	3 points
Enterprises that are at least 51% owned by disabled persons	1 points

REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

Enterprises with at least a 51% ownership by Youth	1 points
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8.2.3. Phase III - Recommendations

Bidder (s) with the highest points shall then be considered for recommendation based on the requirements of this bid.

BIDDER SIGNATURE

DATE

REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

9. SECTION C: SPECIAL CONDITIONS

- 9.1. The Special Conditions of Contract are supplementary to the General Conditions of Contract. Where the Special Conditions of Contract are in conflict with the General Conditions of Contract, the latter take precedence. The Department reserves its right to disqualify any bidder who:
- a. engages in any collusive tendering, anti-competitive conduct, or any other similar conduct, including but not limited to any collusion with any other bidder in respect of the subject matter of this bid;
 - b. seeks any assistance, other than assistance officially provided by a government entity, from any employee, advisor or other representative of a government entity in order to obtain any unlawful advantage in relation to procurement or services provided or to be provided by the Department;
 - c. makes or offers any gift, gratuity, anything of value or other inducement, whether lawful or unlawful, to any of the Department officials, directors, employees, advisors or other representatives;
 - d. accepts anything of value or an inducement that would or may provide financial gain, advantage or benefit in relation to procurement or services provided or to be provided by the Department;
 - e. pays or agrees to pay any person any fee, commission, percentage, brokerage fee, gift or any other consideration, that is contingent upon or results from, the award of any tender, contract, right or entitlement which is in any way related to procurement or the rendering of any services by the Department;
 - f. has in the past engaged in any matter referred to above; or has been found guilty in a court of law on charges of fraud and/or forgery.

REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

10. MISREPRESENTATION DURING THE LIFE CYCLE OF THE CONTRACT

Misrepresentations in a bid may give rise to the termination of the contract and a claim by the Department against the contractor, its employees or agents under any obligation whatsoever, including in respect of costs, expenses or losses incurred by the bidder(s) in the preparation of his/her response to this bid.

11. INDEMNITY

If a bidder breaches the conditions of this bid and, as a result of that breach, incurs costs or damages (including the cost of any investigation, procedural impairment, enforcement of intellectual property rights or confidentiality obligations), then the contractor shall indemnify the Department for any damages or harm and all such costs that the contractor may incur.

Equally, a bidder(s) participates in this bid process entirely at his/her own cost and related risks. The Department shall not be liable for any cost incurred or damages suffered as a result of the bidder's participation in the bidding process.

12. PRECEDENCE

This document shall prevail over any form of information that may have been provided during any briefing session (whether oral or written) unless such written information expressly amends the contents of this document.

13. VALIDITY PERIOD

The validity period of the bid is 90 days. Any time or date in this bid is subject to change at the discretion of the Mpumalanga Provincial Treasury. The bidder(s) accepts that if the Department extends the deadline for submission (i.e. closing date) for any reason, the terms and conditions of this bid shall apply equally to the extended period.

REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

14. DEFAULTERS AND RESTRICTED SUPPLIERS

The bid shall not be awarded to a bidder(s) whose name or any of his/her company members, directors, partners or trustees are regarded as defaulters and/or appear on the Register of Defaulters or List of Restricted Suppliers.

15. LATE BIDS

Bids received after the closing date and time, at the address indicated in the bid documents, will not be considered and where practical, will be returned unopened to the bidder(s).

16. DURATION OF CONTRACT

The contract shall run for five years with an option to extend for a maximum period of three years at the discretion of the Provincial Treasury subject to performance and budget availability.

