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MPUMALANGA PROVINCIAL GOVERNMENT



**DEPARTMENT OF CO-OPERATIVE GOVERNANCE,
HUMAN SETTLEMENTS & TRADITIONAL AFFAIRS**

BID NUMBER: GOGHSTA/007/25/MP

**APPOINTMENT OF A SERVICE PROVIDER FOR
THE INSTALLATION OF PARAMETER WALLS
AT THE PLACE OF KING MAKHOSONKE II,
ENGWENYAMENI, KLIPFONTEIN THEMBISILE
HANI LOCAL MUNICIPALITY, NKANGALA
DISTRICT, IN MPUMALANGA PROVINCE**

ISSUED BY:
Department of Co-operative Governance, Human Settlements & Traditional Affairs
Private Bag X11328
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 DEPARTMENT OF CO-OPERATIVE GOVERNANCE, HUMAN SETTLEMENTS & TRADITIONAL AFFAIRS					
BID NUMBER:	COGHSTA/007/25/MP	CLOSING DATE:	29 AUGUST 2025	CLOSING TIME:	12H00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER FOR THE INSTALLATION OF PARAMETER WALLS AT THE PLACE OF KING MAKHOSONKE II, ENGWENYAMENI, KLIPFONTEIN THEMBISILE HANI LOCAL MUNICIPALITY, NKANGALA DISTRICT, IN MPUMALANGA PROVINCE				
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 , The Provincial Treasury, R40 Road, Bakoena Business Complex, Bushbuckridge, 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 , The Provincial Treasury no. 17 Lorenzo Street, Malelane, ELUKWATINI , Elukwatini Sub Regional offices, Office numbers A49 and A50 (opposite Elukwatini Community Hall) Stand number 12 Extension A, Elukwatini 1192. SIYABUSWA Old Parliament Building, Building No.1, Job Skhosana Street, Siyabuswa 0472					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Ms. R.S Motsilanyana		CONTACT PERSON	Mr. J. Mbedzi	
TELEPHONE NUMBER	013 766 6426		TELEPHONE NUMBER	076 257 7978	
FACSIMILE NUMBER			FACSIMILE NUMBER		
E-MAIL ADDRESS	rsmotsilanyana@mpg.gov.za		E-MAIL ADDRESS	jimmymbedzi@gmail.com	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES OFFERED?		☐ Yes ☐ No [IF YES, ANSWER THE QUESTIONNAIRE BELOW]
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				☐ YES ☐ 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:

.....

APPOINTMENT OF A SERVICE PROVIDER FOR THE INSTALLATION OF PARAMETER WALLS AT THE PLACE OF KING MAKHOSONKE II, ENGWENYAMENI, KLIPFONTEIN THEMBSILE HANI LOCAL MUNICIPALITY, NKANGALA DISTRICT, IN MPUMALANGA PROVINCE

1 Introduction

The Mpumalanga Provincial Department of Cooperative Governance, Human Settlements and Traditional Affairs (COGHSTA) intends to appoint a service provider for the construction of a perimeter wall.

These terms of reference are for the appointment of a contractor for the construction of a perimeter wall at King Makhosonke II Ndebele Kingdom.

- The site is located at Portion 4 of the farm Klipfontein No.205 – JR at the Royal Residence of King Makhosonke II
- The extent of the site measures 3.8667ha and is 786.94 square metres
- The wall will be constructed to a height of 2.1m built on concrete strip foundations in double common brick wall with plaster and paint both sides
- The perimeter wall should be built with a 8 strand electric fence at the top for security reasons
- The perimeter wall should have a pedestrian gate and an automated electric main vehicle gate the front side (northern side)
- The perimeter fence to also have an emergency automated exit vehicle gate at the rear side (southern side)

1.1 COGHSTA's objectives

COGHSTA's objective is ensure that the traditional houses in the province are renovated, refurbished or built as new. It is to ensure that all traditional council offices are well constructed in a standard and attractive manner that will accommodate the traditional councils and be able to function in an appropriate and conducive environment.

1.2 Background

Mpumalanga Province under the Department of Co-Operative Governance Human Settlements and Traditional Affairs has Traditional Council Offices be constructed as the drawings and specification.

1.3 Extent of the services

The services over the term within the **Mpumalanga Province** may include,

- Disposal of rubble to designated municipal sites
- Handover of completed traditional council offices to the respective Royal Families

1.4 Location of the services

- The site is located at Portion 4 of the farm Klipfontein No.205 – JR at the Royal Residence of King Makhosonke II.