17. RIGHTS RESERVED

The Mpumalanga Provincial Treasury reserves the rights, as follows:

- Reject an award of a specific category where responses are found to be unsubstantial by the evaluating panel;
- To disqualify a bidder who does not have all four main functionalities of e-submission namely online drafting of memorandums, legislatives questions, tasks and resolutions and travel and subsistence with all the minimum requirements as stated under the scope of work. (This must be one system with all the functionalities)
- To appoint single or multiple service providers subject to the assessment.
- To utilized phase in approach for implementation (i.e. to implement for one or more Department).
- To source more or less than the number of licenses per user as indicated on the quantity based on the budget, priorities, policies, etc.
- To source hardware and storage outside this tender
- Invite shortlisted service providers to present their bid proposals for final decision. The presentation should follow the following structure:
 - Company overview
 - Team overview

REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

- Solution overview with focus on responding to requirements
- Solution demonstrations
- License cost model breakdown. i.e. per user
- Future additional solutions will be evaluated on the same criteria and services will be acquired based on quotations.
- Bidders are required to attend a compulsory briefing session

b) Contact Person for Technical Enquiries

Please direct any enquiries in relation to these specifications/Terms of Reference (TORs) to the following person/s:

Mr. Lucky Radebe
(013) 766 4380
LJRadebe@mpg.gov.za

I fully understand and accept in full, the contents of the special conditions contained in this bid document and authorized to sign and accept these conditions.

**SIGNATURE OF BIDDER
OR AUTHORISED PERSON**

DATE

REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

SECTION D : PRICING SCHEDULE

7. SCHEDULE OF RATES

- 7.1. Bidders are required to quote firm prices on their proposals.
- 7.2. Pricing shall be fixed for a period of five years.
- 7.3. The period for which the prices shall be effective, together with the dates of future annual reviews and their notice periods, shall be shown.
- 7.4. Separate prices shall be quoted and the method of their calculation, for each of the services identified on the terms of reference of this tender.
- 7.5. Any costs applicable to the implementation of new electronic systems and procedures, including the cost of training the Provincial Treasury staff, computer software and hardware etc, should be shown separately from operational costs.

8. SCOPE OF WORK AND PRICING

The table format below indicates the standard business requirements and the pricing should reflect based on the **successful deployment of the E-Submission System**. It is important to note that any activities that falls out of the scope of work listed below will be contracted and managed by a new Service Level Agreement (SLA).

8.1. Systems Implementation Requirements	Yes/No
8.1.1. Project Management	
8.1.2. Setup and Installation of software (system software and networking is accessible to all employees).	
8.1.3. Customization and Configuration	
8.1.4. Architecture and business process model	
8.1.5. Testing	
8.1.6. Change management	
8.1.7. Implementation	
8.2. Functional Requirements	Yes/No
8.2.1. E-Submission application and management functionality (all E-Submission management workflows that includes but not limited to the following processes): <ul style="list-style-type: none"> • Online drafting of submissions, recommendation, and approval 	

REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

<ul style="list-style-type: none"> • E-mail and SMS notifications with a link to the items that needs processing • Tracking Progress and receiving submissions • Eliminate lost submissions and delays from transporting paper submissions • Gain visibility of submissions progress at all times • Improve financial controls by obtaining an updated view of available budgets through the integration with Transversal systems e.g., BAS • Attach any supporting documentation electronically • Gain 24/7 access to submissions via the web even whilst out-of-the office • Strengthen security and enforce document classification levels • Escalate submissions if no responded to within required timeframes • Work off-line and whilst on the road using the tablet application • Integration with signatures by using electronic signatures and/or Advance Electronic Signatures (Digital Signatures) • Coordinates electronically the end-to-end process from registration of the LQ to final sign-off by the Minister. • Allows the relevant individual(s) in the DG's office to assign the question to one or more officials to draft responses. • Supports complex workflows emanating from multi-part questions requiring input and consolidation of responses from multiple persons. • Offices of the Legislature, DG and other relevant persons have access to a dashboard allowing them to monitor the progress of all questions and the contents of their responses at all times. • Escalates any questions which are not meeting certain milestones (e.g. draft) within prescribed time frames and send Email and SMS reminders to individuals delaying the process. • Stores all historical Qs and related responses and provides the capability to search them. • Enforces clear accountability for a LQ at DDG level even whilst allowing questions to be sent directly to specialists to avoid delays arising from late assignment by DDGs. 	
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REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