2 General requirements

2.1 The Contractor shall in providing the Works observe all statutes, by-laws and associated regulations and industry norms established in relevant South African national standards

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published in terms of the Standards Act of 2008 or standards recommended by professional associations.

2.2 The Contractor shall only utilize in the provision of the services materials (substances that can be incorporated into the works), products (item manufactured or processed for incorporation into the works), components (products manufactured as distinct units to serve a specific function or functions) and assemblies (set of related components attached to each other) which are:

- a) Fit for their intended purpose; and
- b) Capable of fulfilling required functions under intended use conditions or when in use, with planned maintenance, under the influence of the environmental actions or a result of a self-ageing process for a period within industry accepted norms.

3 Management

3.1 The works shall be done at the site specified in the signed task order. The site is in the municipality of Nkangala DM, as per the table below:

No	District	Municipality	Venue/ Traditional Council	Office
1	Nkangala	Thembsile Hani Local Municipality	Engwenyameni	Klipfontein

3.2 The Project Implementation must take place within 20 working days of placing an official order except for long lead special material as determined by the employer.

3.3 The project location shall be indicated on the official Task order.

3.4 Delivery of work packages must include the off-loading thereof at the contractor's own risk and cost to the designated delivery locations as indicated in the task order.

3.5 Bidders must supply and ensure their own labour and/or plant and equipment for the offloading of the products at the designated sites.

3.6 The Employer shall place task orders as and when required during the contract period.

3.7 An official task order must be issued before any delivery may be made to the site.

3.8 Upon delivery of works, the supplier must ensure that the employer's representative on site signs the completion certificate. The supplier must attach the completion certificate to the invoice for processing of payment.

3.9 The Employer reserves the right to award any item, or the whole of the contract to one or more successful bidder(s).

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- 3.10 Letter of good standing from the Workmen's Compensation Commissioner in terms of COIDA or latest assessment and proof of payment or in case of new registration, proof of registration must be provided.

4 Location of the works

- 4.1 Portion 4 of the farm Klipfontein No.205 – JR at the Royal Residence of King Makhosonke II the sites shall be in the municipalities listed above. Each purchase order shall clearly identify the site.

5 Quality and quantities:

5.1 Quality Standards:

- Special brands, where named, are used to indicate the standard of quality desired. Tenderer's equal/similar item will be considered, provided that the Tenderer specifies brand name(s) and submits full specifications. If the full set of specifications of the alternative item is not submitted, the item will not be considered for procurement.
- In the event the employer elects to accept an alternative item purported to be equal/similar by the Tenderer, the employer may request the tenderer to provide samples of the alternative offer for testing and inspection. Acceptance of the item(s) will be conditional on such inspection and testing after receipt.

- 5.2 Quality Tests: The employer may from time to time test the quality of the products and non-compliance may result in the termination of the contract.

- 5.3 No estimated quantity projection is provided. The products shall be ordered throughout the contract period as and when required.

6 Information:

- 6.1 Bidders must take note that the tender will be disqualified in the event of a false statement having been made or false information submitted.
- 6.2 The tender must be valid for 90 (ninety) days after closing date.
- 6.3 The contract period will be from date of commencement until 36 months thereafter
- 6.4 Non-compliance with the tender conditions and specifications, could lead to breach of contract and the supplier will be liable for any expenses incurred as effect thereof.

7 Technical Requirements

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- 7.1 Bidders should familiarize themselves with the all the relevant standard specifications and regulatory requirements for all materials and services to be supplied.

8 Design and Drawings

- 8.1 COGHSTA shall provide construction drawings, and bills of quantity.
- 8.2 Any design shall comply with South African Building standards and SANS.
- 8.3 In some cases, design drawings/ detail shall be provided and in other cases not.

9 General

The Contractor shall: -

- Provide a monthly progress report covering work, which is the subject of a Task Order.
- be required to participate in regular progress meetings

10 Procurement

COGHSTA may invite bidders to enter into framework contractors without a commitment to a quantum of work to provide contractor services relating to the planning and design, demolition of existing traditional houses, disposal of rubble to approved municipal dumping sites and the construction of new traditional houses within each of the District Municipalities if it's in the public interest to do so.

COGHSTA may enter into framework contracts with successful tenderers. Organs of state including departments, public entities, municipalities and municipal entities may make use of this framework agreements and issue Task Orders for works falling within the scope of the contracts that are entered into.

Contracts will be based on the NEC3 Term Service Contract (Option D).

10.1 Promotion of secondary (developmental) procurement objectives

The Contractor shall achieve in the execution of a Task Order key performance indicators, which promote a **range** of secondary procurement objectives including those relating to local economic development, Broad-Based Black Economic Empowerment, local labour and skills development.

The Contractor shall provide in a format acceptable to the Project Manager monthly data, which facilitates the reporting on key performance indicators relating to secondary procurement objectives to a wide range of stakeholders.

11 Reporting

The Contractor shall report on the socio-economic indicators such as jobs created and employment of local labour specified in a Task Order.

12 Communications

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All communications with the Employer, which are made in terms of the contract, should be made using the standard templates provided by COGHSTA.

13 Issuing of Task Orders

The Employer will issue Task Orders in accordance with the provisions of the latest edition of the National Treasury Standard for Infrastructure Procurement and Delivery Management.

14 Invoices

Invoices submitted shall be Tax invoices. The invoice shall comply with requirements, if any, established by the Employer.

16. Project duration

The project duration will be Six (6) Months form date of signing of Service Level Agreement.

C4 Project specifications

Building requirements

As Per the Drawings, Specification and BOQ

17 Preferential procurement procedures

In general, the Department of COGHSTA shall for quotations or Bids between the value of **R2 000 and R50 000 000.00**, which, conform to the specifications evaluate in accordance with the Preferential Procurement Policy Framework, 2000 (Act 5 of 2000) and the revised Preferential Procurement Regulations 2022, therefore 80 points for price and 20 points for the specific goals points.

1. CERTIFICATION BY RECOGNIZED BODIES

CIDB (3GB)

2. PLANT AND MATERIALS PROVIDED BY THE EMPLOYER

None

3. SERVICES AND FACILITIES PROVIDED BY THE EMPLOYER

The employer shall identify storage space.

4. PLANT AND EQUIPMENT

As required by the task order

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5. ESSENTIAL DATA

The notice period for delivery is 05 Days

- 5.1 The trees and shrubs, which are not to be disturbed, are to be identified on site. Where possible, the disturbance of trees should be avoided.
- 5.2 The requirements for the termination, diversion or maintenance of existing services are:
 - 1. None
- 5.3 Services which are known to exist on the site are:
 - 2. None
- 5.4 The duration of the project is 6 months

18. Management meetings

A Schedule of meetings will be agreed with the service provider.

19. Daily records

The Service Provider is instructed to keep a set of signed off daily diaries with specific detail relating to Contract Participating Goals (CPG).

20 EVALUATION CRITERIA

Tenders will be evaluated based on the following administrative compliance:

- 1. Bidders must submit together with their bids a copy of Company Registration Document (CK).
- 2. Two .Bidder must be registered in the National Treasury Recent Central Supplier Database (CSD) and attach CSD which is valid and not older than 3 months.
- 3. Valid SARS Tax Compliance Status pin or Tax Clearance.
- 4. Failure to submit valid specific goals will result to a bidder losing points allocated.
- 5. Must have completed at least three (3) or One for R500 000.00 and above Refurbishment or Building Projects and or paving and fencing within the past 3 Years (attach proof : orders or appointment letters and or Completion Certificates)
- 6. Attach proof of Bank Rating Letter Failure to submit Statement of Municipal Account (rates & taxes) for both Company and Directors which is not older than three (3) months or lease agreement or letter from Traditional Authorities stating that the bidder is subject of their royal authority and he/she is not obliged to pay Municipal rates and taxes, will result in a tender deemed non-responsive furthermore ownership of property will be subject to be checked through deeds office.
- 7. Bidders to ensure that their tender is not exposed to invalidation, documents are to be completed in accordance with the conditions and bid rules contained in the bid documents.
- 8. Company Profile with proven previous experience.

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9. The Department of CoGHSTA does not bind itself to accept the lowest or any bid and reserves the right to accept the whole or part of the bid or to withdraw the bid.
10. All Bidders must further note that:

- **Misrepresentation of address of the business with the aim of earning points may lead to disqualification**

21 COMPULSORY RETURNABLE DOCUMENTS

- All SBD forms should be fully completed and signed
- A written and signed undertaking by bidder clearly indicating commitment to use local labour at each work site
- Fully completed and signed Bill of Quantities (BoQ),
- Signed Joint Venture Agreement and Power of Attorney in case of Joint Ventures;
- Company Profile, including previous contract work done, value of the work and contactable references per contract.
- Valid COIDA certificate issued by Department Of Labour
- Certificate of Contractor Registration issued by the Construction Industry Development Board. Where a service provider satisfies CIDB Contractor grading designation requirements through Joint Venture formation, such service providers must submit the Certificates of Contractor Registration in respect of each partner. **Must have Minimum required CIDB Grading for the Total value threshold and class(s) of Works. (Minimum CIDB Grading 3GB or Higher as per list of required CIDB grading)**
- All bidders must be registered with the Central Supplier Database (CSD) failure to do so will be automatically disqualified
- Use of tippex is prohibited and the bidder will be deemed non-responsive during the evaluation of the tender.
- Bidders must submit **Certified ID copies of Director's not older than months**, failure to do that tender will be deemed nonresponsive

The table below lists the returnable schedules that set out the scoring criteria and sub criteria, and the percentage weighting for the score achieved against the relevant schedule to be used for functionality.