<ul style="list-style-type: none"> • Allows LQ responses to include attachments as supporting documentation and evidence • Register, assign and manage all tasks from a central point • Gain real-time visibility of progress from progress tracking dashboards • Automate follow-ups on outstanding and overdue tasks • Enable officials to report on progress of assigned tasks electronically and attach portfolio of evidence • automate the generation of acknowledgement letters and emails where tasks are in response to stakeholder communications • Link related tasks and inquiries to avoid duplication of effort • Provide Branch level dashboards to improve management and accountability of Branch Heads • Strengthen delivery through clear accountability and tracking of tasks until closure. • Simplify the submission of S&T Claims by automatically calculating Allowance and Kilometre claim amounts based pre-loaded DPSA and DoT tariffs respectively • Enforce compliance to National Treasury policies • Automatically generate and attach approved trips or Google Maps to support Kilometre claims • Eliminate errors and delays due to the manual calculation and verification of claims • Prevent the submission of claims when no budget is available • Integrate capabilities with other systems like Travel Booking to link expenses to previously approved travel bookings • Coordinate the end-to-end process of obtaining necessary approvals and capturing into Transversal Systems e.g., Persal to speed up the reimbursement of claims <p>8.2.2. System Reporting Requirements (but not limited to the following):</p> <p>8.2.2.1. Trend analysis</p> <p>8.2.2.2. Balance report</p> <p>8.2.2.3. Monthly summary report</p> <p>8.2.2.4. E-Submission age analysis report</p> <p>8.2.2.5. E-Submission record report</p> <p>8.2.2.6. E-Submission adjustments report</p>	
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REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

<p>8.3. Data Management Requirements</p> <p>8.3.1. Migration of existing data into system</p> <p>8.3.2. Exporting / Importing data from and into external systems</p> <p>8.3.3. Integrity of data according to Mpumalanga Provincial Treasury business rules</p> <p>8.3.4. Security for the adequate protection of data</p>	
<p>8.4. System Requirements</p> <p>8.4.1. Be web enabled</p> <p>8.4.2. Be mobile compatible (iOS and android)</p> <p>8.4.3. Integrate into a Microsoft technology platform</p> <p>8.4.4. Allow for easy data integration across technology platforms and Mpumalanga Provincial Treasury systems</p> <p>8.4.5. Integrate with the Mpumalanga Provincial Treasury IT infrastructure environment</p> <p>8.4.6. Allow for hosting in the Provincial data centre</p> <p>8.4.7. Provide a high standard of security (system access and controls)</p>	
<p>8.5. System and User Support</p> <p>8.5.1. Online System Help</p> <p>8.5.2. User Training</p> <p>8.5.3. User Guide</p>	
Software Licensing	

REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

c) The pricing table below must be fully completed:

a. **FIXED CHARGED ITEMS**

ITEM	YEAR 1	YEAR 2	YEAR 3
Project Management			
Setup and Installation of software (incl. Configuration, Customisation and Integration)			
Change Management			
Training			
Support & Maintenance			
Total Cost (Excl. VAT)			
VAT			
Total Cost (Incl.VAT)			

ITEM	YEAR 4	YEAR 5	Sub Total
Project Management			
Setup and Installation of software (incl. Configuration, Customization and Integration)			
Change Management			
Support & Maintenance			
Total Cost (Excl. VAT)			
VAT			
Total Cost (Incl. VAT)			

REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE
MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR
A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

b. RATE BASED ITEMS

Description	Type of measure	UNIT	Estimated QTY	RATE YEAR 1	TOTAL YEAR 1	RATE YEAR 2	TOTAL YEAR 2	RATE YEAR 3	TOTAL YEAR 3
Software Licensing	User	Each	85 000						
Training	User	Each	85 000						
Total Cost (Excl. VAT)									
VAT									
Total Cost (Incl.VAT)									

Description	Type of measure	UNIT	Estimated QTY	RATE YEAR 4	TOTAL YEAR 4	RATE YEAR 5	TOTAL YEAR 5	TOTAL
Software Licensing	User	Each	85 000					
Training	User	Each	85 000					
Total Cost (Excl. VAT)								
VAT								
Total Cost (Incl.VAT)								

REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE
MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR
A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.