1	EXPERIENCE IN THE INDUSTRY: SUCCESSFULLY COMPLETED WITH COMPLETION CERTIFICATES Points are not cumulative	Maximum Points = 40
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	Experience of Contractor in Building Industry and reference letters Building Infrastructure Projects successfully completed will be scored as follows: <i>(Submit a list of all projects completed with contact details and Completion Certificates for bidders respective CIDB grade)</i> A copy of the Completion Certificate per project is to be attached in order to claim points during the evaluation process. Failure to submit the above will result in no points being allocated during pre-qualification.	R3m Projects R2m Projects R1m Projects Less than R1m Projects	40 Points 20 Points 10 Points 5 Points
2	HUMAN RESOURCES – Professional Team Points are not cumulative (CV to be attached) N/B: Professional Key Personnel are required for the duration of the project. For each personnel must be a fully completed and shortened CV for each Key Personnel Member submitted. Each CV should be structured under the following headings: 1. Personal particulars Name Date and place of birth Place(s) of tertiary education and dates associated therewith. 2. Qualifications (degrees, diplomas, grades of membership of professional societies and professional registrations) 3. Overview of post graduate experience (year, organization and position) 4. Outline of recent and current assignments / experience that has bearing on the required service and extent of involvement of this project 5. Contact references		Maximum Points= 20 (a + b +c +d) Equal Distribution of 5 each as maximum
	(a) Civil Engineer - Professional Registration with (ECSA) (CV and certified copies to be submitted) (b) Health and Safety Officer – (Diploma/Samtrac) (CV and certified copies to be submitted) (c) Site Agent/Foreman –(N6/Diploma in built environment) (CV and certified copies to be submitted) (d) Construction Project Manager - Professional Registration(SACPCMP) (CV and certified copies to be submitted)	5Years & above=5 3 to 5 Years=4 2 to 3 Years =3 1 to 2 years =2 Less than 1 year=1	
3	Locality Points are not cumulative		Max Points = 10

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	This is in respect to the area where the company's head office or main address is located, e.g. local municipality within a District	1. District – 10 points 2. Mpumalanga Province – 6 points 3. National (RSA) – 3 points	10 Points 0 Points
4	Financial Resources of contractor - Bank Rating Code Letter Points are not cumulative		Max Points = 10
	Financial Resources of contractor - Bank Rating Letter	Grade A=10 Grade B=8 Grade C=6 Grade D=3 Grade E=1	
6	Proof of Plant Hire or Ownership Points are not cumulative		Max Points = 20
	Proof of Plant and Equipment (TLB (5), Tipper Truck (5), Plant Compactor (5), Water Bowser ((5) available owned/hired (certified copies of registration certificates, written agreement in case of hire/rent) by the Bidder Attach Copies of Plant and Equipment Certificates in the name of Company or Director or intent letter/Agreement with copies of Certificates in case of hire points not cumulative	Tipper Truck TLB Water Tanker Plate Compactor	5 points 5 points 5 points 5 points

TOTAL FUNCTIONALITY POINTS	100 POINTS
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Service Providers/Bidders should score a minimum of 60 points in order to progress to the following phase of Evaluation.

Local Production and Content Calculation

All bidders who passed the first phase will be evaluated on the correctness and completeness of the SBD 6.2 Annexure C of the Local Production and content

The following items are part of the BOQ and are designated according to the Department of Trade, Industry and Competition.

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No	Designated items	Designated percentage
1	Construction Material and Components	100%
2	Cement	100%
3	Prefabricated Steel	100%
4	Joining/Connecting Components	100%
5	Fasteners	100%
6	Wire Products	100%
7	Electrical cables	90%
8	Steel value added products	100%

- A bidder who will score below the stipulated percentage must have an exemption letter from DTIC that they are allowed to be further evaluated on functionality even if they have scored below the stipulated percentage.
- A bidder must calculate each item separately as per the Guidance Document for the Calculation for Local Content (attached)The instruction notes from National Treasury are attached as a guidance on all designated sectors
- The exchange rate to be used for the calculation of local production and content will be the exchange rate published by the South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid; and only the South African Bureau of Standard (SABS) approved technical specification number SATS 1286; 2011 must be used to calculate local content.
- The local content (LC) expressed, as a percentage of the bid price must be calculated in accordance with the following formula, which must be disclosed in the bid documentation:

$$LC = \frac{(1-X) * 100}{Y}$$

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 will be converted to Rand (ZAR) by using the exchange rate published by the SARB at 12:00 on the date of advertisement of the bid.
- The SABS approved technical specification number SATS 1286:2011 and the Guidance of the calculation of local together with the Local Content Declaration Templates (Annexure C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annexure C) and E (Local Content Declaration: Supporting Schedule to Annexure C) are accessible

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to all potential bidders on the dti's official website:
[http://www.thedit.gov.za/industrial development/ip. jsp](http://www.thedit.gov.za/industrial%20development/ip.jsp) at no cost.

Failure to submit or adhere to the above will lead to automatic disqualification.

9.2 Phase II: Price / Financial stage and Specific Goals Points

80/20 preference point system is used for acquisition of goods or services with Rand value equal to or below R50 million

9.2(1) The following formula will be used to calculate the points out of 80 for price in respect of an invitation for a tender with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

$$P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_t} \right)$$

P min

Where

P_s = Points scored for price of tender under consideration;

P_t = Price of tender under consideration; and

P_{min} = Price of lowest acceptable tender.

(9.2.2). a maximum of 20 points will be awarded based on evidence provided to a tenderer for the specific goal specified as indicated below;

SPECIFIC GOALS POINTS ALLOCATION	WEIGHTING 80/20	SUPPLIER SCORE
HDI Ownership		
Locality Mpumalanga province-municipality within which the traditional council is situated-attach proof of business address	11	
Woman	3	
Disabled	3	
Youth	3	
Total Points	20	

Enquiries

Bid Enquiries (SCM)

Ms. R.S Motsilanyana

E-mail

013 766 6426

rsmotsilanyana@mpg.gov.za

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Technical Enquiries

Mr J. Mbedzi

076 257 7978

E-mail

jimmymbedzi@gmail.com

The bid is valid for 120 days.

ITEM NO	DESCRIPTION	UNIT	SCHEDULED QTY	RATE	TOTAL AMOUNT
	FENCING AND PAVING				
	SECTION. B	H1			
	BILL NO. 1	H1			
	FOUNDATIONS (PROVISIONAL)	H1			
	EARTHWORKS	H1			
	SITE CLEARANCE ETC	H2			
	Site clearance	H3			
2/1/1	Digging up and removing rubbish, debris, vegetation, hedges, shrubs and trees not exceeding 200mm girth, bush, etc	m2	393,5		
2/1/2	Stripping average 150mm thick layer of top soil and stockpiling on site	m2	25		
	EXCAVATION, FILLING, ETC	H2			
	Excavation in earth not exceeding 2m deep	H3			
2/1/3	Trenches	m3	270		
	Extra over trench and hole excavations in earth for excavation in	H3			
2/1/4	Soft rock	m3	5		
2/1/5	Hard rock	m3	5		
	Extra over all excavations for carting away	H3			
2/1/6	Surplus material from excavations and/or stock piles on site to a dumping site to be located by the contractor	m3	160		
	Risk of collapse of excavations	H3			
2/1/7	Sides of trench and hole excavations not exceeding 1,5m deep	m2	15		
	Keeping excavations free of water	H3			
2/1/8	Keeping excavations free of all water other than subterranean water	Item	1		
	Earth filling obtained from the excavations and/or prescribed stock piles on site compacted to 95% Mod AASHTO density	H3			
2/1/9	Backfilling to trenches, holes, etc	m3	110		
	SOIL POISONING	H2			
	Soil insecticide	H3			
2/1/10	To bottoms and sides of trenches	m2	450		
	CONCRETE	H1			
	(CPAP FORMULA WORK GROUP NO. 110)	H2			
	UNREINFORCED CONCRETE CAST AGAINST EXCAVATED SURFACES	H2			
	15MPa/19mm concrete	H3			
2/1/11	Surface blinding under footings and bases	m3	4,5		
2/1/12	Strip footings	m3	103,5		
	BRICKWORK	H1			
	(CPAP FORMULA WORK GROUP NO. 116)	H2			
	Brickwork of NFX bricks (14 MPa nominal compressive strength) in class I mortar	H3			
2/1/13	One and half brick walls	m2	271,515		
	Brickwork reinforcement	H3			
2/1/14	230mm Wide reinforcement built in horizontally	m	787		
	External face bricks (Prime Cost Amount R 5 500.00/1000) pointed with flush horizontal and vertical joints	H3			
2/1/15	Extra over brickwork for face brickwork	m2	40		
	SUPERSTRUCTURE	H2			
	Brickwork of NFP bricks in class II mortar for 2.1m high wall.	H3			
2/1/16	One and half brick walls	m2	1574		
	BRICKWORK SUNDRIES	H2			
	Brickwork reinforcement	H3			
2/1/17	230mm Wide reinforcement built in horizontally	m	3935		
	FACE BRICKWORK	H2			
	External face bricks (Prime Cost Amount R 5 500.00/1000) pointed with flush horizontal and vertical joints	H3			
2/1/18	Extra over brickwork for face brickwork	m2	100		
	Brick-on-edge header course copings, sills, etc of external face bricks (Prime Cost Amount R 3 500.00/1000) pointed with recessed joints on all exposed faces	H3			
2/1/19	Coping on top of one brick wall	m	80		
2/1/20	340mm Wide sill set bull nose sloping and slightly projecting	m	60		
	WATERPROOFING	H1			
	NOTE : Unless otherwise stated herein, all items in this bill shall be deemed to fall into Work Group No. 120 for CPAP formula purposes				
	DAMP-PROOFING OF WALLS AND FLOORS	H2			
	One layer of 375 micron "Consol Plastics Brikgrip DPC" embossed damp proof course	H3			
2/1/21	In walls	m2	181,01		
	SIGNAGE	H2			
	5mm Painted steel plate lettering cut-outs supported by 50mm long steel rods extension welded from behind. All lettering to be in Arial Fount	H3			
2/1/22	3,45mm Wide x 1,52mm High Steel plate signage	No	1		
	EXTERNAL PLASTER	H2			
	Cement plaster on brickwork	H3			