C. TOTAL PRICE OF THE TENDER

ITEM	YEAR 1	YEAR 2	YEAR 3
Total Fixed Charged Items			
Total Rate Based Items			
Total Cost (Excl. VAT)			
VAT			
Total Cost (Incl.VAT)			

ITEM	YEAR 4	YEAR 5	Sub Total
Total Fixed Charged Items			
Total Rate Based Items			
Total Cost (Excl. VAT)			
VAT			
Total Cost (Incl. VAT)			

Please Note! Bidders are obliged to give correct figures of prices. No bidder(s) shall be allowed to make changes/ corrections/ additions on the pricing schedule.

SIGNATURE OF BIDDER
OR AUTHORISED PER

DATE

REQUEST FOR PROPOSALS: PROVISION OF AN ELECTRONIC SUBMISSION SYSTEM (E-SUBMISSION) TO THE MPUMALANGA PROVINCIAL GOVERNMENT) FOR A PERIOD OF FIVE (5) YEARS WITH AN OPTION TO EXTEND FOR A MINIMUM OF 3 YEARS TO A MAXIMUM OF 5 YEARS.



TAX CLEARANCE

TCC 001

Application for a Tax Clearance Certificate

Purpose

Select the applicable option ☐ Tenders ☐ Good standing

If "Good standing", please state the purpose of this application

Particulars of applicant

Name/Legal name
(Initials & Surname
or registered name)

Trading name
(if applicable)

ID/Passport no

Company/Close Corp.
registered no

Income Tax ref no

PAYE ref no 7

VAT registration no 4

SDL ref no L

Customs code

UIF ref no U

Telephone no

Fax
no

E-mail address

Physical address

Postal address

Particulars of representative (Public Officer/Trustee/Partner)

Surname

First names

ID/Passport no

Income Tax ref no

Telephone no

Fax
no

E-mail address

Physical address

Particulars of tender (If applicable)

Tender number

Estimated Tender
amount RExpected duration
of the tender year(s)**Particulars of the 3 largest contracts previously awarded**

Date started	Date finalised	Principal	Contact person	Telephone number	Amount
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Audit

Are you currently aware of any Audit investigation against you/the company? YES NO

If "YES" provide details

Appointment of representative/agent (Power of Attorney)

I the undersigned confirm that I require a Tax Clearance Certificate in respect of Tenders or Goodstanding.

I hereby authorise and instruct to apply to and receive from

SARS the applicable Tax Clearance Certificate on my/our behalf.

Signature of representative/agent

Date

Name of
representative/
agent**Declaration**

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

Signature of applicant/Public Officer

Date

Name of applicant/
Public Officer**Notes:**

- It is a serious offence to make a false declaration.
- Section 75 of the Income Tax Act, 1962, states: Any person who
 - fails or neglects to furnish, file or submit any return or document as and when required by or under this Act; or
 - without just cause shown by him, refuses or neglects to-
 - furnish, produce or make available any information, documents or things;
 - reply to or answer truly and fully, any questions put to him ...

As and when required in terms of this Act ... shall be guilty of an offence ...
- SARS will, under no circumstances, issue a Tax Clearance Certificate unless this form is completed in full.**
- Your Tax Clearance Certificate will only be issued on presentation of your South African Identity Document or Passport (Foreigners only) as 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 interest¹ in the enterprise, employed by the state? **YES/NO**

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

Full Name	Identity Number	Name of State institution

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

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

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

2.2.1 If so, furnish particulars:

.....
 ...

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

2.3.1 If so, furnish particulars:

.....

3 DECLARATION

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

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

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

3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring institution in relation to this procurement process prior to and during the bidding process except to provide clarification on the bid submitted where so required by the institution; and the bidder was not involved in the drafting of the specifications or terms of reference for this bid.

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

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

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

.....

Signature

Date

.....

...

Position

Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

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

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

- a) 90/10 preference point system will be applicable in this tender. The lowest/ highest acceptable tender will be used to determine the accurate system once tenders are received.