ITEM NO	DESCRIPTION	UNIT	SCHEDULED QTY	RATE	TOTAL AMOUNT
2/1/23	On walls	m2	3150		
2/1/24	On narrow widths	m2	175		
	ON FLOATED PLASTER	H2			
	One coat alkali resistant primer, one undercoat and two coats eggshell enamel paint	H3			
2/1/25	On external walls	m2	3325		

ITEM NO	DESCRIPTION	UNIT	SCHEDULED QTY	RATE	TOTAL AMOUNT
	SECTION. C	H1			
	BILL NO. 1	H1			
	FOUNDATIONS (PROVISIONAL)	H1			
	NOTE : Unless otherwise stated herein, all items in this bill shall be deemed to fall into Work Group No. 104 for CPAP formula purposes				
	SUPPLEMENTARY PREAMBLES	H2			
	Nature of ground	H3			
	The nature of the ground is assumed to be loose sandy material, therefore "earth", but possibly interspersed with "hard rock" or "soft rock"				
	Carting away of excavated material	H3			
	Descriptions of carting away of excavated material shall be deemed to include loading excavated material onto trucks directly from the excavations or, alternatively, from stock piles situated on the building site				
	ALTERATIONS	H1			
3/1/9	Backfilling to trenches, holes, etc	m3	3		
	SOIL POISONING	H2			
	Soil insecticide	H3			
3/1/10	To bottoms of trenches	m2	525		
	CONCRETE	H1			
	(CPAP FORMULA WORK GROUP NO. 110)	H2			
	UNREINFORCED CONCRETE CAST AGAINST EXCAVATED SURFACES	H2			
	25MPa/19mm concrete	H3			
3/1/11	Ground beams	m3	5		
	TEST CUBES	H2			
3/1/12	Making and testing 150 x 150 x 150mm concrete strength test cube (Provisional)	No	6		
	SMOOTH FORMWORK (DEGREE OF ACCURACY II)	H2			
	Smooth formwork to sides	H4			
3/1/13	Walls in foundations (Provisional)	m2	350		
	MOVEMENT JOINTS ETC	H2			
	Expansion joints with 12mm bitumen impregnated softboard between vertical concrete surfaces	H4			
3/1/14	Not exceeding 300mm high through slabs	m	20		
	REINFORCEMENT	H2			
	Mild steel reinforcement to structural concrete work	H4			
3/1/15	Various Diameter bars	t	0,5		
	INVISIBLE FENCING	H2			
3/1/16	2.40m high Fence in panels 2.625m width with aperture size (centres) 76 x 12.7mm and 4mm thick wire galvanised and polymetic 6000 coated. Panel to be reinforced with 4 x 50mm deep "V" formation horizontal recessed bands to enhance rigidity. Fence to be installed in strict accordance with manufacturers printed instructions	m	10		
	Spikes	H3			
	Galvanised and alu coated spike	H4			
3/1/17	Galvanised and alu coated spike bolted to high security fence installed as per manufacturer's specifications	m	10		
	Fence Posts	H3			
	3m high Intermediate Fence post	H4			
3/1/18	3m high Intermediate Fence post galvanised and polymetic 6000 coated size 85 x 85mm - tapering to 45mm with a depth of 85mm with and including locking recess mechanism to secure panel edge complete with a UV stabilised polymer cap	No	5		
	Corner Posts	H3			
	3m high Corner Fence post	H4			
3/1/19	3m high Corner Fence post galvanised and polymetic 6000 coated size 76 x 76mm with a depth of 85mm with and including locking recess mechanism to secure panel edge complete with a UV stabilised polymer cap	No	1		
	Extra over for invisible fencing for gates	H3			
	GATE	H2			
3/1/20	Sliding galvanised and alu coated gate size 6 000mm wide x 2400mm high remote controlled installed in strict accordance with manufactures instructions sliding gate with motor gate (PC Amount R35,000.00/gate) supply and delivered to site allow for installation and profit. (rear emergency exit and front main gate)	No	2	35000	70 000,00
3/1/21	Single Swing galvanised and alu coated pedestrian gate size 3 000mm wide x 2400mm high installed in strict accordance with manufactures instructions (PC Amount R26,000.00/ gate) supply and delivered to site	No	0		

ITEM NO	DESCRIPTION	UNIT	SCHEDULED QTY	RATE	TOTAL AMOUNT
3/1/22	Single galvanised and alu coated pedestrian gate size 1 000mm wide x 2400mm high installed in strict accordance with manufactures instructions (PC Amount R20,000.00/ gate) supply and delivered to site	No	1	20000	20 000,00
3/1/23	D10 Gate Motor installed in strict accordance with manufactures instructions, including electrical reticulation (PC Amount R28,000.00/ gate) supply and delivered to site.	No	1	28000	28 000,00
3/1/24	Allow a provisional sum to cover for the detailed design of the perimeter fence and the solid entrance gates	No	1	50000	50 000,00
3/01/25	Allow a provisional sum to cover for the alignment of the BoQ to the detailed drawings	No	1	30000	30 000,00

ITEM NO	DESCRIPTION	UNIT	SCHEDULED QTY	RATE	TOTAL AMOUNT
4	SECTION D: ELECTRIC FENCE				
4.1	Supply and install an 8 strands None Lethal Electric fence on the existing 750m brick wall fence around the perimeter using the following materials:				
4.1.1	Corner post 2,4m double Hole Hot dip galvanised 95mm	each	4		
4.1.2	Corner post 2,4m Single hole Hole Hot dip galvanised 95mm	each	71		
4.1.3	Corner Stay 2,4m HDG	each	16		
4.1.4	Bolt M10x125mm + Nut & washers HDG for 95mm Posts	each	32		
4.1.5	Y Standard JVA 2,4m round hole	each	75		
4.1.6	Y Standard JVA type insulator Black	each	1350		
4.1.7	Dropper 2,15m Plastic	each	225		
4.1.8	Jumbo Starin black	each	80		
4.1.9	Combi Plastic Galvanised tressioner with ss nut and bolt - Black Bobbin	each	80		
4.1.10	Atlas/ Doland tressioner Galv. Free standing S-Hook HDG	each	1600		
4.1.11	JVA Z18 Black Ed including power supply	each	1		
4.1.12	9AH Gel Battery	each	1		
4.1.13	Braided wire high tensile low resistance 20kg per roll	each	6		
4.1.14	Siren 25w /30w 12v DC	each	1		
4.1.15	Sliding gate contact New inline	each	2		
4.1.16	Inline gate mounting plate	each	2		
4.1.17	Strobe Light Small Red	each	1		
4.1.18	Night light colour Red	each	4		
4.1.19	Warning sign clip on Economy	each	80		
4.1.20	Earth Spike Galvanised 120cm steel	each	28		
4.1.21	Standard HDG Line clamp	each	28		
4.1.22	200m Hard U/Gate	each	1		
4.1.23	U Bolt Line clamp HDG	each	100		
4.1.24	JVA LDV Feed and Return	each	1		
4.1.25	Sentry Rx Channel Code Hop	each	1		
4.1.26	Nova transmitter 1 Button	each	2		
4.1.27	Ferrule 6mm Econno per packet /per 100	each	5		
4.2	Supply and install 1 x Pedestrian Gate access control as follows:				
4.2.1.	ZKTeco X7 Fingerprint Keypad reader standalone 10002F 10002F	each	1		
4.2.2	2 core comms cable 0,5mm whole 400m	each	1		
4.2.3	Switch mode power supply , 110V - 230V AC 3,2A	each	1		
4.2.4	Battery 7AH Gel	each	1		
4.2.5	Dahua Cat5e UTP 100m (Solid Copper)	each	1		
4.2.6	Magnetic lock 180kg surface mount	each	1		
4.2.7	U bracket for 180kg Magnetic lock	each	1		
4.2.8	Z bracket for 180 Magnetic Lock	each	1		
	SUBTOTAL				
	SUBTOTAL CARRIED FORWARD TO SUMMARY PAGE				