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

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

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

The maximum points for this tender are allocated as follows:

	POINTS
PRICE	90
SPECIFIC GOALS	10
Total points for Price and SPECIFIC GOALS	100

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

- 1.6 The organ of state reserves the right to require either of a tenderer, 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.
- 1.7 Bidders who wish to claim points in terms of table 4.2 below need to provide proof for each point claimed as guided below:
- Enterprises that are at least 51% that have historically disadvantaged persons such as Black persons (as defined by BBBEE Act)– **attach certified copy of identity document (ID) and company registration document / CSD report to show/ substantiate percentage ownership equity.**
 - Enterprises that are at least 51% women-owned - **attach certified copy of identity document (ID) and company registration document / CSD report to show/ substantiate percentage ownership equity.**
 - Enterprises that are at least 51% owned by disabled persons – **attach doctor's letter confirming the disability**
 - Enterprises with at least a 51% ownership by Youth - **attach certified copy of identity document (ID) and company registration document / CSD report to show/ substantiate percentage ownership equity.**

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:

80/20

or

90/10

$$Ps = 80 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right) \text{ or } Ps = 90 \left(1 - \frac{Pt - P_{min}}{P_{min}} \right)$$

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:

$$Ps = 80 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right) \text{ or } Ps = 90 \left(1 + \frac{Pt - P_{max}}{P_{max}} \right)$$

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

- 4.1. In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in 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)	Percentage ownership equity (To be completed by the tenderer)	Number of points claimed (90/10 system) (To be completed by the tenderer)
I. Enterprises that are at least 51% that have historically disadvantaged persons such as Black persons (as defined by BBBEE Act)	5 points		
II. Enterprises that are at least 51% women-owned	3 points		
III. Enterprises that are at least 51% owned by disabled persons	1 points		
IV. Enterprises with at least a 51% ownership by Youth	1 points		

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.

<p>.....</p> <p>SIGNATURE(S) OF TENDERER(S)</p>	
SURNAME AND NAME:
DATE:
ADDRESS:

DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS

This Standard Bidding Document (SBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where

x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.

1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;

2. The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:

<u>Description of services, works or goods</u>	<u>Stipulated minimum threshold</u>
_____	_____ %
_____	_____ %
_____	_____ %

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

YES		NO	
-----	--	----	--

3.1 If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.reservebank.co.za

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

4. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

LOCAL CONTENT DECLARATION
(REFER TO ANNEX B OF SATS 1286:2011)

LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)

IN RESPECT OF BID NO.

ISSUED BY: (Procurement Authority / Name of Institution):
.....

NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, (full names),
do hereby declare, in my capacity as
of (name of bidder
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
 - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R
Imported content (x), as calculated in terms of SATS 1286:2011	R
Stipulated minimum threshold for local content (paragraph 3 above)	
Local content %, as calculated in terms of SATS 1286:2011	

If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.

The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.

- (d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- (e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017

promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

SIGNATURE: _____

DATE: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

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

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

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

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General Conditions of Contract

1. Definitions

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

RSA.

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

obligations of the supplier covered under the contract.

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

2. Application

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

3. General

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

4. Standards

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

5. Use of contract documents and information; inspection.

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

6. Patent rights

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

7. Performance security

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

8. Inspections, tests and analyses

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

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

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

9. Packing

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

10. Delivery and documents

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

11. Insurance

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

12. Transportation

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

13. Incidental services

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

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
 - (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.
- 14. Spare parts
 - 14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
 - (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
 - (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.
- 15. Warranty
 - 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
 - 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
 - 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
 - 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
 - 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

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

- | | |
|---|---|
| 16. Payment | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.</p> <p>16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p> |
| 17. Prices | <p>17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.</p> |
| 18. Contract amendments | <p>18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.</p> |
| 19. Assignment | <p>19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.</p> |
| 20. Subcontracts | <p>20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.</p> |
| 21. Delays in the supplier's performance | <p>21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.</p> <p>21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.</p> <p>21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.</p> <p>21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the</p> |

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

- 23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.
- 23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:
- (i) the name and address of the supplier and / or person restricted by the purchaser;
 - (ii) the date of commencement of the restriction
 - (iii) the period of restriction; and
 - (iv) the reasons for the restriction.

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

	(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	<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>
32. Taxes and duties	<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>
33. National Industrial Participation Programme (NIP)	33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34 Prohibition of Restrictive practices	<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>

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

Js General Conditions of Contract (revised July 2010)