ITEM NO	DESCRIPTION	AMOUNT
1	SECTION A: PRELIMINARY AND GENERAL	
2	SECTION B - D: FENCING	
3	SUB-TOTAL	
4	Add Contingencies @ 10%	
5	SUB-TOTAL	
6	Add VAT at the rate of 15%	
7	TOTAL TENDERED AMOUNT CARRIED TO C1.1	

NAME OF BIDDER

SIGNATURE



TAX CLEARANCE

TCC 001

Application for a Tax Clearance Certificate**Purpose**Select the applicable optionTenders ☐ Good standing ☐

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

Particulars of applicantName/Legal name
(Initials & Surname
or registered name)Trading name
(If applicable)

ID/Passport no

Company/Close Corp.
registered no

Income Tax ref no

PAYE ref no

VAT registration no

SDL ref no

Customs code

UIF ref no

Telephone no

Fax
no

E-mail address

Physical address

Postal address

Particulars of representative (Public Officer/Trustee/Partner)

Surname

First names

ID/Passport no

Income Tax ref no

Telephone no

Fax
no

E-mail address

Physical address

Particulars of tender (If applicable)

Tender number

Estimated Tender amount R

Expected duration of the tender year(s)

Particulars of the 3 largest contracts previously awarded

Date started	Date finalised	Principal	Contact person	Telephone number	Amount
--------------	----------------	-----------	----------------	------------------	--------

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.
- 3.5 There have been no consultations, communications, agreements or arrangements made by the bidder with any official of the procuring

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

SBD4

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

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

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

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

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

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

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

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

1. GENERAL CONDITIONS

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

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

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

(delete whichever is not applicable for this tender).

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

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

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

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

The maximum points for this tender are allocated as follows:

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

- 1.5 Failure on the part of a tenderer to submit proof or documentation required in terms of this tender to claim points for specific goals with the tender, will be interpreted to mean that preference points for specific goals are not claimed.
- 1.6 The organ of state reserves the right to require of a tenderer, either before a tender is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the organ of state.

2. DEFINITIONS

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

3. FORMULAE FOR PROCUREMENT OF GOODS AND SERVICES

3.1. POINTS AWARDED FOR PRICE

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

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

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

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:

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

Where

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

4. POINTS AWARDED FOR SPECIFIC GOALS

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

then the organ of state must indicate the points allocated for specific goals for both the 90/10 and 80/20 preference point system.

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

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

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

The specific goals allocated points in terms of this tender/RFQ	Number of points allocated (90/10 system) (To be completed by the organ of state)	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (90/10 system) (To be completed by the tenderer)	Number of points claimed (80/20 system) (To be completed by the tenderer)
Woman		3 points		
Disabled; Attach Proof (letter from a medical practioner)		3 points		
Youth		3 points		
Locality: Mpumalanga province; District and Local Municipality within which the traditional council is located. (Attach Proof of Company Business Address; Business Registration Document Or Lease Agreement/ PTO With Municipal Account or Water and lights Statement of account)		Within relevant District (6) Within relevant Municipality (5) Total=(11)		
Total Points		20 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.

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

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) on the date of advertisement of the bid as indicated in paragraph 3.1 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 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on www.resbank.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.thedti.gov.za/industrial_development/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 3.1 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 3.1 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: _____

WITNESS No. 1 _____

DATE: _____

WITNESS No. 2 _____

DATE: _____

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

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

17. Prices

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

18. Contract amendments

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

19. Assignment

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

20. Subcontracts

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

21. Delays in the supplier's performance

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

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

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

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

22. Penalties

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

23. Termination for default

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

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

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

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

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

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

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

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

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

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

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

24. Anti-dumping and countervailing duties and rights

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

may be due to him

25. Force Majeure

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

26. Termination for insolvency

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

27. Settlement of Disputes

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

28. Limitation of liability

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

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

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